



The Transnational
Research Institute on
Corruption

Stretton Institute

The international momentum against corruption: UNGASS, Summit for Democracy and COSP9

Preventing corruption in government

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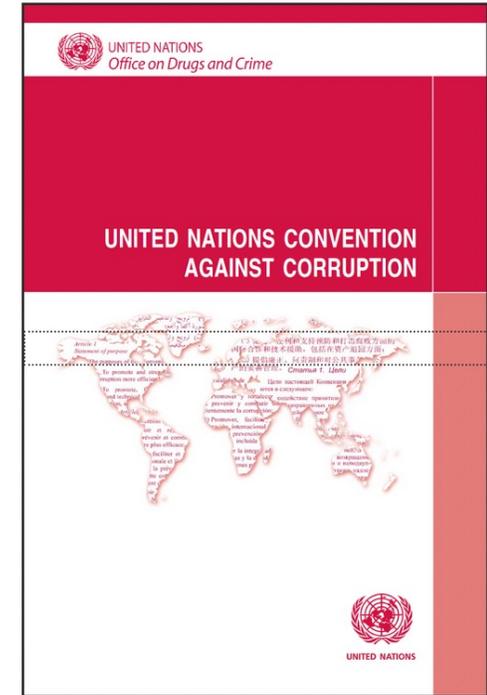
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Summary

- Three events in 2021:
 - United Nations General Assembly Special Session (UNGASS) on Corruption, New York, 2nd to 4th of June 2021
 - US Biden Administration - Summit for Democracy (S4D), 9th to 10th December
 - 9th UN Conference of States Parties on Corruption (COSP9), Sharm El Sheikh, 13th to 17th December
- COSP9:
 - Beneficial ownership transparency and asset recovery
 - Role of professional enablers
 - Role of civil society
 - Role of public prosecutors
- Three months after COSP9
- Implications for Australia

UNCAC (2003)

- “The only legally binding universal anti-corruption instrument” and recognised by 189 countries.
- UNCAC was ratified by Australia in 2005, and both China and USA in 2006. Eritrea and North Korea are not signatories. Syria has signed but not ratified it.
- Eight chapters to this convention.
- UN Office of Drugs and Crime (UNODC) is the “guardian” of the UNCAC.

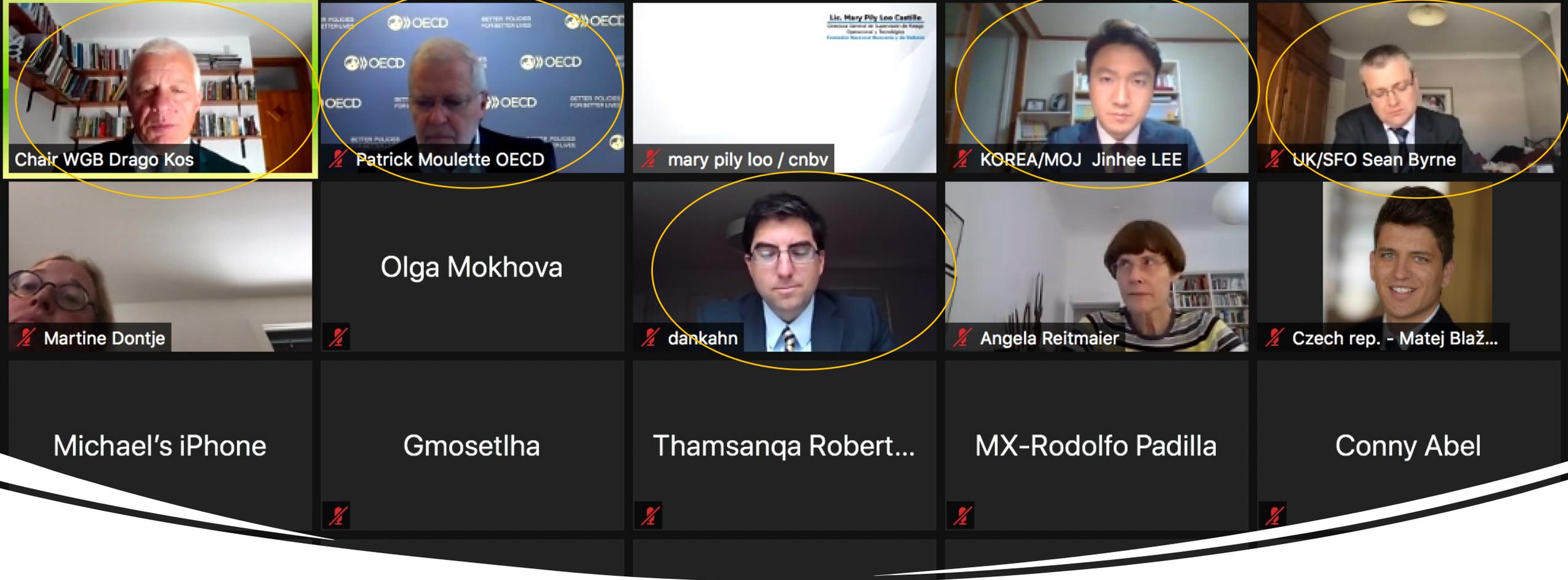


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Special session against corruption (2-4 June 2021)



UN General Assembly Special Session



OECD Side Session on Bribery (3rd June)

- Enforcement issues on OECD (1999) Convention on Combating Bribery of Public Officials in International Business Transactions
- 44 countries in Working Group on Bribery. Ratified by Australia in 1999

Other sessions

- Stolen Asset Recovery Initiative (STAR) – World Bank Group's International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA) with UNODC (1st of June)
- Combating Kleptocracy – USA (2nd of June)
- Launch of the GLOBE (Global Operational Network of Anti-Corruption Law Enforcement Authorities) Network (3rd of June)

Political
declaration
adopted by the
UN General
Assembly

**“Our common commitment to effectively
addressing challenges and implementing
measures to prevent and combat
corruption and strengthen international
cooperation.”**



**SUMMIT FOR
DEMOCRACY**

US SUMMIT FOR DEMOCRACY

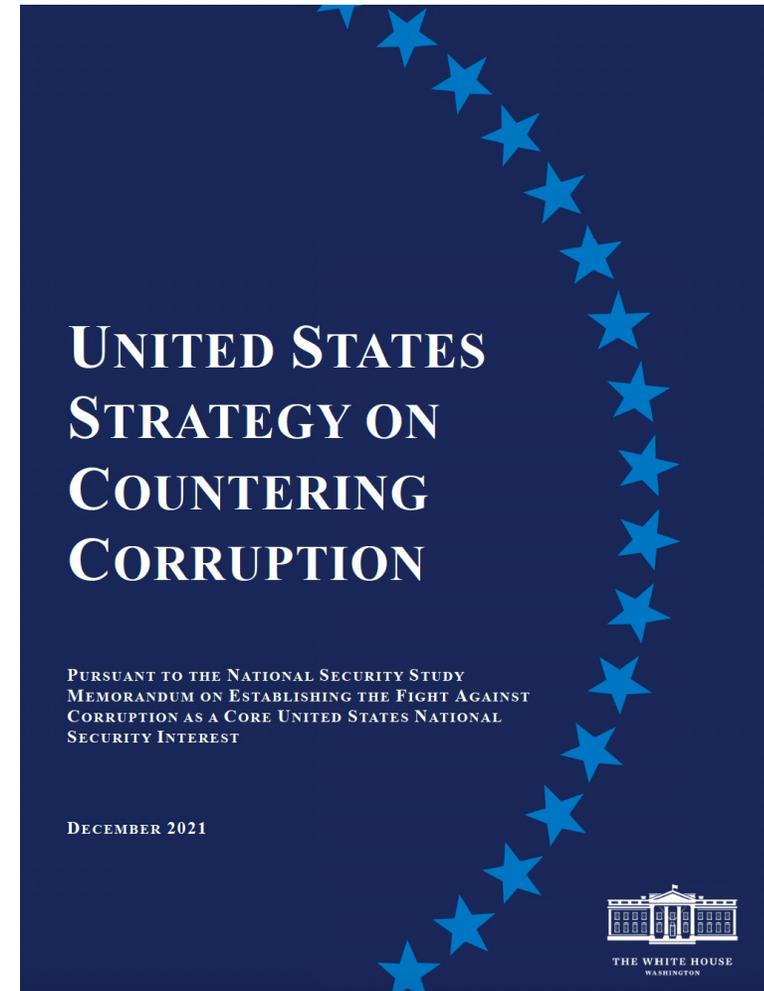
9th and 10th of December 2021

US Biden Administration - strategy on anti-corruption (6th December)

- Corruption as a “national security interest”

Underpinned by five pillars:

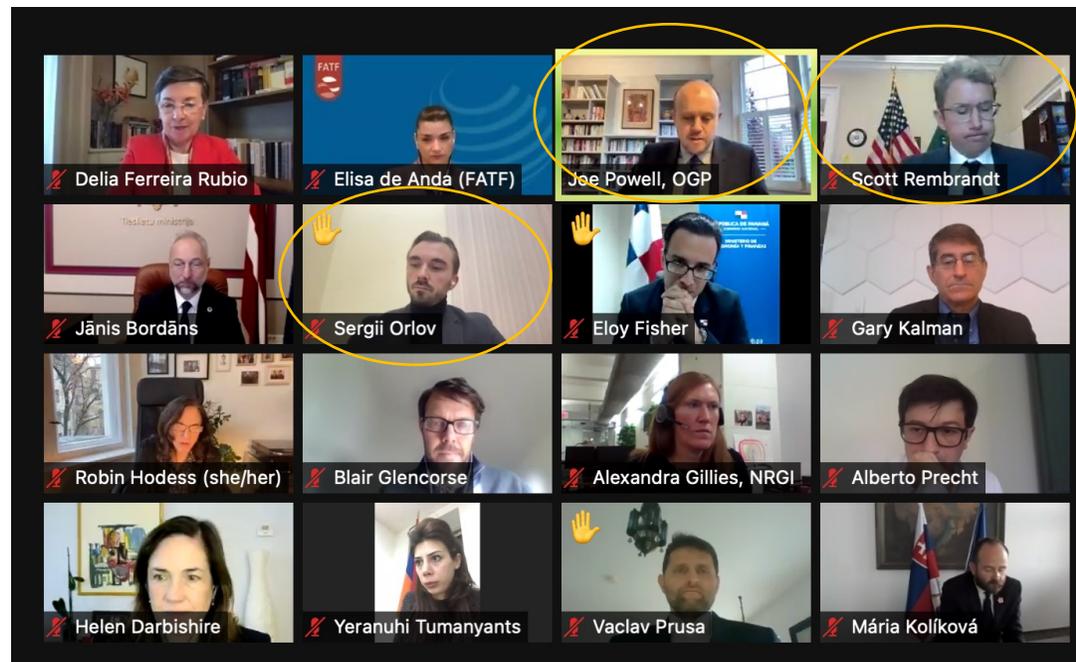
- Pillar 1. Modernising, coordinating and resourcing US government efforts
- Pillar 2. Curbing illicit finance (AML/CFT regime)
- Pillar 3. Holding corrupt actors accountable
- **Pillar 4. Preserving and strengthening the multilateral anti-corruption architecture (UNCAC, OECD, OAS, NATO, G20, G7; OGP, EITI)**
- Pillar 5. Improving diplomatic engagement and leveraging foreign assistance resources to advance policy goals



Open Government Partnership on Beneficial Ownership (6th December)

OGP was created in 2011 to bring governments and CSOs together.

OGP Australia – sits with PMC



Description	Period	Status
Government response to the Report of the Senate Select Committee on a National Integrity Commission	Q3 2018 - Q4 2018	Completed but delayed
Civic engagement in ongoing review of the national integrity framework	Q3 2018 - Q4 2018	Delayed
Implement Government response to the Report of the Senate Select Committee on a National Integrity Commission and any other outcomes of ongoing review of the national integrity framework	Q4 2018 - Q2 2020	Delayed

Brown, A.J. et al (2019) Governing for Integrity: A Blueprint for Reform – Australia’s 2nd National Integrity System Assessment, Griffith University and Transparency International Australia

Other sessions

- Private sector : COST – Infrastructure Transparency Initiative with PWC, Bechtel and Mott McDonald (8th December); BHP on contracts and beneficial ownership (7th December)
- Civil society: Role of public prosecutors and the media - Pacific Anti-Corruption Journalists Network (PACJN), Vanuatu and Palau public prosecutors, PNG ICAC and Fiji ICAC. Hosted by UNODC Pacific on Law Enforcement Globe Network - (8th December)
- US House of Representatives Democracy Partnership: Parliament's Role to Defend & Safeguard Human Rights: Inclusive Lawmaking, Holding Bad Actors Accountable, and Protecting Mechanisms to Redress Grievances (7th December)



Programme



COSP9

Sharm El Sheikh, Egypt, 13-17
December 2021

Final session of the Conference of the States Parties

UNCAC Implementation Review Mechanism (IRM)

- UNCAC implementation review mechanism (IRM) is undertaken to ensure members are enacting the convention. The first cycle in 2010 focused on criminalisation and law enforcement (UNCAC Chapter 3); second cycle from 2015 on preventive measures and asset recovery (UNCAC Chapters 2 and 5).
- Australia's first cycle IRM conducted by peer countries Turkey and USA. Reviewers for the second cycle are Iceland and Pakistan.

Peer reviewers of Australia's IRM of UNCAC - first cycle

Australia:

- Mr. Peter Ritchie, Senior Policy Officer, International Crime-Policy and Engagement Branch, Commonwealth Attorney-General's Department,
- Ms. Claire Cocker, Policy Officer, Anti-Corruption Section, International Crime Cooperation Division, Commonwealth Attorney-General's Department.

The United States of America:

- Mr. John Brandolino, Senior Advisor, Office of Anticrime Programs, Bureau for International Narcotics and Law Enforcement Affairs (INL), United States Department of State,
- Ms. Alexis Blane, Attorney Adviser, United States Department of State,
- Mr. Joseph Gangloff, Deputy Director, United States Office of Government Ethics.

Turkey:

- Mr. Engin Kücet, Chief Inspector, Inspection Board, Office of the Prime Minister
- Mr. Ahmet Bıçakcı, Chief Inspector, Inspection Board, Office of the Prime Minister
- Ms. Seda Türkan Manav Dursun, Judge, Ministry of Justice, General Directorate of International Law and Foreign Relations.

The Secretariat:

- Mr Jason Reichelt, Crime Prevention and Criminal Justice Officer, Corruption and Economic Crime Branch, UNODC
- Ms Thi Thuy Van Dinh, Associate Crime Prevention and Criminal Justice Officer, Corruption and Economic Crime Branch, UNODC

*UNODC (2019) Final Report for the First Cycle:
Review Report for Australia Year II Phase 1*

Video: John Brandolino, UNODC on UNCAC challenges (16th December)



GLOBE

- Platform for information exchange between law enforcement agencies
- 56 member countries – Australia is not yet a member.
- GLOBE session with Brandolino was co-hosted by both China (cf. Bo Xilai case) and Saudi Arabia (cf. Jamal Khashoggi case).
- At COSP9, China decoupled human rights from anti-corruption efforts: “anticorruption campaigns have been frequently used in China against political enemies to undermine their power base in the CCP.” (Quah 2018: 212)

Quah, JST (2018) Combating corruption in Asian countries: Learning from Success and Failure, Daedalus, 147 (3): 202-215

CHARTER AND STEERING COMMITTEE

The GlobE Network Steering Committee is composed of the following members:

Chair
Spain

Vice-Chair
Kingdom of Saudi Arabia

Members

Chile, China, Mauritius, Mexico, Morocco, Nigeria, North Macedonia, Republic of Korea, Romania, Russian Federation, State of Palestine, United States of America, and Zimbabwe.

 Find here the [Charter of the GlobE Network](#) with background information on the establishment of the Network, as it was adopted at the First Network Meeting and shared with the ninth session of the Conference of the States Parties to the United Nations Convention against Corruption in December 2021.

Beneficial Ownership Transparency and Asset Recovery

- Pandora Papers, Panama Papers, Open Lux and Suisse Papers
- Beneficial ownership transparency: who are the principals behind the blind trusts and shell companies? Use of companies behind foreign bribery schemes.
- Importance of asset recovery from proceeds of crime: how to identify and recover ill-gotten gains under UNCAC Article 57 (3) (c).
- STAR (Stolen Asset Recovery Initiative) Day at COSP9 (14th December). STAR is under the auspices WBG (IBRD and IDA). Chapter 5 of UNCAC.

3.3 Beneficial ownership registers

17. The EDPS notes that the Proposal for a Directive would keep in place the obligation for member States to set up registers of beneficial ownership of legal entities and legal arrangements contained under Directive (EU) 2015/849, as amended by Directive (EU) 2018/843. Section I of Chapter II of the Proposal for a Directive contains provisions on the information to be included in the beneficial ownership register; on how to ensure that this information is adequate, accurate and up-to-date; on the interconnection of beneficial ownership registers (Article 10); on access to beneficial ownership registers by competent authorities, self-regulatory bodies and obliged entities (Article 11); on specific access rules to beneficial ownership registers for the public (Article 12); on exceptions to the access rules (Article 13).

- *Information to be included in the beneficial ownership registers*

18. In his Opinion of 4 July 2013¹³, the EDPS pointed out to the need to specify the beneficial owners' **information to be collected**¹⁴. Article 10(1) of the Proposal for a Directive, referring to the information listed under Article 44¹⁵ and 47¹⁶ of the Proposal for a Regulation, would lay down the information to be contained in the beneficial ownership register. The EDPS welcomes this specification, as well as the requirement in Article 44 that beneficial ownership information should be **adequate, accurate and updated**. At the same time, the EDPS recommends clarifying that the list of information under Article 44 is an **exhaustive** list.

- *Access by competent authorities*

*European Data Protection Supervisor (2021)
Opinion 12/2021 on AML/CFT package of
legislative proposals, EDPS: EU*

Video: Asset Recovery by the UK Home Office

A notable asset return case was the £4,214,018 returned to Nigeria following the recovery of those proceeds of crime from associates of James Ibori. These proceeds of crime were recovered by the Metropolitan Police Service, National Crime Agency, and Crown Prosecution Service. The offences committed by the associates include money laundering, forgery and obtaining property by deception.

This return case was processed under the Article 57(3)(c) of the UN Convention Against Corruption. Conditions of this case were underpinned by the [Memorandum of Understanding](#) signed by the UK and the Federal Republic of Nigeria in 2016. Details on the return of the proceeds of crime for this case, including how the funds will be spent, are set out in an [Annex](#) to that Memorandum of Understanding.

For asset return cases where the proceeds of crime have been agreed to be returned in principle but are yet to be transferred, see the following cases:

- £456,068 will be returned to Moldova following the recovery of proceeds of crime by the National Crime Agency in the financial year 2020 to 2021, however the process to return the funds, including the agreement of a memorandum of understanding between the UK and Moldovan Governments, is still underway
- £65,622 will be returned to Kuwait following the recovery of proceeds of crime by the Metropolitan Police Service in the financial year 2020 to 2021, however the process for returning these funds did not commence before the end of the financial year
- Serious Fraud Office have recovered a further £1,198,425 in the financial year 2020 to 2021 which still need to be returned however the process for returning these funds did not commence before the end of the financial year due to issues determining where funds should be returned

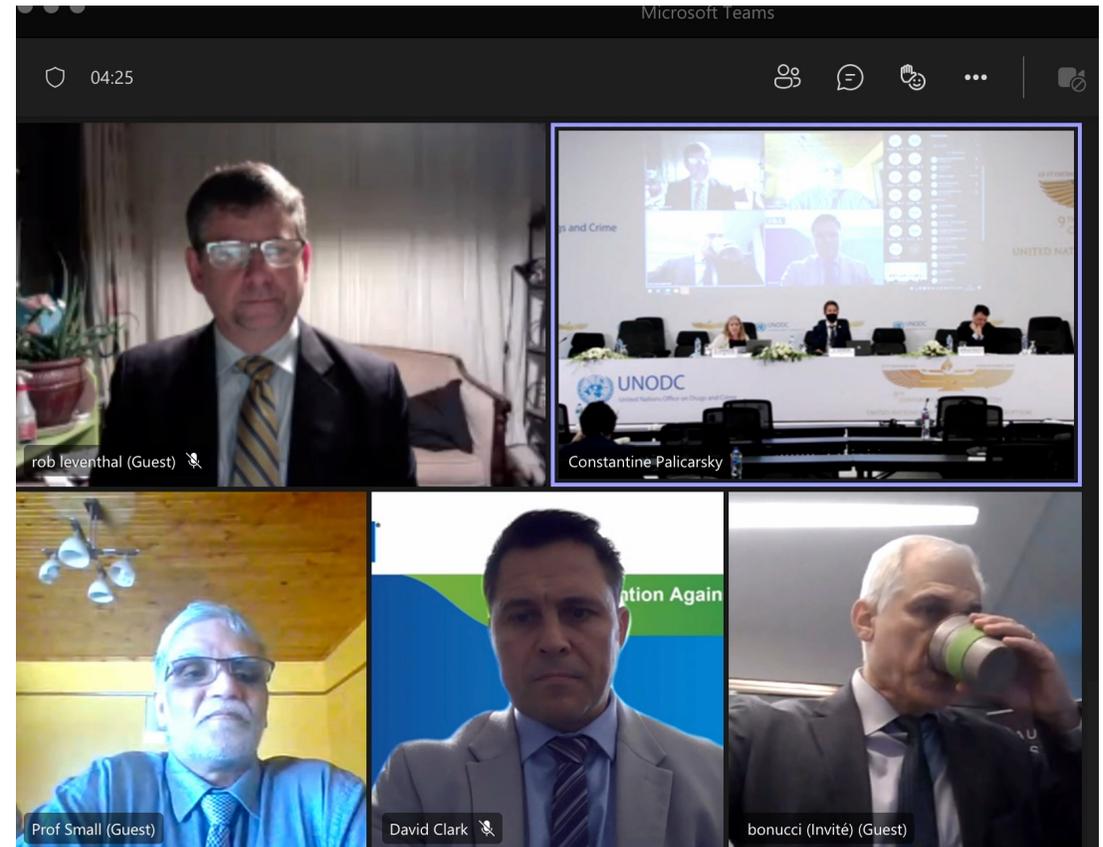
Asset Return Cases

[The UK, as a signatory to the UN Convention Against Corruption](#) is obligated to return funds where the conditions for mandatory return are met; however, the UK also exercises its discretion to return funds in appropriate cases when it is not otherwise mandated (in line with Article 57(3)(c) of the Convention). This section sets out, for the financial year 2020 to 2021, the value of (a) assets restrained, seized, or frozen which, if recovered, will be returned, (b) assets due to be returned and (c) assets returned. These cases are referred to as “asset return” cases.

Financial year	Total value of proceeds of crime restrained, seized or frozen	Total value of proceeds of crime recovered but not returned	Total value of proceeds of crime returned to foreign government
2020 to 2021	£257,100,000	£1,720,116	£4,214,018

Video: Role of professional enablers

- Professional enablers and facilitators include and not limited to:
 - lawyers, accountants, real estate agents, shipping agents, art dealers, luxury goods brokers and others.
- In Australia, real estate agents play an enabler role to “park” money into the country.
- Session hosted by IBA and IFAC on 17th December.





Role of civil society

Participation of CSOs/NGOs at COSP

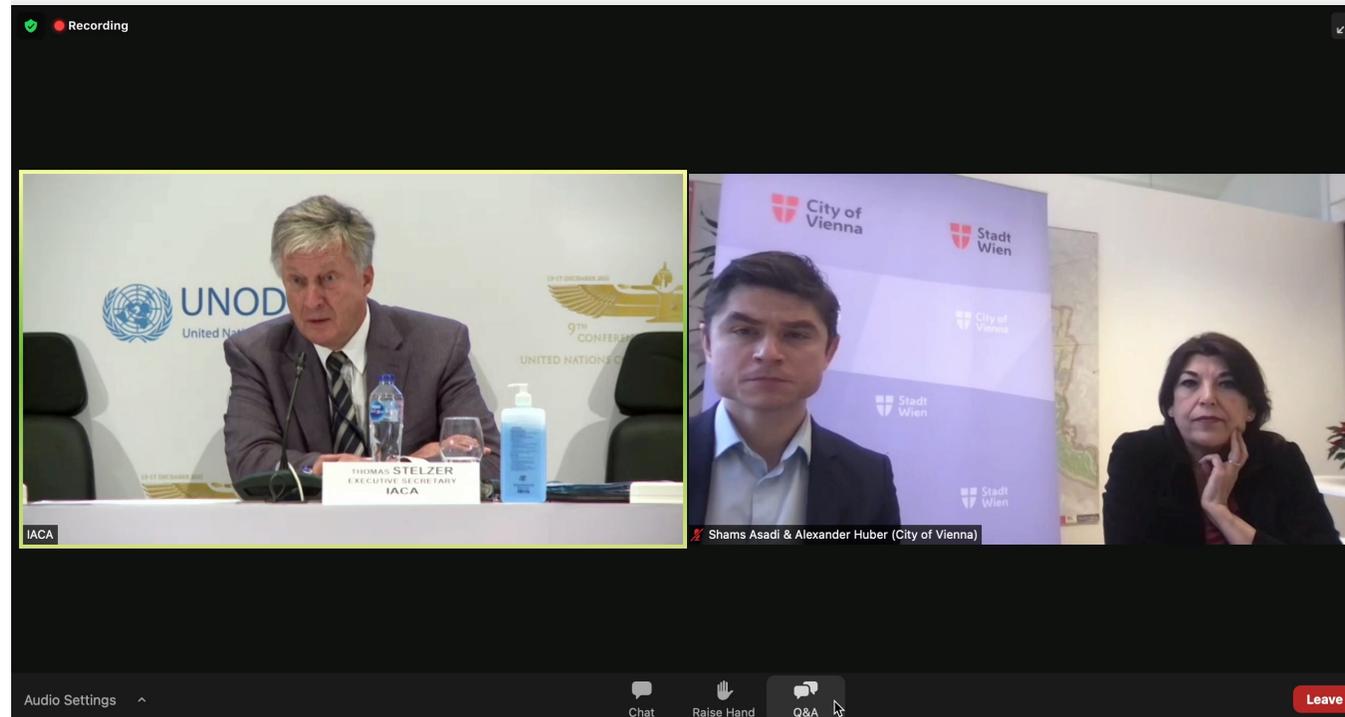
- **UNCAC Coalition** - interest in the IRM of UNCAC and has regional chapters.
- **Transparency International** - well known for its annual transparency scorecard.
- **International Foundation of Electoral Systems (IFES)** - part of the NGO Consortium for Elections and Political Process Strengthening (CEPPS) looks at the transparency of political donations.
- **Open Contracting Partnership (OCP)** -- looks at public procurement and promoting transparency throughout a contract's life cycle from award to delivery.

The space for CSO/NGO participation is diminishing...

- Turkey objected to and banned the participation of eight NGOs at COSP9 (15th December):
 - Access Info Europe, Spain (Chair of UNCAC Coalition's previous organisation)
 - Alliance on Civic Initiatives Promotion, Kyrgyzstan
 - Central Asia Research Institute on Corruption and Money Laundering, Kyrgyzstan
 - Expert Forum (EFOR), Romania
 - Integrity Initiatives International, USA
 - The Good Lobby, Italy
 - Transparency International Georgia
- EU and other countries (including Australia and USA) opposed this move by Turkey.

Video: Plenary session – UK and Turkey on NGO participation (15th December)

The screenshot shows a web browser window displaying a video conference. The address bar shows the URL <https://un.interpret.world/page>. The page title is "COSP9 Plenary — Speaker". The interface includes a top navigation bar with the United Nations logo, a search bar, and a "LOGOUT" button. Below the navigation bar, there are controls for "INTERPRETING" (set to English) and "SPEAKERS" (set to Everyone). The main video area shows a man in a suit speaking at a podium with a nameplate that reads "PRESIDENT OF THE CONFERENCE". The background features the UNODC logo and the text "United Nations Office on Drugs and Crime". To the right of the video, there is a "PARTICIPANTS" list with 155 participants, including Cambodia, Canada, and CHINA. Below the participants list is an "EVENT CHAT" window with 9 messages. The chat messages include: "Good morning, I have the same problem", "Sweden/Ambassador A Markovic : This problem of the sound breaking up every few minutes continues for me today as well", "France, Dominique DUJOLS, Cour des comptes : sound interrupted 5 seconds every 30 seconds!", and "Turkey, Ambassador Ahmet Muhtar GUL : Turkey please". The chat window also has a "Type your message" input field and a character count of 0/1024. At the bottom right of the interface, there are icons for a chat window and an email icon.



Video: The Mayor of
Cartagena, Colombia
(15th December)

- International Anti-Corruption Cities Initiative, City of Vienna
- Addresses corruption in local government
- The Mayor William dau Chamat, harnessed the use of social media to raise awareness of and fight against corruption.
- Spent many years as a political exile in NYC



Video: Public prosecutors and independence of judiciary

- Safety and independence of public prosecutors and the need to protect them when investigating grand corruption (16th December).
- Judicial expertise, financial and technical resources, limited domestically.
- Proposed independent regional or international mechanism e.g. IACC
- Hermione Cronje, South African public prosecutor involved in Jacob Zuma case.

Sharm El-Sheikh Declaration

“On strengthening in international cooperation in the prevention of and fight against corruption during times of emergencies and crisis response and recovery.”

Eight resolutions adopted at COSP9

- I. Resolutions and decisions adopted by the Conference of the States Parties to the United Nations Convention against Corruption
 - A. Resolutions
 - 9/1. Sharm el-Sheikh declaration on strengthening international cooperation in the prevention of and fight against corruption during times of emergencies and crisis response and recovery.
 - 9/2. Our common commitment to effectively addressing challenges and implementing measures to prevent and combat corruption and strengthening international cooperation: follow-up to the special session of the General Assembly against corruption
 - 9/3. Follow-up to the Abu Dhabi declaration on enhancing collaboration between the supreme audit institutions and anti-corruption bodies to more effectively prevent and fight corruption, and the use of information and communications technologies.
 - 9/4. Strengthening the implementation of the United Nations Convention against Corruption at regional levels
 - 9/5. Enhancing international anti-corruption law enforcement cooperation.
 - 9/6. Follow-up to the Marrakech declaration on the prevention of corruption.
 - 9/7. Enhancing the use of beneficial ownership information to facilitate the identification, recovery and return of proceeds of crime.
 - 9/8. Promoting anti-corruption education, awareness-raising and training

Three months after
COSP9...

Ukraine 🇺🇦

- Russian invasion of Ukraine
- Ukrainian public officials present at the Summit for Democracy and at COSP9.
- Implementation of the US Strategy
- Volodymyr Zelenskyy and “Servant of the People”
- Private sector: crystallisation of exposure and expropriation risks



Financial Asset Task Force (FATF) and KARRP



The FATF agreed on tougher global rules for beneficial ownership at last week's plenary meeting. This will help stop criminals, kleptocrats, and sanctions evaders from hiding their illicit activities and dirty money behind shell companies. Read more: bit.ly/3KeRDv4 1/6



- **Financial Asset Task Force (FATF)**. Established in 1989 by the G7, Australia is a member since 1990.
 - Revision of Recommendation 24 - transparency and beneficial ownership of legal persons (March 2022)
 - Professional enablers in the real estate sector – draft guidance open until 22nd April 2022
- **US Treasury's Kleptocracy Asset Recovery Rewards Program** (established March 2022)
- Case studies and geopolitical ramifications from Russian sanctions likely to be highlighted at COSP10. (Case of 1MDB Malaysia with Interpol and FBI highlighted at COSP9)

Chaikin, D. (2008) Commercial corruption and money laundering: a preliminary analysis, Journal of Financial Crime, 15 (3): 269-281

Implications for Australia

COSP9 First Day Session (13th December) – National Anti-Corruption Strategies and Action Plans: From Development to Implementation and Evaluation



Missing Federal ICAC

- All three events highlighted the significant institutional deficit we have without a Federal integrity or anti-corruption commission compared to other countries.
- This failure means we are unable to respond cohesively on anti-corruption at the international level and interagency cooperation.
- We are observers, not salient actors.
- We support, not lead.
- We are reluctant to implement best practices.

Institutional deficit and lack of political will

- Our TI ranking (No. 18 in 2022) is on a downward trend (No.7 in 2012)
- Our democratic institutions need to be strengthened, not weakened.
- At UNGASS, different agencies from several countries shared their responses to corruption relating to COVID-19 procurement.
- At COSP9, leading anti-corruption agencies around the world shared best practices. International agencies support national agencies for mutual assistance and cooperation.
- We have a weak voice on the international level. We have excluded ourselves.

Rose-Ackerman, S. (1996) Democracy and 'grand' corruption, International Social Science Journal, 149 (48): 365-380

Areas where Australia can contribute

- Highlighted at Summit for Democracy and COSP9, public prosecutors need support.
- Support a regional or international anti-corruption court (backed by Peru, Colombia, Canada; NGO Integrity Initiatives International [banned at COSP9] IACC declaration signed by ex-NZ PM James Bolger, ex-FM Gareth Evans)
- Incorporation of the Anti-Corruption Protocol of the UNCAC (APUNCAC)

de la Rama, M.J., Lester, M.E. and Staples, W. (2022) The challenges of political corruption in Australia, the proposed Commonwealth Integrity Commission bill (2020) and the application of the APUNCAC, Laws, 11 (7): 1-27

Declaration in Support of the Creation of an International Anti-Corruption Court

[VIEW PDF IN ENGLISH](#)

[VER PDF EN ESPAÑOL](#)

We are concerned individuals, former officials, business leaders, representatives of civil society and of government, dedicated to promoting human rights, human health, and international peace and security. We call for the creation of an International Anti-Corruption Court because:

We know that Grand Corruption – the abuse of public office for private gain by a nation's leaders (“kleptocrats”) – thrives in many countries and has devastating consequences.

Kleptocrats corruptly enrich themselves from the trillions of dollars being spent to promote global public health and counter climate change. Kleptocrats are robbing their countries of funds needed to meet the 2030 Sustainable Development Goals. Grand Corruption undermines democracy as kleptocrats use their power to suppress the media and civil society, and subvert honest elections. Refugees fleeing failed states led by kleptocrats constitute international crises. Uprisings in opposition to Grand Corruption destabilize many countries and endanger international peace and security.

We know that Grand Corruption is not flourishing because of a lack of laws. The 189 countries that are party to the United Nations Convention Against Corruption (“UNCAC”) each have laws criminalizing corrupt conduct. Yet kleptocrats enjoy impunity because they control the administration of justice in the countries that they rule.

Because Grand Corruption has global consequences and often cannot be combated by the countries most immediately victimized by kleptocrats, a new international institution – an International Anti-Corruption Court – is necessary and justified. Through its agreed mandate, the IACC should have jurisdiction to prosecute violations of existing domestic anti-corruption laws, or a new international counterpart to them, by kleptocrats and their collaborators, if the country the kleptocrat rules is unwilling or unable to prosecute a case itself. The IACC should have the authority to prosecute crimes committed by nationals of Member States, and by nationals of other states who commit crimes in the territory of a Member State. The IACC should be a court of last resort with the capacity to prosecute and imprison kleptocrats, and thus create opportunities for the democratic process to replace them with honest leaders. The IACC should have, in civil as well as criminal cases, the authority to recover, repatriate, and repurpose illicit assets for the victims of Grand Corruption.

Source: Integrity Initiatives International

Wish list

- Thailand's National Anti-Corruption Commission on COVID-19 contracts and coordination.
- France's Anti-Corruption Law (2016) and two institutions: Anti-Corruption Agency and **High Authority for Transparency in Public Life**.
- Incorporate and implement UNCAC Articles 18 (trading in influence), 19 (abuse of functions) and 23 (acts of private sector corruption) to deal with grey forms of corruption.
- In Australia, these grey forms include political donations, lobbying and the revolving door.
- Multilateral momentum on anti-corruption continues.

Institution

The High Authority for transparency in public life aims at promoting public integrity in France. Since its creation in 2014, it has been leading an unprecedented transversal action both in its operations and areas of intervention. It promotes the integrity and exemplarity of public officials, monitors the ethics of civil servants, oversees lobbying and disseminates a culture of integrity. Its independence is guaranteed by the functioning of its executive board and its financial and administrative autonomy.

THE CREATION OF THE HIGH AUTHORITY

The result of continuous efforts to strengthen exemplarity and transparency in public life

[READ MORE >](#)

AN INDEPENDENT ADMINISTRATIVE AUTHORITY

A collegial body and a financial autonomy

[READ MORE >](#)

THE ORGANISATION OF THE HIGH AUTHORITY

Chart and staff of the High Authority

[READ MORE >](#)

G20 (2022) Anti-Corruption Working Group & OECD (2022) Anti-Corruption Forum



Australian Government
Attorney-General's Department

March 2022

Australia's priorities for the G20 AntiCorruption Working Group meeting of 28-31 March 2022

Supporting Indonesia to build consensus

As co-chair of the G20 Anti-Corruption Working Group (ACWG), Australia will work with Indonesia to build consensus in relation to deliverables relating to Indonesia's four priority topics:

- enhancing the role of audit in tackling corruption
- promoting public participation and anti-corruption education
- regulatory frameworks for professional enablers of money laundering, and
- promoting anti-corruption in renewable energy.

As the ACWG is a consensus-based working group, in order to finalise a deliverable (which may take the form of a policy document such as High-Level Principles or a Compendia of Good Practices), all member countries must agree.

Supporting Indonesia to ensure the success of their 2022 G20 presidency is a key opportunity to build Australia's existing strong bilateral relationship with Indonesia and work to underscore Australia and Indonesia's shared interests in promoting a stable, inclusive and resilient Indo-Pacific.



2022 OECD GLOBAL
**ANTI-CORRUPTION
& INTEGRITY FORUM**

30th March – 1st April