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Welcome Remarks

Associate Professor Ho Peng Kee, Senior Minister of State for Law and Home Affairs, Singapore

I am happy that Singapore is organizing this ADB/OECD Regional Anti-Corruption Conference for Asia-Pacific for the first time. I understand that there are participants and speakers from more than 50 countries and international organizations. Let me first extend a very warm welcome to all our overseas participants to Singapore.

We are living in an increasingly interconnected global world. The financial crisis of 2008 began with, what to most of us, was an event in the US that had little relevance to us. I am referring to the US subprime mortgage crisis. Within a year, the crisis had escalated to a colossal global financial meltdown requiring government interventions in financial sectors all over the world. The financial crisis is the perfect illustration of how corporate governance in the private sector can lead to events that have wide social and economic impact. This brings me to the theme for today's conference—"Fighting Corruption in Asia-Pacific: Strategies for Business, Government, and Civil Society".

In many countries, anti-corruption efforts have always focused on the public sector, as it affects how a country is governed and how its public services are administered—these, of course, have a direct impact on the development of the country. However, increasingly, the lines between the public and private sectors are no longer clear. With outsourcing, functions previously undertaken by public agencies may, today, be undertaken by private companies. This may include essential services such as provision of utilities, healthcare, transport, or even security. The public would also have interest in how private entities are run, as some of these are publicly listed companies with members of the public as shareholders. The activities of private companies today provide the engine of growth and they have a significant impact on the lives of individuals. Private sector activities in many instances are not really "private" Therefore, efforts in good governance and anti-corruption must go beyond the public sector to reach the private sector; activities of the private sector are not isolated unto themselves but have an increasing impact on the man in the street. There are two main approaches to this—through systemic structures put in place by

government, and through internal controls put in place within the private sector. I would now like to share with you Singapore's efforts, starting with government-led systemic structures.

Government-led structures

In Singapore, we put a lot of emphasis on administrative efficiency. Processes which are streamlined and efficient ensure better services for the public. They also reduce opportunities for corruption and abuse. If government services take a long time to deliver and require multiple processes and steps, then the likelihood of corruption and malpractice will multiply. In this regard, the Singapore government has implemented electronic services to deal with many government transactions. Through such services, members of the public can search and access government information as well as conduct a wide range of transactions. These include applying for licenses and permits, making reports, and filing tax returns.

There is also an online business license service whereby businesses that require multiple licenses need not send separate applications to different departments. Using an online system, the applicant would just need to file a single application, which will be routed to different government departments for the issue of different licenses. Such electronic processes have cut down processing time drastically and reduced the need for the public to deal with officers from multiple government departments. A benefit of this arrangement is that opportunities for corruption and abuse can be reduced.

The government also aims to engage the public in a continual process to improve the system; for example, the public is invited to provide feedback under the "Cut Red Tape" and "Cut Waste" movement. The business community is also consulted through the Pro Enterprise Panel on how the government can be more business-friendly. These links allow the public to tell the government directly about problems and even suggest possible solutions; they show measures that can enhance quality of service to the public, and also reduce likelihood of abuse.

To improve transparency, the Singapore Government has an electronic portal that allows private sector entities to bid to supply goods and services to the government. Today, all government procurement is done through the Internet. The procurement specifications are posted on the Internet for all to see, including international businesses who wish to take part. This ensures transparency and reduces opportunities for corruption and abuse in public-private sector transactions.

Internal control measures

I will now move on to internal control measures. In 2004, the Accounting and Corporate Regulatory Authority was formed to ensure that companies, businesses, and auditors observe relevant standards and comply with legal requirements. The Authority works with government agencies and professional bodies to maintain high auditing standards and helps companies adopt good disclosure and corporate governance practices. The private sector was also actively involved in the process of setting the prescribed accounting and governance standards through the Accounting Standards Council formed in 2007, and the Council of Corporate Disclosure and Governance formed in 2002.

Internal controls and governance in private companies is essential if the private sector is to run smoothly and without problems. Governance and controls must go beyond mere rhetoric. Companies must implement concrete measures to ensure good governance and controls. This is the only way for companies to sustain and thrive; otherwise, when the going gets tough, they will just fold over and collapse. Corporate governance cannot be taken for granted. The primary responsibility rests with the companies themselves, backed by an appropriate level of interaction with government agencies. In this current climate of the financial crisis, it is even more important that adequate attention be paid to such issues.

Working together

It is thus clear that anti-corruption agencies cannot act alone. Fighting corruption has to be a whole-of-government effort involving the improvement of administrative processes within the public sector as well as improvement of corporate governance standards within the private sector. Both the public and private sectors have key roles to play. It is therefore important for anti-corruption agencies to partner with external parties in their anti-corruption efforts. The prevention of corruption in the private sector requires more than investigative and outreach efforts from anti-corruption agencies. The commitment of stakeholders has to be secured—private entities must be encouraged to implement systems of good governance from within. This entails putting in place a framework of systemic processes incorporating checks and balances that guide behaviour in the organization. A well-designed self-regulatory corporate governance framework would reduce the possibility of improper or criminal behaviour. More importantly, just as the public service has built up its ethos and core values, a culture of ethical values must be cultivated in the private sector.

Anti-corruption agencies must therefore reach out to this sector by understanding corporate practices and fostering close working relationships. I am pleased to note that this conference includes workshops on corporate governance, private sector corruption, and conflict of interest. These will provide insights on the work to be undertaken in the private sector. This conference provides a useful platform for dialogue with other stakeholders such as businesses, civil society, and international organizations.

The past few years have seen an increase in international platforms centering on anti-corruption. Since the coming into force of the United Nations Convention against Corruption, a number of Conferences of the State Parties and related working group meetings have been held. There are also various international meetings held to facilitate discussions between anti-corruption agencies. These include meetings to discuss follow-up action for the Memorandum of Understanding between anti-corruption agencies of ASEAN member countries and meetings under the International Association of Anti-Corruption Authorities, to name a few.

I am happy to note that this conference seeks to work with the various platforms by exploring how international and regional initiatives can play a part in raising awareness and commitment to fight corruption in the region. As chair of the APEC Anti-Corruption Task Force for 2009, Singapore is committed to contributing to this process of dialogue and co-operation. Singapore has also been an active member of this ADB/OECD Anti-Corruption Initiative since 2001, and we continue to play an active part.

I note that, our Corrupt Practices Investigation Bureau, or CPIB, has devoted enormous resources alongside the ADB/OECD Secretariat to put together the programme and administrative arrangements. I am also told that CPIB has been receiving increasing numbers of requests for study and training visits and that our Civil Service College has also organized many courses on governance and anti-corruption. All these programs will contribute to the exchange of ideas and knowledge on anti-corruption at the international level.

At this conference, a wide array of experts and professionals from government agencies, international organizations, civil society, and the private sector are linked by a common interest: to fight corruption. I urge everyone to use the opportunity to enhance your networks and share your experience and expertise. I am sure that the interaction will energize you and spur you further on in your anti-corruption efforts.

Opening Statement

Lawrence Greenwood Jr.
Vice President, Asian Development Bank

On behalf of the Asian Development Bank, it is my privilege to welcome you to the 6th Regional Anti-Corruption Conference. I would like to begin by commending each and every one of you, for your steadfast commitment to combating corruption in Asia and the Pacific.

From the outset, I would like to state that ADB welcomes the theme of this year's conference—which emphasizes the need for the private sector, civil society, and governments to work together to combat corruption. Such a comprehensive approach is needed first and foremost because the root of corruption is the complex web of engagement between the private and public sectors. Corruption is not simply a public sector issue. Corrupt transactions, by definition, require the participation of more than one actor. After all, "it takes two to tango" and for every briber offering money there is a bribee asking for it. Thus, it will take the concerted effort of all stakeholders—public, private, and civil society—to successfully fight the scourge of corruption. That effort means changing attitudes, strengthening institutions, adjusting regulation, resetting incentives, and, more generally, reconsidering how a government interacts with its citizens in ways that minimize the opportunity for corruption.

Secondly, there is a growing appreciation that corruption can significantly undermine sustainable development, inclusive growth and poverty reduction, resulting in significant social and economic tensions that have important implications for a very broad range of stakeholders, not the least of which are the poor who forgo basic social services and economic opportunity due to corruption. Though it is not easy to measure the overall impact of corruption, let us look at a few examples from recent studies:

- A recent paper that estimated the effect of corruption on economic growth and GDP per capita calculated the total effect of corruption as follows: an increase of corruption by about one index point reduces GDP growth by 0.13 percentage points and GDP per capita by USD 425.¹

- More than USD 1 trillion is paid in bribes each year, according to ongoing research at the World Bank Institute. The same research showed that countries that tackle corruption and improve their rule of law can increase their national income by as much as four times in the long term.²
- According to Transparency International, corruption equals a full 3% of the world’s gross domestic product.³
- Studies of the impact of corruption upon government procurement policies in several Asian countries reveal that these governments have paid from 20% to 100% more for goods and services than they would have otherwise.

Finally, looking at corruption from the perspective of all stakeholders allows us to better identify the “win-win” dynamics that can help create a stronger and broader consensus to fight corruption. For example, citizens might be more supportive of tax increases to support higher civil service pay if they better understood that this was a far more efficient (and equitable) means than direct bribery (which also comes out of citizens’ pockets) to compensate underpaid government officials. Business might be more supportive of anti-bribery laws if they better understood that businesses from countries with stronger enforcement of anti-bribery laws are asked less frequently to pay bribes than businessmen of countries with weak enforcement. Likewise, citizens that still fear “exploitation” by foreign investors would fear less if they understood that such exploitation is only possible to the extent that national officials are corruptible. When Lee Kwan Yew in the 1960s invited foreign multinational corporations—MNC, then a dirty three-letter word—to invest in Singapore, there was no question who was in charge. Mr. Lee’s uncompromising stance against corruption made that possible. I hope this conference will explore how we can create and take advantage of these win-win opportunities to accelerate the fight against corruption.

The Role for Multilateral Cooperation

Although national action will be the most important key to success, clearly multilateral cooperation such as we see in this conference will play an important role in facilitating and promoting this comprehensive approach to fighting corruption. The OECD Anti-Bribery Convention concluded in 1997 was one of the first international efforts to address the supply side of corruption by requiring signatories to criminalize and prosecute bribe giving. Thirty-seven countries have now signed on to this historic accord. The United Nations Convention against Corruption (UNCAC) addresses both sides of the corruption problem. Currently, 140 countries, including many in our region, are signatories to the UNCAC, a

clear indication of how seriously the world community takes the issue of corruption.

The Extractive Industries Transparency Initiative (EITI) is another important multilateral effort focusing on both supply and demand sides of the corruption equation by requiring transparent reporting of extractive resource revenues from companies, both private and state-owned, to governments and then strengthening civil society monitoring of those revenues to ensure that the revenues of extractive industries are used to foster economic growth and development. I am happy to say that in February of this year, ADB joined the growing coalition of countries, development institutions, international corporations, and civil society organizations that have endorsed the EITI.

Progress and Challenges

Last, but certainly not least, the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific, a path-breaking multilateral undertaking, continues to grow in importance. We are seeing significant progress under the Initiative. The number of countries endorsing the Anti-corruption Action Plan for Asia and the Pacific has grown from 25 at the time of our regional conference in September 2005 in Beijing to 28 this year, with an additional four countries participating as active observers. Twenty countries from Asia and the Pacific have ratified or acceded to the UNCAC, and an additional 12 have signed. The recently held 13th International Anti-corruption Conference was attended by more than 1,500 participants from more than 130 countries, representing the public sector, the private sector, and civil society.

However, despite these significant efforts, barriers to progress remain: prevailing practice, ineffective legal and regulatory frameworks, and institutional weaknesses. It is a matter of concern, that progress on the World Bank's world-wide governance indicators has been limited in Asia and the Pacific. In fact, these indicators suggest that control of corruption in the region has deteriorated rather than improved over the past 10 years.

In addition, legislation in many countries does not yet extend to areas such as foreign bribery or political corruption, and regulations are too often ambiguous. Furthermore, not enough attention has been paid to reforming the law enforcement agencies, whose cooperation is essential to the success of anti-corruption agencies. And, although the contributions of civil society in raising public awareness, encouraging reforms and monitoring progress are well-known, some countries remain wary of fully engaging civil society as a partner in fighting

corruption. Building capacities and partnerships across the region is crucial to address these ongoing challenges.

The Role of the Asian Development Bank

ADB is staunchly committed to this task. ADB's long-term strategic framework recognizes the profound harm that corruption inflicts upon development, and particularly on the poor, and reaffirms our commitment to strengthen systems that emphasize prevention and utilize the international framework embodied in the UNCAC.

ADB launched its Second Governance and Anticorruption Action Plan (GACAP II) in the summer of 2007 and became the first multilateral development bank to require, in partnership with its client governments and development partners, governance risk assessments designed to identify critical weaknesses in public financial management, procurement, and anti-corruption systems that could compromise a country's own development efforts. We are using those assessments to help identify concrete measures that can help to mitigate governance risks in our country strategies, sector work, and individual projects.

ADB has a very robust program of projects and technical assistance aimed at improving governance and fighting corruption in partnership with our developing member countries. In 2007, we undertook USD 3.3 billion worth of loans, which included components aimed at improving governance and USD 40.1 million of technical assistance in the same area.⁴ These programs focused in particular on public financial and economic management, combating corruption, public administration reform, and reforms in the infrastructure and financial sectors. Programs of particular note include: the Good Governance Programme in Bangladesh, which supports UNCAC implementation and strengthens the Anti-Corruption Commission; the Second Development Policy Support Program in Indonesia and the Commune Council Development Project in Cambodia, both of which put a strong emphasis on strengthening Public Financial Management; and the Local Government Financing and Budget Reform Cluster in the Philippines, with its emphasis on transparent inter-governmental fiscal arrangements and financial management.

The Way Forward: Effective Partnerships and Continued Resolve

Given the complexities of the global age, corruption cannot be handled through stand-alone efforts. This battle requires state-of-the-art knowledge and tools and, above all, firm resolve. Judging by the commitment of the 28 member

countries of the ADB/OECD Anti-corruption Initiative, we can be optimistic that progress will continue.

On behalf of ADB, I would like to express our appreciation to the OECD for its strong and ongoing partnership in and contributions to this Initiative. I would also like to thank all the development partners who have provided their strong support.

In particular, I want to extend our deep appreciation to the Government of Singapore and the Corrupt Practices Investigation Bureau, our hosts for this year's conference. Singapore has been a role model in Asia and the Pacific and, by holding this conference, it has yet again shown leadership in tackling corruption in the region.

We deeply appreciate the government's efforts to make this important event a success. The proceedings and outcomes of this conference will further cement coordination among member countries, and with the international governance and anti-corruption experts. We are confident that this will be a milestone in the journey toward a transparent Asia that is free of poverty and corruption.

NOTES

- 1 Dreher and Herzfeld, 2005.
- 2 World Bank Institute, 2004 and ongoing.
- 3 TI Anti-Corruption Handbook: corruption is defined as all instances where "entrusted power is used for private gain".
- 4 ADB. 2008. Governance Thematic Report 2006–2007.

Opening Statement

Mario Amano
Deputy Secretary-General, OECD

It is an honor to be here today and share the opening of the 6th Regional Anti-Corruption Conference for Asia and the Pacific with my distinguished colleagues from Singapore and the Asian Development Bank.

I am deeply grateful to the Government of Singapore for hosting this conference, and for its tremendous efforts to ensure a program of highly relevant topics to Asia and the Pacific. Singapore is an anti-corruption success story, demonstrated by its high ranking on Transparency International's Corruption Perceptions Index year after year. It is fitting that it is the host country for this important event in 2008.

I am very proud that the OECD and the Asian Development Bank are partners in this conference. Our two organizations have been working together for almost 10 years on this Initiative. I believe that our blend of expertise and perspectives gives Asia and the Pacific a unique opportunity in the fight against corruption. The OECD looks forward to continuing this valuable partnership as we embark on the next decade.

I am pleased to see that so many key actors in the fight against corruption in the region have come together for this important conference.

It gives me great pleasure to address the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific, whose member countries have been making such important efforts to fight corruption. Countries have implemented wide-reaching awareness campaigns to increase knowledge of corruption and its damaging effects. Technical assistance programs are underway, and government-wide Action Plans have been put in place to guide reform efforts.

Additionally, 22 of the Initiative's 28 members have signed, ratified, or acceded to the United Nations Convention against Corruption. This shows a broad, sincere commitment to fighting corruption, and an acknowledgment of the importance of international standards and collective action.

Your attendance here shows the reach and impact of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific, which will celebrate its 10th

anniversary in 2009. Over the past decade, members of the Initiative have worked hard to fight corruption in the region, and the Initiative has supported you through policy dialogue and analysis, and capacity building.

The Action Plan, adopted in 2001, has provided a roadmap to guide and support members' country-level reform efforts. It sets goals and standards, adapted to the regional context, that encourage the establishment of effective and transparent systems, and promote integrity. It has led to individual and collective efforts to reduce economic, political, and social corruption.

This demonstrates how effectively the Initiative creates an environment of trust among its members, and encourages progress. The thematic reviews on priority issues in the region are a key output. The 2007 review on mutual legal assistance, extradition, and recovery of proceeds of corruption is a particular success story. This helpful publication has been widely distributed within the region and beyond. Officials in many countries and organizations use it to inform and facilitate their daily work.

Some of you may ask why the OECD, with its emphasis on helping governments foster prosperity and fight poverty through economic growth and financial stability, is involved in fighting corruption, and how it came to be a partner in the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific. The OECD recognizes that corruption goes to the core of sustainable economic development. It can derail development plans. It aggravates the potential for infrastructure projects to go wrong with tragic consequences, when contracts obtained through bribery result in the construction of bridges and dams that collapse, or factories that poison lakes and rivers. It diverts public funds from health care, the construction of hospitals and schools, and the purchase of children's schoolbooks.

The OECD, believes that to successfully combat corruption, a holistic multi-dimensional approach such as set out in the ADB/OECD Anti-Corruption Initiative's Action Plan—with education to promote citizens' expectations of clean government and civil servants' pride in being honest; decent public sector salaries, regulatory reform to reduce opportunities for corruption; civil society activism to insist on clean government, and more—is necessary. It also means having an effective legal and law enforcement regime to prevent, detect, and punish corrupt activities.

The Initiative has chosen as the theme for the 6th Regional Anti-Corruption Conference the supply side of bribery in business transactions. An effective fight against bribery in business transactions requires equal emphasis on the supply of bribes by domestic and foreign companies and the demand for bribes from public officials.

Fighting bribery in business transactions also has significant importance for the region. As many economies are quickly expanding and becoming major forces in international business, they have a strong interest in addressing corruption that threatens fair competition and undermines the level playing field for business.

This conference will provide participants with valuable opportunities to exchange experiences on reducing the supply of bribes in business transactions. It will do this by exploring a wide variety of issues such as criminalization, managing conflicts of interest in the public and private sectors, internal company controls, corruption between private sector agents, and sustainable development.

Combating the supply of bribes also happens to be the focus of the OECD Anti-Bribery Convention. This is because the 30 OECD member countries and the 7 non-member countries that are State Parties to the Convention felt that they had a unique opportunity to deter companies from their countries from bribing foreign public officials in international business transactions.

Since they have been monitoring implementation of the Convention for almost 10 years, they have learned many lessons along the way. Their evaluation reports document the challenges they have faced and recommend steps for overcoming these challenges.

The countries that belong to the Convention have also analyzed the trends and patterns in the challenges that they have faced. This has enabled them to mutually support each other in finding solutions. It is in this same spirit that the countries that joined the OECD Anti-Bribery Convention are keen to share experiences with members of the Initiative facing similar challenges in implementing international standards, such as the United Nations Convention against Corruption (UNCAC). For this reason, I am pleased that three parties to the OECD Anti-Bribery Convention—Australia, Japan, and the Republic of Korea—are also members of the Initiative.

Although its focus is broad, the UNCAC includes important provisions to combat the supply of bribes. Like the OECD Anti-Bribery Convention, it requires signatories to establish an offense of bribing a foreign public official. It also requires signatories to establish an offense of bribing a domestic public official.

The OECD also shares the UNCAC's focus on corruption and sustainable development. The OECD Development Assistance Committee's Network on Governance works with donor countries to incorporate anti-corruption efforts into development activities. The OECD introduced anti-corruption provisions in bilateral development aid in 1996, and the DAC GOVNET strengthened support

for country-led anti-corruption strategies with the publication of the Principles for Donor Action in 2003. In 2007, DAC Ministers agreed on a Collective Action Agenda for Improving Governance to Fight Corruption which proposes a harmonized approach among donors, and recognizes the role that both aid donors and recipients can play to fight corruption.¹

Public sector integrity is also a major area of anti-corruption work at the OECD. A 2008 Recommendation of the OECD Council on Enhancing Integrity in Public Procurement² aims to help governments review and prevent corruption throughout the entire public procurement cycle. The Recommendation provides principles for enhancing integrity in public procurement drawn from good practices in OECD and non-OECD countries.

Another area of anti-corruption work at the OECD concerns the use of tax measures to prevent and detect bribery. A 1996 Recommendation of the OECD Council provides for the non-deductibility of bribes,³ which is an important disincentive for corruption in business transactions. It also provides tax officials with a basis for detecting and reporting bribes. The OECD Bribery Awareness Handbook for Tax Examiners⁴ helps tax examiners detect and identify bribes. It is available in several languages, including Chinese, Japanese, and Korean.

This conference represents an important opportunity for concerned individuals, countries, organizations, companies, and other key stakeholders to come together to delve into the most important anti-corruption issues of today.

I am pleased that you have brought your energy, ideas, and commitment to the table today. I believe that the next 2 days will bring many fruitful exchanges, innovative ideas, and productive partnerships.

In closing, I would like to share with you my wish that you will leave this conference with renewed faith in the power of your collective action as members of this Initiative to make a real impact on corruption in the region. I congratulate you on nearing the 10th anniversary of this Initiative, and remind you to stay positive and to be proud of every achievement that you have made and will continue to make as you face the challenges of fighting the terrible scourge of corruption.

NOTES

¹ www.oecd.org/dataoecd/2/42/39618679.pdf

² www.oecd.org/dataoecd/62/24/41549036.pdf

³ www.oecd.org/document/46/0,3343,en_2649_34551_2048174_1_1_1_1,00.html

⁴ www.oecd.org/dataoecd/20/20/37131825.pdf

Closing Remarks

Peter Ho, Head, Civil Service, and Permanent Secretary for Foreign Affairs, Singapore

This is the 6th Regional Anti-Corruption Conference for Asia and the Pacific organized by the ADB/OECD Anti-Corruption Initiative. I am quite struck by the diversity of participation in the conference. We have participants not only from the anti-corruption agencies, but also from other government departments. These include audit and procurement agencies, regulatory agencies, Ombudsman's office, and so on. International organizations, civil society (including Transparency International), and private sector organizations are also represented.

Getting different government agencies to set aside turf issues and work together is a big challenge. But it is a vital part of good governance—even if it is easier said than done. As the world becomes more complex, policy issues and challenges become more interconnected. But the traditional allocation of responsibilities of government to ministries and agencies creates a silo effect. When issues span more than one agency, timely and effective responses are difficult to achieve. What is required is that government officials cooperate with officials from other agencies in solving problems from a whole-of-government viewpoint. This includes fighting corruption. For instance, the officers from anti-corruption agencies proactively offer ideas and insights they have gathered from their work to help government agencies strengthen their processes and systems to prevent corruption.

Indeed, this need to adopt a comprehensive appreciation of issues is not only relevant to government. In the private sector, civil society, and the international organizations, many issues cut across the whole of the organization. Regardless of structure, staff have to be aware of cross-cutting issues that are strategic to their organization. For instance, the people doing finance or marketing must also know how the other parts of the organization work to be effective. Anti-corruption is something that should be vital to any organization, so it is important that key actors understand not just the “why”, but also the “how” of dealing with this problem.

The theme of this conference—Fighting Corruption in Asia and the Pacific: Strategies for Business, Government, and Civil Society—is a reflection of the point that different parties are required to work together in the fight against corruption.

In recent months, the subject of regulation has often been raised. In the eyes of many, the financial crisis was caused largely by inadequate regulation of the financial sector. In the context of anti-corruption, what this means is that regulators and corporations have to ensure that the right processes are put in place, coupled with an appropriate degree of regulation, so that the opportunities for corruption are reduced in the first place.

The role of government is to set out a broad anti-corruption framework through legislation, administrative policies, and regulations. Government must also ensure that there is a strong enforcement agency capable of dealing with those who commit corruption. But policies should neither be intrusive nor impede the free market and the entrepreneurial spirit that are vital for the modern day economy. The private sector also has a role to play. Indeed, it is the responsibility of the private sector and individual entities to put in place internal systems of governance in their organizations, because they know best how they operate. It is only through an integrated approach involving the public and private sectors that a successful anti-corruption framework can be implemented, encompassing both preventive and enforcement measures.

During the conference, speakers touched on the “supply side” of the corruption problem—using the term to refer to those companies and persons who pay bribes to public officials. The “supply side” cannot be neglected if effective corruption control is to be achieved. Of course, this is not meant to imply that the entire private sector is the culprit, on account of the corrupt acts of some of its elements. In fact, the private sector is the vital engine of growth in all economies. Nonetheless, tough action must be taken against the “supply side” in tandem with the traditional tough action against the “demand side”—those who receive bribes. This approach has been embraced by Singapore since the beginning and is increasingly adopted by many countries around the region, as was evident from the discussions at this conference.

In the course of the workshops, we have also heard from regulators, international organizations and private-sector entities about possible approaches to deal with corruption. What has emerged is how similar these approaches are to the anti-corruption measures adopted by governments. Firstly, just as governments need to have political will to deal with corruption, there must be willingness by private-sector organizations to deal with the risks of corruption. Each organization must develop its internal anti-corruption policies. Next, organizations should look at implementation issues, such as training, for its anti-

corruption measures. A proper system of internal audit and control, as well as a reporting mechanism, must be established. Finally, follow-up measures such as investigation and enforcement against the corrupt activity or breach of procedure must be carried through.

The success of these measures turns on the willingness and commitment of the concerned organization. As pointed out by many of the speakers, for anti-corruption agencies to successfully deal with private sector corruption, a culture of intolerance of corruption has to be developed in the larger community. The private sector must in turn commit to work with the government to fight corruption. This is why knowledge sharing through conferences such as this is so important—it allows different sectors to learn from each other and to further cooperation toward the common objective of tackling corruption.

I hope all of you had excellent opportunities to learn from the workshops, as well as opportunities to socialize and to network. If you are not coming on official business, I do hope that you will still come again to Singapore for holidays. In fact, next year, Singapore will be chairing APEC and will host the APEC Anti-Corruption Task Force, where we will further explore the issue of public-private sector governance through a workshop. We welcome your participation in the workshop.

To our overseas participants and speakers, I wish all of you a safe journey home.

Concluding Remarks

Patrick Moulette, Head, Anti-Corruption Division, OECD

On behalf of the OECD, I would like to express our gratitude to the Singaporean government for hosting this very well-organized and productive event.

I also thank the ADB for our ongoing, fruitful relationship that supports the fight against corruption in Asia and the Pacific. This meeting has shown how much can be accomplished when our organizations work together—with our partners and member economies—to identify key challenges and seek solutions.

Of course, I am grateful to all the participants for bringing your energy, ideas and commitment to this important regional meeting. Your work in your home countries, your dedication to collective action, and your support of your neighbors' reform efforts are resulting positive change that can be felt across the region and around the world.

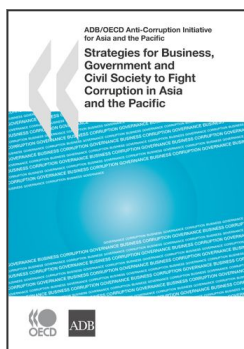
Finally, I thank all our partner and donor organizations. I hope that the conversations you have heard and actions you have seen over these past two days have shown that your contributions and support are making a real difference in fighting corruption in Asia and the Pacific.

This meeting has been a great opportunity for experts and key officials “on the ground” in the fight against corruption to come together and discuss the key issues in this important area. We have seen time and again how important a regional perspective is in considering these issues.

The workshop on international criminal law standards reinforced the importance of a solid legal framework—based on international standards—for the investigation and prosecution of foreign bribery offenses. Without this strong foundation, these efforts cannot succeed.

However, effective implementation is of paramount importance as well. The OECD Working Group on Bribery's monitoring mechanism shows how peer pressure and mutual trust can push countries forward toward meaningful change.

Finally, this conference was a demonstration of how international and regional initiatives can bring key players together for discussions and actions that truly move the fight against corruption forward. I thank you all for being part of the fight.



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