



# **FIGHTING CORRUPTION IN THE NEW MILLENNIUM**

## **Seoul Conference on Combating Corruption in the Asia-Pacific Region**

**December 11<sup>th</sup> – 13<sup>th</sup>, 2000  
Seoul, Korea**

### **PROGRAM**

IN CO-OPERATION WITH THE



**OFFICE OF THE PRIME MINISTER  
REPUBLIC OF KOREA**

IN ASSOCIATION WITH PARTNER INSTITUTIONS

**Department for International Development (UK), Konrad-Adenauer Foundation, Pacific Basin Economic Council,  
United Nations Development Program, United States Agency for International Development**

AND ASSOCIATED PARTNERS

**Transparency International, World Bank Group**

**FIGHTING CORRUPTION IN THE NEW MILLENIUM:  
SEOUL CONFERENCE ON COMBATING CORRUPTION  
IN THE ASIA-PACIFIC REGION**

**11-13 December, 2000  
Seoul, Korea**

## **Summary Description**

### **Objectives**

At the first Meeting of the ADB OECD Forum on Combating Corruption in the Asia-Pacific region last year, participants from over 36 ADB and OECD countries recommended anti-corruption measures to be implemented by governments, businesses, media and civil society in the region. The purpose of this year's Meeting is to report on implementing these measures, to focus on corruption prone areas and lay the groundwork for successful co-operation and partnerships among all players in the region. Participants will be invited to identify present and potential opportunities for co-operation within their own countries, and with organizations in other countries, to promote the fight against corruption.

### **Methodology**

The two-day-and-half program includes presentations, case studies, focus groups and round-table discussions. The workshop will take place at COEX Convention & Exhibitions Centre, World Trade Centre, Kangnam-gu, Seoul 135-731, Korea. The workshop will start at 8:30 a.m., Monday, December 11<sup>th</sup> and will end at 12.00 a.m. on Wednesday, December 13<sup>th</sup>. Registration and the welcoming reception will take place on Sunday evening, December 10<sup>th</sup>.

Presentations by lead speakers and comments by discussants will respectively be limited to 10 minutes in order to leave time for discussion. Interventions from the floor should not exceed 5 minutes. To the extent possible, copies of papers and presentations will be distributed at the conference workshop. The working language will be English.

### **Countries invited**

ADB regional Member countries and OECD Member countries.

### **Partner organizations**

Department for International Development UK (DFID), Konrad Adenauer Foundation (KAF), Pacific Basin Economic Council (PBEC), United Nations Development Program (UNDP), United States Agency for International Development (USAID).

### **Associate Partners**

Transparency International (TI), World Bank Group (WB)

### **Other organizations**

Asia Foundation, Asia-Pacific Economic Cooperation, Association of Southeast Asian Nations, International Chamber of Commerce, International Federation of Accounts, International Federation of Consulting Engineers, International Monetary Fund, National Development Institute, Trade Union Advisory Committee to the OECD, United Nations, World Trade Organisation.

### **Target audience**

Participants will include representatives of the Asian business, media and NGO communities, as well as senior policy makers and officials from the Asia-Pacific region from the ministries of finance and justice and accountability institutions that have a direct impact on curbing corruption and bribery. It is hoped that the diversity of this group will facilitate co-operation and alliances between the many stakeholders in the fight against corruption.

## BACKGROUND

Measures to curb bribery and corruption are now firmly on the international agenda. 34 signatory countries, including four countries of the Asia-Pacific region have signed the OECD Convention on Combating Bribery in International Transactions and are now implementing tough new legislation against transnational bribery<sup>1</sup>.

The World Bank, IMF and Asian Development Bank are prepared to withhold financial backing from programs and companies accused of corruption. Other international organizations such as the Council of Europe, the European Commission, the United Nations and the World Trade Organisation are undertaking major initiatives against international graft.

Non Governmental Organizations (NGOs), such as the Konrad-Adenauer-Stiftung and Transparency International, private sector organizations such as PBEC, and bilateral aid agencies such as DFID and USAID, are also participating in the efforts of national governments and international organizations to combat and curb corruption.

As recognition of the need to combat corruption world-wide, including in the Asia-Pacific region, grows, so does the need for information exchange among the increasing number of institutions involved with respect to the manifestations of corruption and the different strategies for counteracting corruption in varying contexts. To this end,

the annual ADB OECD Forum on Combating Corruption in the Asian and Pacific Region brings together major stakeholders to exchange experience and ideas about the fight against corruption.

The idea for such a Forum arose among participants in a workshop on *Combating Corruption in the Asian and Pacific Economies* sponsored by the Asian Development Bank (ADB) and the Organisation for Economic Co-operation and Development (OECD) and held at the ADB headquarters in Manila, the Philippines, on 29 September - 1 October 1999.

At this meeting, participants from more than 36 ADB and OECD countries called upon the conference organizers and partner institutions to organize a regular forum on anti-corruption activities in Asia and the Pacific under the leadership of the Asian Development Bank and the Organisation for Economic Co-operation and Development.

The objective of the Manila workshop was to raise awareness of the seriousness of the corruption problem and to identify effective anti-corruption strategies. The workshop provided support for anti-corruption initiatives at national, sub-regional, and international levels and identified future actions in the public and private sector, including strategies to promote stronger law enforcement and better governance in institutional government structures as well as greater integrity and transparency in the private sector.

<sup>1</sup> This includes all 29 OECD countries (Australia Austria Belgium Canada Czech Republic Denmark Finland France Germany Greece Hungary Iceland Ireland Italy Japan Korea Luxembourg Mexico the Netherlands New Zealand Norway Poland Portugal Spain Sweden Switzerland Turkey United Kingdom United States) as well as 5 non-OECD countries (Argentina, Brazil, Bulgaria, Chile, and Slovak Republic).

## THEMATIC FOCUS OF THE ADB/OECD FORUM

With this in mind, the second annual Meeting of the ADB/OECD Initiative on Combating Corruption in the Asia-Pacific Region will bring together leading actors in the fight against bribery and corruption to discuss ways businesses as well as government can and should be actively involved in fighting corruption in the region.

Convinced that bribery in international business transactions has many harmful repercussions and that an effective world-wide policy is best suited to fight corruption, the OECD Members have developed different instruments to strengthen integrity and transparency in business operations: the 1997 Convention on Combating Bribery of Foreign Public Officials in International Business Transactions which entered into force in 1999, the 1997 Revised Recommendation on Combating Bribery in International Business Transactions, the 1996 Recommendation on Tax Deductibility of Bribes to Foreign Officials, and the Recommendation to Combat Corruption in Aid-Funded Procurement.

These instruments are part of a broad interdisciplinary approach aimed at promoting good corporate behavior by:

- setting out principles governing the responsibilities of enterprises
- improving transparency through stronger bookkeeping and auditing standards
- encouraging business integrity
- motivating business to introduce sound internal rules, including standards of conduct, and controls, applied down to the operational level
- promoting higher sanctions in the area of public procurement

The Convention and its related instruments also recognize the key role of governments in preventing solicitation of bribes and encouraging ethical conduct among public officials. The 1998 Recommendation on Improving Ethical Conduct in the Public Service provides a set of management principles for governments to check their national institutional circumstances.

The Asian Development Bank's anticorruption policy is intended to reduce the burden that widespread, systemic corruption exacts upon the governments and economies of the region. The ADB seeks to combat graft and corruption as part of its broader work on issues of governance and capacity building. Specifically, the policy is centered upon three objectives:

- supporting competitive markets and efficient, effective, accountable and transparent public administration;
- supporting promising anticorruption efforts on a case-by-case basis and improving the quality of the Bank's dialogue with developing member countries on a range of governance issues, including corruption; and
- ensuring that the ADB's projects and staff adhere to the highest ethical standards.

## OBJECTIVES AND ISSUES FOR DISCUSSION

This conference aims to report on progress achieved in the region in fighting corruption since the Manila conference, to focus on corruption prone areas, and lay the groundwork for further partnerships among all players in the region. More specifically, the Meeting will pose a series of issues for debate around the following topics:

- Fighting corruption in prone areas
- International standards of integrity in business practices and governments
- Improving public and corporate governance
- Self-regulation strategies
- Improving disclosure and accountability in government and business operations
- Actions taken by multinationals, local enterprises and business associations
- Generating support for anti-corruption initiatives through business groups, civil society, the media and aid agencies

The OECD instruments on bribery in international business transactions (Convention and Recommendations) and on public ethics, and the ADB Anticorruption Policy will be important points of reference during the Meeting's discussion.

## STRUCTURE

The 2 1/2 days program includes presentations, case studies, focus groups and round-table discussions. To facilitate discussions, background documents that will discuss the different measures that may help prevent or detect corruption will be prepared by the ADB and OECD Secretariats and other leading experts. This work will include case studies.

Presentations by lead speakers and comments by discussants will be limited to 10 minutes, respectively, in order to leave time for discussion. Interventions from the floor should be brief. The working language will be English.

## **PARTICIPANTS**

Meeting participants will include senior government officials, representatives of anti-corruption agencies, civil society and business sector representatives from Asia and Pacific countries<sup>2</sup> and OECD Member countries.

Meeting participants will also include senior officials of the United Nations Development Program, the World Bank and the World Trade Organisation, as well as representatives of donor organizations.

Business, professional, employee and financial communities and representatives of the civil society and non-government organizations will also actively participate in the Meeting.

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<sup>2</sup> Countries invited to send representatives include: Australia, Bangladesh, Bhutan, Cambodia, People's Republic of China, Fiji, Hong Kong, China, India, Indonesia, Japan, Kazakhstan, Korea, Kyrgyz Republic, Lao People's Democratic Republic, Malaysia, Maldives, Mongolia, Nepal, New Zealand, Pakistan, Papua New Guinea, Philippines, Samoa, Singapore, Solomon Islands, Sri Lanka, Taipei (China), Tajikistan, Thailand, Uzbekistan, Vanuatu, and Viet Nam.

# PROGRAMME

## SUNDAY 10 DECEMBER AFTERNOON

16:00 – 18:00	<b>REGISTRATION</b>
	<i>Participants receive basic orientation and documentation including copies of presentations, list of participants</i>
18:00 – 20:00	<b>Dinner and Traditional Arts Performance Hosted by the Government of Korea and the Seoul Metropolitan Government</b>
	<p><b>Welcoming Remarks</b>  <i>Mr. Goh Kun, Mayor of Seoul, Republic of Korea</i>  <i>Mr. Sung Nam Kim, Chairman of the Presidential Committee on Anti-Corruption, Republic of Korea</i></p> <p><b>Dinner</b></p>

## MONDAY 11 DECEMBER MORNING

8:30 - 12:30 <i>Plenary</i>	<p><b>SESSION 1</b>  <b>TAKING STOCK OF PROGRESS IN THE FIGHT AGAINST CORRUPTION IN THE REGION</b></p> <p><i>This plenary session enables participants to take stock of countries' performance in implementing anti-corruption measures over the past year</i></p>
8:30– 9:00	<p><b>Opening Remarks</b>  <i>Mr. Seiichi Kondo, Deputy Secretary-General, OECD</i></p> <p><b>Keynote Address</b>  <i>Mr. Byoung Woo Ahn, Minister, Office of the Prime Minister, Republic of Korea: Combating Corruption in the New Millennium</i></p> <p><b>Lead speaker: Fighting Corruption in the Region</b>  <i>Mr. John Lintjer, Vice President (Finance and Administration), and Chairman of ADB Anticorruption Task Force</i></p>
9:00 – 10:00	<p><b>A. Responding to corruption in the Asia-Pacific region: Countries' success stories</b>  <i>Speakers from governments from selected Asia-Pacific countries describe strategies and experience.</i></p> <p><b>Chair:</b> <i>Mr. Shoji Nishimoto, Director, Strategy and Policy Department, ADB</i></p> <p><b>Lead speakers:</b>  <i>Mr. Hong Bin Kang, Vice Mayor of Seoul, Republic of Korea: Cleaning up the City Government of Seoul: A Systematic Approach</i>  <i>Dr. Juree Vichit-Vadakan, Director, National Institute of Development Administration, Thailand</i>  <i>Mr. Zhao Dengju, Deputy Prosecutor General of China</i>  <i>Lt.General Khalid Maqbool, Chairman, National Accountability Bureau, Pakistan</i></p> <p><i>General discussion</i></p>
10:00 - 10:30	<b>Coffee break</b>



**MONDAY 11 DECEMBER MORNING (Continued)**

10:30 - 11:30	<p><b>B. Deterring and punishing effectively corruption of public officials</b>  <i>Speakers from selected Asia-Pacific countries describe experience</i></p> <p><b>Chair:</b> <i>Nicola Bonucci</i>, Deputy Head, Legal Department, OECD</p> <p><b>Lead speakers:</b>  <i>Mr. Kee Bong Paek</i>, Prosecutor, Ministry of Justice, Republic of Korea: The Role of the Ministry of Justice and the Prosecutor's Office in Korea  <i>Mr. Wang Hongxiang</i>, Deputy Director, Foreign Affairs Bureau, Supreme People's Procurator, People's Republic of China: China's Struggle to Combat Corruption and Bribery: Countermeasures and Challenges  <i>Mr. Chua Cher Yak</i>, Director, Corrupt Practices Investigation Bureau, Singapore: Good Men, Good Laws: Curbing Public Sector Corruption</p> <p><i>General discussion</i></p>
11:30 - 12:30	<p><b>C. Tackling Corruption: Media, Education and Public Awareness</b></p> <p><b>Chair:</b> <i>Ms. Pauline Tamesis</i>, Programme Specialist, UNDP</p> <p><b>Lead speakers:</b>  <i>Mrs. Catherine Chui</i>, Ag. Assistant Director of Community Relations, ICAC Hong Kong (China): Tackling Corruption: School Education and Public Awareness  <i>Mr. Enayetullah Khan</i>, Editor, The Holiday, Bangladesh  <i>Yvonne Chua</i>, Director of Training, Philippine Centre for Investigative Journalism, the Philippines: Access to Information in Southeast Asia</p> <p><i>General discussion</i></p>
12:30 –14:00	<p><b>Lunch hosted by Vice President John Lintjer, ADB</b></p>

**MONDAY 11 DECEMBER AFTERNOON**

<b>14:00 – 17:30</b> <i>Working session</i>	<b>SESSION 2</b> <b>MEASURES TO PREVENT CORRUPTION IN CORRUPTION PRONE AREAS</b>
	<i>Three simultaneous workshop discussions on lessons learned from promoting administrative reform in the three major corruption prone areas of police forces, government procurement, and tax administration</i>
	<b>Focus Group 1 – Preventing Corruption in Police Forces</b>
14:00-15:30	<p><b>Facilitator:</b> <i>Mr. Michael Taylor</i>, Metropolitan Police of London, United Kingdom: Effectively Combating Corruption Within the Metropolitan Police Service</p> <p><b>Presenters:</b>  <i>Mr. Harry C. Lorenzo, PhD</i>, Director, Institute for Strategic and International Studies, the Philippines: Developing a Technology of Behavior: Alternative Approach to Prevent Police Corruption  <i>Mr. Bong Ahn Yoo</i>, Director for Inspection, National Police Agency, Republic of Korea: The Police Anti-Corruption Plan in Korea</p> <p><i>General Discussion</i></p>
	<b>Focus Group 2 – Preventing Corruption in Government Procurement</b>
14:00-15:30	<p><b>Facilitator:</b> <i>Mr. Peter Pedersen</i>, General Auditor, Office of the General Auditor, ADB</p> <p><b>Presenters:</b>  <i>Mrs. Vesile Kulacoglu</i>, Counsellor, Intellectual Property Division, World Trade Organization  <i>Mr. Byung Tae Kang</i>, Director-General for Planning &amp; Management, Public Procurement Service, Republic of Korea: Anticorruption Measures in the Public Procurement Service Sector in Korea</p> <p><i>General discussion</i></p>

**MONDAY 11 DECEMBER AFTERNOON (Continued)**

	<b>Focus Group 3 – Preventing Corruption in Tax Administration</b>
14:00-15:30	<p><b>Facilitator:</b> <i>Dr. Jose Edgardo Campos</i>, Senior Strategy Advisor for Public Sector Reforms, Department of Budget and Management, the Philippines (USAID-AGILE )</p> <p><b>Presenters:</b>  <i>Mr. David C. Williams</i>, US Treasury Inspector General for Tax Administration (TIGTA): Preventing Corruption in Tax Administration: Ensuring the Confidentiality of Taxpayer Information  <i>Mr. Sang Yool Han</i>, Director, Task Force for Reform of Tax Administration, National Tax Service, Republic of Korea: Recent Reform of Korean Tax Administration: Focused on Measures for Prevention of Corruption  <i>Mr. Graeme Waters</i>, Senior Manager, Ernst &amp; Young, Australia, former Manager of Fraud Prevention Group (Australian Taxation Office): Fighting Fraud in the Australian Public Sector</p> <p><i>General discussion</i></p>
15:30 - 16:00	<b>Coffee break</b>
<b>16:00 - 17:00</b> <b>Plenary</b>	<i>Report to the plenary from the three workshops and general discussion</i>
	<p><b>Chair:</b> <i>Mr. Denis Osborne</i>, ADB Consultant</p> <p><b>Reporters:</b>  <i>Mr. Michael Taylor</i>, UK, (workshop 1)  <i>Mr. Peter Pedersen</i>, ADB (workshop 2)  <i>Dr. Jose Edgardo Campos</i>, (workshop 3)</p> <p><i>General discussion</i></p>
18:30 - 20:30	<b>Dinner hosted by Prime Minister Han Dong Lee, Republic of Korea</b>

**TUESDAY 12 DECEMBER MORNING**

<b>8:30 – 13:00</b> <b>Plenary &amp; Working</b>	<b>SESSION 3</b> <b>ANTI-CORRUPTION STRATEGIES IN PRIVATE SECTOR</b>
	<i>This session enables the participants to highlight the experiences of fighting corruption and share ideas on formulating the anti-corruption strategies in private sector</i>
<b>8:30 – 9:30</b> <b>Plenary session</b>	<b>Prevention of Corruption in the Private Sector : Success Stories</b> <i>Speakers from selected Media and NGO describe strategies and experiences</i>
	<b>Chair:</b> <i>Mr. Robert Lees, Secretary-General, Pacific Basin Economic Council (PBEC)</i>  <b>Lead Speakers:</b> <i>Mr. Neil Maloney, Director, Commercial Enquiries, Hill &amp; Associates, Hong Kong-China: Corruption and the Private Sector</i> <i>Mr. Tunku Abdul Aziz, Vice Chairman of the Board, Transparency International, President of TI Malaysia</i> <i>Mr. Natee Vichitsorasatra, The Nation (Bangkok), Thailand: The Media's Role in the Creation of a Public Information Network</i>  <i>General Discussion</i>
<b>9:30 – 10:00</b>	<b>Coffee break</b>
<b>10:00 – 13:00</b> <b>Working session</b>	<b>Developing Prevention Strategies in Businesses</b>
	<i>Three simultaneous workshop discussions on prevention strategies for the private sector</i>
	<b>Focus Group 1 – Developing an Anti-Corruption Corporate Culture</b>
10:00-11:30	<b>Facilitator:</b> <i>Mrs. Eney Quinones, Head, Anti-Corruption Unit, Directorate for Financial, Fiscal and Enterprise Affairs, OECD</i>  <b>Presenters:</b> <i>Mr. Pak Mukti Asikin, General Secretary, Association for the Advancement of Small Business, Indonesia: Corruption Elevation through the Establishment of One-Stop Services Offices</i> <i>Mr. Guillermo Luz, President, Makati Business Club, the Philippines</i> <i>Mr. Zusun Rhee, Research Fellow, Korea Economic Research Institute, Republic of Korea: Korean Corporate Efforts for an Anti-Corruption Corporate Culture</i>  <i>General Discussion</i>

**TUESDAY 12 DECEMBER MORNING (continuous)**

	<b>Focus Group 2 – Improving Corporate Governance</b>
10:00-11:30	<p><b>Facilitator:</b> <i>Mr. Jaseem Ahmed</i>, Senior Financial Capital Markets Specialist, Infrastructure (West) Department, ADB</p> <p><b>Presenters:</b>  <i>Mr. Michael Davies</i>, Vice President, General Counsel &amp; Secretary, General Electric Canada, Inc., Chairman of the PBEC Working Committee on Transparency: Company Codes of Conduct: The Ingredients of an Effective Compliance Program  <i>Mr. Jean-François Arvis</i>, Senior Adviser, Corporate Governance Forum, World Bank  <i>Mr. Keijiro Kimura</i>, Attorney, Kyoei Law Office Osaka, Senior Member, Anti-Racketeering Committee of Japan Federation of Bar Association, Japan: Partnership between Public and Private Sectors to Fight Corruption Linked with Organised Crime</p> <p><i>General discussion</i></p>
	<b>Focus Group 3 – Ensuring Disclosure and Accountability in Business Operations</b>
10:00-11:30	<p><b>Facilitator:</b> <i>Mr. Francis Narayan</i>, Lead Financial Specialist, Economics and Development Resource Centre, ADB</p> <p><b>Presenters:</b>  <i>Mr. Jhung Soo Park</i>, Director, Research Department, Seoul Institute for Transparency, Republic of Korea: Measuring Corporate Corruption in Korea  <i>Mr. Behdad Nowroozi</i>, Senior Financial Management Specialist World Bank</p> <p><i>General discussion</i></p>
11:30 – 12:00	<b>Coffee break</b>
12:00 – 13:00 <b>Plenary</b>	<i>Report to the plenary from the three workshops and general discussion</i>
	<p><b>Chair:</b> <i>Dr. Rainer Geiger</i>, Deputy Director, Directorate for Financial, Fiscal and Enterprise Affairs, OECD</p> <p><b>Reporters:</b>  <i>Mrs. Enery Quinones</i> (workshop 1)  <i>Mr. Jaseem Ahmed</i>, ADB (workshop 2)  <i>Mr. Mr. Francis Narayan</i>, ADB (workshop 3)</p> <p><i>General discussion</i></p>
13:00 – 14:30	<p><b>Lunch hosted by OECD/CCNM</b>  Keynote speech: <i>Dr. Marilyn Yakowitz</i>, Programme Development and Financial Management, Centre for Co-operation with Non-members, OECD: “Corruption and Development”</p>

**TUESDAY 12 DECEMBER AFTERNOON**

<b>14:30-17:30</b> <b>Working session</b>	<b>SESSION 4</b> <b>MAKING ANTI-CORRUPTION ACTIONS WORK</b>
	<i>Three simultaneous workshop discussions on how effective partnerships to make anti-corruption actions work can be designed and implemented in the region</i>
14:30 – 16:00	<b>Focus Group 1 – Creating Supportive Environment and Ensuring Integrity at the Public/Private Sector Interface</b>
	<p><b>Facilitator:</b> <i>Mrs. H�el�ene Gadriot-Renard</i>, Head of Division, Governance and the Role of State, Public Management Service, OECD</p> <p><b>Presenters:</b>  <i>Mr. Hideki Goda</i>, Deputy-Director, Secretariat of the National Public Service Ethics Board, Japan  <i>Mr. O' Keefe</i>, Supreme Court Judge, NSW, Australia  <i>Mr. Tom Delare</i>, Chairman of the ad-hoc group on non-members, OECD Working Group on Bribery in International Business Transactions, United States</p> <p><i>General discussion</i></p>
14:30 – 16:00	<b>Focus Group 2 – Developing public / private partnerships</b>
	<p><b>Facilitator:</b> <i>Dr. Eric Walton Clemons</i>, AAAS Diplomacy Fellow, Bureau for Asia and the Near East, USAID</p> <p><b>Presenters:</b>  <i>Dr. Vuthiphong Priebjrivat</i>, Sahasavas (year 2000) Institute, Thailand  <i>Mr. Anand Satyanand</i>, Judge, Office of the Ombudsman, New Zealand  <i>Dr. Fr�ed�eric Wehr�el�e</i>, Co-ordinator Anti-Corruption Outreach Activities, OECD Anti-Corruption Unit, (confirmed, OECD): The Role of the Internet in Developing Public/Private Partnerships and Sharing Anti-corruption Experience.</p> <p><i>General discussion</i></p>

**TUESDAY 12 DECEMBER AFTERNOON (continued)**

14:30 – 16:00	<b>Focus Group 3 – Enlisting media, NGOs and aid agencies</b>
	<p><b>Facilitator:</b> <i>Tunku Abdul Aziz</i>, Vice-Chairman of the Board, Transparency International, President of TI Malaysia</p> <p><b>Presenters:</b>  <i>Mr. Manzoor Hasan</i>, TI Bangladesh  <i>Mr. Nam-Joo Lee</i>, General Secretary of the National Council of YMCAs of Korea and Member of Korea's Presidential Committee on Anti-Corruption: NGOs Role in the Prevention of Corruption  <i>Mr. P.S. Mason</i>, Co-ordinator, Department for International Development (DFID), United Kingdom: Improving Co-operation between Development Agencies, Governments and Civil Society</p> <p><i>General discussion</i></p>
16:00-16:30	<b>Coffee break</b>
<b>16:30 – 17:30 Plenary</b>	<i>Report to the plenary from the three workshops and general discussion</i>
	<p><b>Chair:</b> <i>Dr. Clay Wescott</i>, Senior Public Administration Specialist, Programs (West) Department, ADB</p> <p><b>Reporters:</b>  <i>Mrs. Hélène Gadriot-Renard</i>, (workshop 1)  <i>Mr. Ed Anderson</i>, (workshop 2)  <i>Mr. Tunku Abdul Aziz</i>, (workshop 3)</p> <p><i>General discussion</i></p>
<b>18:30 – 20:30</b>	<b><i>Dinner hosted by the Ministry of Foreign Affairs and Trade, Republic of Korea</i></b>
	<i>For the invitees only such as chairs, facilitators, lead-speakers, presenters and representatives of international organizations</i>

**WEDNESDAY 13 DECEMBER MORNING**

<b>8:30 – 10:00</b> <b>Closing Plenary</b>	<b>FIGHTING CORRUPTION IN THE 21<sup>st</sup> CENTURY</b>
	<p><b>Chairs:</b> <i>Dr. Rainer Geiger</i>, Deputy Director, Directorate for Financial, Fiscal and Enterprise Affairs, OECD <i>Mr. Shoji Nishimoto</i>, Director, Strategy and Policy Department, ADB</p> <p><b>Discussion: Framework for Action</b> <i>Mr. Tom Delare</i>, Chairman of the ad-hoc group on non-members, OECD Working Group on Bribery in International Business Transactions, United States: International Instruments for Globalising the Fight Against Corruption <i>Dr. Key Chong Park</i>, Director-General for Inspection &amp; Investigation, Office of the Prime Minister, Republic of Korea: Promoting Regional Co-operation in Corruption Prevention</p> <p><i>General discussion</i></p>
10:00 – 10:30	<b>Coffee break</b>
10:30 -11:00	<p><b>Conference Conclusions</b></p> <p><b>Closing Remarks</b> <i>Dr. Rainer Geiger</i>, Deputy Director, Directorate for Financial, Fiscal and Enterprise Affairs, OECD <i>Mr. Shoji Nishimoto</i>, Director, Strategy and Policy Department, ADB</p>
<b>11:00 - 12:00</b>	<b>PRESS CONFERENCE</b>
<b>12:00 – 13:00</b>	<b>DONORS MEETING (for donors organizations only)</b>



# PROGRAMME NOTES

## **SESSION 1: TAKING STOCK OF PROGRESS IN THE FIGHT AGAINST CORRUPTION IN THE REGION**

### **A. Responding to corruption in the Asia-Pacific region: Countries' success stories**

In this first session, participants will learn about actions undertaken in four countries of the region (Republic of Korea, Thailand, People's Republic of China, Pakistan) to fight corruption using as benchmarks the Conclusions of the Manila Workshop. A discussion will follow where participants will be able to ask questions which make the presentations relevant to their own specific problems or offer insights into their own experience.

### **B. Deterring and punishing effectively corruption of public officials: Learning from local experiences**

This second session will allow participants to review different strategies developed by three countries of the region to deter and punish effectively corruption of public officials.

A senior Korean expert will present the experience of the Ministry of Justice of Korea in investigating and punishing

corruption of public officials, a senior expert from Singapore will detail the governmental role as an institutional safeguard to good governance and a senior official from China will describe the rules applicable to investigation and prosecution in the People's Republic of China. For each case study, problem areas will be identified and strategies for dealing with these weaknesses will be presented.

### **C. Tackling corruption: Media, Education and Public Awareness**

This last session will allow participants to review different strategies to tackle corruption through media, education and public education campaigns against corruption. A discussion will follow where participants will be able to ask questions that make the presentations relevant to their own specific problems or offer insights into their own experience.

## **SESSION 2 - FOCUS GROUPS DISCUSSION: MEASURES TO PREVENT CORRUPTION IN CORRUPTION PRONE AREAS**

This session is divided into three parallel focus groups. The focus groups will permit participants to brainstorm on specific and concrete measures governments and public institutions can take to reduce corruption. The goal is to share experiences and ideas on formulating a variety of anti-corruption actions in three corruption prone areas: law enforcement, government procurement, and tax administration. ADB and OECD work on good public governance and tax evasion will be an important point of reference during the discussion.

Participants will be assisted in their discussion by experts with a range of specialisation so as to address both the depth and breadth of the topic. Facilitators will help guide the discussions and reporters chosen by each group will summarise the concrete findings of each group. Discussions should culminate in a list of concrete and "actionable" anti-corruption measures that the plenary will consider at the end of the session.

### ***Focus Group 1 - Preventing Corruption in Police Forces***

Corruption among law enforcement officials – which makes petty corruption visible as a daily practice – imposes a direct threat to the rule of law. The focus group will discuss the experiences of recent programs in the region in order to identify the success factors.

Topics to be discussed will include:

- Prevention methods used from recruitment to ancillary/secondary employment.
- Internalizing high standards of conduct in the daily business.
- Who watches the watchers? The shared role of the internal specialized bodies (police of the police) and external supervisory organizations (ombudsman, prosecutor).

### ***Focus Group 2 - Preventing Corruption in Government Procurement***

Devolved management with greater flexibility is a key feature of public management reforms. However, it also requires mechanisms to control the use of discretionary powers.

Corruption in government procurement causes a wasteful spending of government budget,

decline of corporate productivity, and creation of corruptive structures. As a result, it finally causes a decline of national competitiveness. In regarding this, Focus Group 2 will analyze the actual conditions of government procurement, and have in-depth discussion to enhance transparency and accountability in government procurement.

Topics to be discussed will include:

- Clarifying enforcement and implementation of regulations and rules
- Simplifying procedures
- Improving transparency and equity
- Enforcement of International Co-operation in the government procurement sector

### **Focus Group 3 - Preventing Corruption in Tax Administration**

Corruption in the tax administration is another prone area for administrative reform in the Asia-Pacific region. Corruption of tax officials causes many problems. Governments lose revenues and so taxes on those who do not escape the tax net must rise to plug the gap and taxpayers lose confidence in the fairness of tax system and voluntary compliance is at risk.

Corruption in tax administration is often the result of the complexity of the tax system, unclear tax regulations and standards that provide much room for the personal judgement of tax officials in the process of levying taxes. The low level of compensation of tax officials also contributes to corruption. Tax audits that are not transparent and the tendency among tax officers to consult with private citizens out of convenience may also encourage taxpayers to seek collusive links with tax officials.

In this session, participants will discuss measures aimed at preventing corruption in tax administration. Participants will learn in particular about the experience of Korea,

Australia and the USA in addressing corruption in the tax Administration.

Topics to be discussed will include:

- Design of the tax examination program and monitoring of results of tax audits
- Measures to detect corruption in tax administrations (risk assessment)
- Means for countering corruption in tax administration, covering legislation, code of ethics, internal audit manuals and techniques
- Purpose of internal audits, organization, structure, role of headquarters
- The internal audit cycle: strategy, planning, obtaining effective evidence, reviewing and interpreting findings)
- Methods of tax collection that minimise corruption
- Investigation and punishment of corrupt officials
- What to think about linking the level of compensation of tax officials to the results of tax audits (directly or indirectly) to prevent corruption?

## **SESSION 3 – PLENARY & FOCUS GROUPS DISCUSSION: ANTI-CORRUPTION STRATEGIES IN PRIVATE SECTOR**

Governments cannot combat corruption alone. Other actions are needed in order to give effect to the aim of eliminating corruption. Businesses - as they often are both the victim and the instigator of corruption - play a fundamental role.

The purpose of this session is to highlight the experiences of businesses that are active against corruption in the Asia-Pacific region - multinationals and local firms alike - and share ideas on formulating a variety of anti-corruption actions that can be taken by businesses. The discussion will be split into three parallel focus groups that will pose a series of issues for debate around the following topics:

- International standards of integrity in business practices

- Developing self-regulation strategies and Improving corporate governance
- Improving disclosure and accountability in business operations

The OECD instruments on bribery in international business transactions (Convention and Recommendations) and corporate governance will be an important point of reference during the discussion. Participants will be assisted in the plenary and group discussions by experts with a range of specialization so as to address both the depth and breadth of the topic. Facilitators will help guide the discussions. Discussions should culminate in a list of concrete and “actionable” anti-corruption preventive measures that will be summarized by the reporters and considered by the plenary at the end of the session.

### ***Plenary: Prevention of Corruption in the Private Sector – Success Stories***

To emphasise the role that businesses can play in combating corruption has is particularly important in the light of the growing interconnectedness of the private and public sector in today’s world.

This plenary session enables the participants to highlight the experiences of fighting corruption and share ideas on formulating the anti-corruption strategies in private sector. Three speakers from selected Media, NGOs and the private

sector will present the success cases of strategies and experiences in the private sector.

Topics to be discussed will include:

- Cause and conditions of corruption in private sector
- Case of self-ethical reinforcement
- Case of private/public cooperation for anti-corruption

### ***Focus Group 1: Developing an Anti-Corruption Corporate Culture***

In this session, participants will discuss self-regulation strategies developed and enforced by corporations, business associations and

international organizations in support of fair competition and ethical standards.

Participants will learn in particular about codes of conduct and charters of standards for transactions that have been developed and implemented by businesses and business associations from 24 OECD countries in order to fight bribery. In the following discussion, participants will offer views about how usefully they are being or can be applied in the region, and provide

feedback on how they can be augmented to fit their own country existence.

Topics to be discussed will include:

- Developing rules within or between enterprises
- Useful examples of codes of conduct
- Enforcing integrity standards

### ***Focus Group 2 - Improving Corporate Governance***

Western experience has taught corporations the need for transparency and these experiences have slowly shaped the internal framework of corporations into internal policy guidelines that are being increasingly developed by companies in OECD countries - guidelines that are commonly referred to as corporate governance.

Although there is not one form of corporate governance, there are internationally accepted principles that underlie sound business structures. These principles put forth the concept that within each company there should be a balanced division of power and duties: corporate leaders, who are entrusted with the task of enhancing shareholders' or stakeholders' value, should conduct the business of the company in a way that preserves their accountability towards the other constituencies of the enterprise. The idea is that corporate leaders are not only accountable for the economic, but also for the ethical behaviour of the enterprise.

In this focus group, participants will discuss these principles that underlie sound business structures. In particular, participants will be presented a set of corporate governance standards and guidelines that has been developed by the OECD and the World Bank, in conjunction with national governments, other relevant international organizations and the private sector. In the following discussion, discussants will offer views about how usefully they are being or can be applied in the region, and provide feedback on how they can be augmented to fit their own country existence.

Topics to be discussed will include:

- Defining the concept of "conflict of interest" and how it affects senior management
- Strong independent boards of directors, strong audit committee and internal audit functions
- Honest and fair dealings with all elements of the community (employees, suppliers, customers and neighbors)

### ***Focus Group 3 – Ensuring Disclosure and Accountability in Business Operations***

Accounting, auditing and financial controls are linked to the company's overall anti-bribery and anti-corruption policy. For this reason, the "accounting provisions" of inter-governmental agreements, such as the OECD Anti-Bribery

Convention, or of business or professional associations such as the Pacific Basin Economic Council, the International Chamber of Commerce and the International Federation of Accounts, warrant the focused attention of

companies' executives, the members of their audit committees and board of directors (or bodies serving similar purposes).

The formulation of policies by companies' management that are congruent with internationally accepted accounting, auditing and financial reporting standards will be discussed in this context as contributing to the fight against corruption. In particular, participants will discuss countries' progress in implementing the "accounting provisions" of the OECD Convention.

Topics to be discussed by the focus group will include:

- ❑ Established and accepted standards of financial accountability and transparency within firms
- ❑ Internal control and record keeping
- ❑ Policies for approving expenses
- ❑ Financial reporting and disclosure
- ❑ Responsibilities of external auditors

## **SESSION 4 - MAKING ANTI-CORRUPTION ACTIONS WORK**

Governments and businesses cannot combat corruption neither alone nor separately. To succeed, active participation by all stakeholders is indispensable.

The purpose of this session is to lay the groundwork for successful partnerships among all players in the region by brainstorming on specific and concrete measures that can be taken to make anti-corruption actions work. The three parallel focus groups will pose a series of issues for debate around the following topics:

- ❑ Creating a supportive environment for an effective implementation of anti-corruption programs

- ❑ Developing public/private partnerships
- ❑ Generating support through NGOs, trade unions, business associations, aid agencies.

Participants will be assisted in their discussion by experts with a range of specialisation so as to address both the depth and breadth of the topic. Facilitators will help guide the discussions. Discussions should culminate in a list of concrete and "actionable" recommendations that will be summarized by the reporters and considered by the plenary at the end of the session.

### **Focus Group 1: Creating a Supportive Environment and Ensuring Integrity at the Public/Private Sector Interface**

The creation of a supportive environment needs a co-operative action of all state institutions. This focus group will look at co-operative efforts – ranging from co-ordination to joint actions – that improve the consistency of individual anti-corruption measures. Participants will learn in particular about

measures used by countries in the region, including Japan, Australia, and USA to eliminate corruption at the public/private interface.

Topics to be discussed will include:

- Developing government measures to ensure integrity at the public/private interface
- Regulatory transparency as an anti-corruption strategy
- Developing a complex package of anti-corruption measures.
- The role of the independent institutions preventing corruption

### **Focus Group 2: Developing Public / Private Partnerships**

A constructive dialogue between the business community and the government, and continuous exchange of experience with best practices and about successful anti-corruption strategies between all actors involved in the fight against corruption, can make a major difference. Policy and law-makers cannot be expected to consistently take the lead on anti-corruption efforts. They are much better positioned to achieve concrete results in curbing corruption if they enter a productive and efficient dialogue with business associations and other private actors in the fight against corruption.

Because of the nature of their operations, businesses have an insider knowledge of the corrupt practices in doing business with public officials. The public at large by encountering corrupt practices in daily life has an insider knowledge of corrupt practices. For these reasons, business associations and the civil society can be powerful allies in the fight against corruption.

This focus group will look at co-operative efforts linking the public and private sectors in the fight against corruption and what concrete results local and regional business associations and civil society institutions can achieve in this fight.

Topics to be discussed will include:

- Developing links between governments and businesses
- Civil society as the prime "whistle blowers"
- Sharing of information and experience by means of new communication technologies such as internet
- State support to private sector anti-corruption initiatives without developing or reinforcing government patronage over companies.

### **Focus Group 3: Enlisting NGOS, Media and Aid Agencies**

Civil society, the media and the public at large have increasingly focused on questions of integrity, fair dealing, proper accounting, absence of conflict of interests and transparency. Parallel to this, there has been a growing understanding of the role that non-governmental organizations, the press and donors can play in ensuring integrity.

In this session, examples of efforts by non-governmental organizations, the media and aid agencies to create awareness, raise ethical standards, and initiate other actions to curb corruption will be highlighted. Topics to be discussed will include:

- Defining the role that NGOs and the media can play in raising ethical standards



- What NGOs and the media can do to help plug loopholes in procedures and laws
- Civil society and media participation in controlling the effectiveness of international standards such as the OECD Convention on Bribery in International Business Transactions
- Defining the comparative advantage for bilateral donors to enter the fight against corruption
- How donors can co-operate with partner countries and other constituencies to increase efficiency in the fight against corruption.

**CLOSING SESSION - FIGHTING CORRUPTION IN THE 21<sup>st</sup> CENTURY**

During the final session, the specific concrete actions recommended during the working sessions will be presented. Based on the evaluation of the panel and the general discussion among participants, the Chairmen will close the meeting by formulating a set of conclusions for fighting corruption in the 21<sup>st</sup> century in the Asia-Pacific region.

***Donors co-ordination meeting (for donor organizations only)***

This meeting will offer an opportunity to donor organizations (bilateral agencies and international and regional institutions) invited in Seoul to briefly describe the most recent initiatives launched by their respective institutions and aimed at supporting the fight against corruption in the Asia-Pacific region. The objective is to help donors to track current programs in the region and provide them a way to co-ordinate their technical assistance. The meeting will be co-chaired by ADB and OECD.

## SPONSORS



### The Asian Development Bank

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0980 Manila, Philippines  
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[www.adb.org](http://www.adb.org)

The Asian Development Bank (ADB), a multilateral development finance institution, was established in 1966 to promote the social and economic progress of the Asian and Pacific region. The Bank is owned by the governments of 57 countries, of which 41 are from the Asia-Pacific region. Over the past three decades, the Bank has become a major catalyst in promoting development in the world's most populous and fastest-growing region.

The ADB seeks to combat graft and corruption as part of its broader work on issues of governance and capacity building. Specifically, the ADB's policy is centered upon three objectives: (1) supporting competitive markets, and efficient, effective, accountable, and transparent public administration; (2) supporting promising anticorruption efforts on a case-by-case basis and improving the quality of the ADB's dialogue with its developing member countries (DMCs) on a range of governance issues, including corruption; and (3) ensuring that the ADB's projects and staff adhere to the highest ethical standards.



### The Organisation for Economic Co-operation and Development

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<http://www.oecd.org/daf/nocorruption>

The Organisation for Economic Co-operation and Development (OECD) groups 29 member countries in an organization that provides governments a setting to discuss, develop and perfect economic and social policy. OECD governments compare experiences, seek answers to common problems and work to co-ordinate domestic and international policies that increasingly in today's globalized world must form a web of even practice across nations.

The OECD has been a leader in the global fight against bribery and corruption in international business practices. Making use of the Secretariat-wide expertise and cultivating synergies with other international initiatives -both public and private, the OECD has provided a unified and comprehensive front against corruption. The OECD addresses corruption from the perspective of both the recipients of illicit payments, by promoting public ethics and good governance, and the providers of illicit payments, by taking actions against bribe givers.

*The OECD Anti-Corruption Unit*, (ACU) located in the Directorate for Financial, Fiscal and Enterprise Affairs, serves as the focal point within the OECD Secretariat to respond to the need to fight bribery and corruption in international business transactions, while *the OECD Public Management Service* (PUMA) assists Member countries to develop and maintain an effective framework for promoting integrity and high standards of conduct on the part of public officials. The *Centre for Co-operation with Non-Members* (CCNM) assists in this work by being the focal point for the development and pursuit of policy dialogue between the OECD and non-member economies.

## PARTNER ORGANISATIONS

### DFID

**Department for International Development**

*Department for International Development*  
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 London  
 SW1E 5JL  
 Tel: +44 (0) 20 7917 7000  
 Fax: +44 (0) 20 7917 0019  
<http://www.dfid.gov.uk>

The Department for International Development (DFID) is the British government department responsible for promoting development and the reduction of poverty. DFID has identified the devastating effects of corruption on overall development worldwide and has put the fight against it on its working agenda. DFID's work in Asia aims specifically at reducing poverty and the development of sound and reliable public institutions.



**Konrad Adenauer Stiftung**  
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The Konrad Adenauer Foundation is active in the fields of political education, research and consulting and is represented worldwide in the areas of international politics and development work. Throughout its activities, the Konrad Adenauer Foundation has demonstrated a long-standing commitment to good governance, particularly in the area of investigative journalism and its role in curbing corruption.



**Pacific Basin Economic Council**

*Pacific Basin Economic Council*  
*PBEC International Secretariat*  
 900 Fort Street, Suite 1080  
 Honolulu, Hawai'i 96813  
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The Pacific Basin Economic Council is an association of senior business leaders from throughout the Pacific Basin Region dedicated to expanding trade and investment through fostering open markets. The PBEC Working Committee on Transparency works specifically towards the goal of ensuring complete integrity, transparency and accountability in all business-government transactions, and the enforcement of anti-corruption statutes.



**United Nations Development Programme**



*United Nations Development Programme*  
*Management Development and Governance*  
*Programme for Accountability and Transparency*  
 304 East 35<sup>th</sup> Street Room 620  
 New York, NY 10017  
 T: 212-906-5094 • F: 212-906-6350  
<http://magnet.undp.org>

The United Nations Development Programme has programmes to assist policy makers in the fight against corruption. UNDP's involvement is rooted in its mandate to create an enabling environment for sustainable human development. The Programme for Accountability and Transparency (PACT) serves as the focal point within UNDP to ensure an effective strategy in supporting anti-corruption programmes. Its work focuses on facilitating good governance and supporting methods to curb corruption, including policy dialogue, capacity building, and support to national programmes.

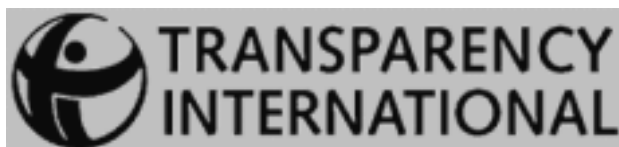
## PARTNER ORGANISATIONS



*U.S. Agency for International Development  
Ronald Reagan Building  
Washington, D.C. 20523-0016  
Telephone: 202-712-4810  
FAX: 202-216-3524  
<http://www.info.usaid.gov>*

The United States Agency for International Development (USAID) is an independent federal government agency that conducts foreign assistance and humanitarian aid. The Agency aims to fight corruption through economic restructuring, the rule of law, open and accountable government, free media and civil society. Anti-corruption activities are co-ordinated by an anti-corruption working group which is composed of representatives of USAID's regional and other bureaus. The group aims to broaden discussion of the OECD anti-bribery convention and, accordingly, several bureaux have co-sponsored or financially supported anti-corruption workshops with the OECD's Anti-Corruption Unit.

## ASSOCIATED PARTNERS



*Transparency International Secretariat  
Otto-Suhr-Allee 97/99  
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[www.transparency.de](http://www.transparency.de)*

Transparency International (TI) based in Berlin, Germany is the leading global, nonpartisan organisation dedicated to increasing government accountability and curbing corruption and bribery in international business transactions. TI has more than seventy national chapters that combat corruption at the national level and is co-operating with international organisations, including the OECD, in actions against bribery and corruption.



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<http://www.worldbank.org/wbi/>*

The World Bank Institute provides training and other learning activities that support the World Bank's mission to reduce poverty and improve living standards in the developing world. WBI's Governance and Anti-corruption Program emphasises both the piloting of new approaches to address issues of good governance and the dissemination of best practices and lessons learned. The Program's approach involves working with client countries (both government institutions and civil society) and donors as partners.

