The main focus this year – Raising Integrity Standards in Government, Business and Society – was timely, and the debates highlighted the challenges countries worldwide face in particular in the context of broken trust in government, widening inequality and political polarisation. With corruption perceived as a key source of these socio-economic and political challenges, the Forum advanced the policy debate on integrity standards in government, business and society and their contribution to restoring trust and driving inclusive growth.
The long game for anybody who is working on integrity is to change the culture of government.
Paul Maassen, Director for Civil Society Engagement, Open Government Partnership (OGP)

It’s not enough to tell students corruption is bad – that’s boring – they need to be taught what they can do about it.
Fredrik Galtung, Founder President, Integrity Action

Integrity needs to be part of the business model.
Adrian Walker, Global Co-Head of Infrastructure and Co-Leader of Business Integrity, Hogan Lovells

No trust without integrity
The debates placed trust at the centre as an overarching concern for governments and business across the globe and recognised the detrimental effect of corruption on public trust. Consensus emerged on the pivotal role of raising integrity standards in government, the private sector and society for restoring public trust. This message is reflected in the report “Trust and Public Policy: How Better Governance Can Help Rebuild Public Trust”, launched at the Forum, which highlights what governments can do in the way they manage public money, make laws, deliver services and interact with citizens in order to retain public trust.

Integrity fostering inclusive growth
The debates underscored the role integrity standards play in stimulating inclusive growth and sustainable development, by assuring fair and efficient resource allocation, strengthening competition and investment, and fostering innovation. The debates resonated with the new vision of the OECD Recommendation on Public Integrity, and recognised the value-added of a whole-of-government and whole-of-society approach to build a values-based ‘culture of integrity’ and go beyond a ‘culture of cases’.

Integrity at the heart of the public interest
The Forum advanced the policy debate on the prevention of the various forms of policy capture, including undue influence, lobbying, political party financing and revolving door practices. The sessions debated strategies and tools to prevent policy capture, building on the insights from the report “Preventing Policy Capture: Integrity in Public Decision Making”, which was launched at the Forum and contains specific actions for government, business and civil society.

#Corruption destroys human progress, corrodes the foundations of our societies, our economies & our well-being
@A_Gurria #OECDIntegrity
The OECD Secretary-General formally received at the Forum the report and recommendations of the High-Level Advisory Group on Anti-Corruption and Integrity, an independent group of leading anti-corruption and integrity experts. With the objective to strengthen the relevance of the OECD’s vital work in combating bribery and promoting integrity, the report and recommendations advocate doing more to enforce and develop anti-corruption standards, fostering greater co-ordination within the OECD, and enhancing collaboration with other international organisations. The report is published online and has been transmitted to the OECD Member countries as an opening step to foster dialogue on the OECD’s future anti-corruption efforts. The creation of a High-Level Advisory Group was announced on the occasion of the 2015 OECD Integrity Forum.
The Forum also provided a platform to advance the debates on G20 initiatives, such as integrity in wildlife and organizing against corruption, as well as the debate from COP 21 on integrity in climate finance.

**We need to use all available information to identify, arrest and sanction the real beneficiaries of this crime, those who are organizing the crimes, so that we are not only prosecuting low level actors.**

Candice Welsch, Chief, Implementation Support Section Corruption and Economic Crime Branch, UNODC

The OECD Task Force on Countering Illicit Trade (TF-CIT), in collaboration with WWF, the Fisheries Transparency Initiative (FTI) and UNODC, organized a discussion on how corruption facilitates the illegal wildlife trade. The invited experts strongly emphasized the need to enhance corruption risk assessments, and underscored that coordination between law enforcement, anti-corruption specialists, customs, and wildlife management authorities needs strengthening when it comes to applying international anti-corruption instruments to cases of wildlife crime. Participants pointed to effective forms of partnership across government and the private sector, and with civil society, for example to increase transparency in fisheries, that boost accountability with oversight procedures. Even the G20 has made this topic a priority topic for its work on anti-corruption. The OECD TF-CIT committed to lending its support to these partnerships in support of enhancing institutional capacities to counter illicit trade.

During Integrity Week, the Task Force launched this report: Trade in Counterfeit ICT Goods

**Trust is an important currency.**

Carsten Schmitz-Hoffmann, Head of Department, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

The debate “(Re-)Gaining Public Trust through Integrity” addressed the effects of corruption on trust and underscored how raising integrity standards in government, business and society, as articulated in the OECD Recommendation on Public Integrity and the G20 Anti-Corruption Working Group High-Level Principles on Organizing against Corruption.

**Integrity in Climate Finance**

The climate finance debate focused on key strategies to strengthen policies and practices and mitigate the critical corruption risks to decarbonising economies.

Participants agreed that climate finance plays a crucial role in order to shifting and leveraging public and private investment towards achieving the COP 21 climate targets, aiding sustainable development and growth. Yet, risks of corruption and fraud continue to undermine these goals by disturbing level playing fields, deterring sustainable investments and escalating costs for economies and citizens.

**Independence of Regulators, Competition Authorities, Supreme Audit Institutions**

Legal independence is a prerequisite, but de facto (practical) is just as vital to ensure regulators, competition authorities and supreme audit institutions deliver on their missions and objectives. The session discussion underlined what matters for the independent functioning of each type of authority. Supreme audit institutions hold government to account and that requires full independence to function appropriately. Regulators must engage with the regulated sector to create efficient regulatory regimes, making issues of integrity and independence more pressing. For competition authorities, independence from political influence ensures fair competition. Several OECD publications and tools have been developed to help organisations balance legal and practical independence, such as “Creating a Culture of Independence: Practical Guidance against Undue Influence” (forthcoming), “Being an Independent Regulator, Independence of Competition Authorities – from Design to Practice”, and “Supreme Audit Institutions and Good Governance”.

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Export controls are essential to limit the possibility of unauthorised users obtaining equipment, materials or technologies which risk being used for illegal purposes, such as terrorism, or access to profitable sources of financing for terrorism. These controls are vulnerable to corruption and foreign bribery. The discussion highlighted the nature and range of risks that can occur as a result of this vulnerability, and in particular, how terrorists may exploit weak and poorly enforced export controls. Corruption and foreign bribery risks must be better addressed in national export control regimes. Companies should also incorporate both export controls and anti-bribery measures into their compliance programs. The OECD and other international organisations have an important role to play to ensure a more global and co-ordinated approach to tackle this phenomenon.

Corporate Liability

The Forum debate on corporate liability explored a number of features of emerging legal frameworks and noted that many countries have adopted or are refining their corporate liability systems, leading to a partial convergence of law and practice in corporate liability systems. Speakers underscored that the Anti-Bribery Convention and related monitoring by the OECD Working Group on Bribery (WGB) have played a key role in bringing about this convergence. However, substantial diversity across countries still exists, as documented in the WGB’s recent publication on corporate liability. Therefore, more sharing of practices and experiences is needed to improve and harmonise corporate liability systems.

Integrity in Development Cooperation

The debate on integrity in development cooperation underscored the importance of development agencies acting as a bridge between domestic entities and the receiving agencies of beneficiary countries in identifying illicit flows and victims of corruption, and for allocating compensation funds to local development projects in a transparent, accountable and fair manner. The newly adopted OECD Recommendation for Development Cooperation Actors on Managing the Risk of Corruption paves the way for a renewed and more consistent approach to corruption risk management system in the area of development cooperation.
Responsible Business Conduct and Integrity

The debate on Responsible Business Conduct (RBC) explored how companies can engage governments to actively prevent and mitigate adverse impacts related to their operations or supply chains on matters related to human and labour rights, the environment and corruption. The panel agreed that, despite the two fields RBC and integrity often being explored in silos, they are in fact interconnected: RBC involves looking beyond just compliance, but rather to build ethics into business practices and mitigate adverse impacts in the supply chain, including corruption. Furthermore, the panel stressed that a critical success factor for government engagement is to jointly seek the most significant points of leverage. Additionally, global standards, such as the MNE Guidelines and OECD Anti-Bribery Convention, are necessary to fight the conditions that enable human rights impacts, labour violations, and corruption.

It is important to make anti-corruption efforts proportional to the risks SMEs face.

Miriam Koreen, Deputy Director and Head of the SME and Entrepreneurship Division, Centre for Entrepreneurship, SMEs, Local Development and Tourism, OECD

Often operating in difficult environments, SMEs are highly vulnerable to corruption in all its forms, and typically lack resources, knowledge, and experience to implement effective anti-corruption measures and conduct their business in compliance with international standards and the applicable legal rules. The panel agreed that tailored guidance is needed, as well as harmonised standards and less bureaucracy. Existing tools, such as risk assessments, may be helpful entry points. Further guidance should be provided by business associations, including peer-to-peer learning, (digital) training and strengthened communication. Speakers also underscored the need for collective action and for supporting local initiatives.

Electronic invoicing mechanisms allowed us to better track the transactions, and as a result we have seen a 20% increase in VAT revenue.

Robert Mugabe, Deputy Commissioner, Revenue Investigation and Enforcement Department, Rwanda Revenue Authority

Through the debates on restoring trust in the tax system, panelists recognised the need for a better use of technology to counter the shadow economy, including the issues of over invoicing and non-declared income. As the OECD report Technology Tools to Tackle Tax Evasion and Tax Fraud was officially launched at the Forum, discussions focused on the efforts made by developing countries to spread electronic devices to register and track the transactions. With better technology tools, the work of tax auditors is easier and faster, thus decreasing the corresponding burden on taxpayers. On the other hand, tax authorities need to stay abreast of the technological developments as taxpayers are now also using these tools to evade taxes. It also appears key for tax administrations to be able to obtain high quality and standardised data to identify and manage the risks. The initiatives that increase transparency can help, such as the Country-by-Country Reporting proposed as part of the OECD/G20 Base Erosion and Profit Shifting Project. Speakers agreed on the importance of building a culture of tax compliance, engaging with all stakeholders.

Anne-Christine Wegener, Anti-Corruption Analyst, Author
The debate “State owned enterprises in the marketplace: How to avoid corrupt practices” explored the unique integrity challenges that State-Owned Enterprises (SOEs) face due to their proximity to government and operation in high-risk areas, including risks of bribery, fraud and undue influence in decision-making. Solutions require action on all fronts - active and professional ownership by governments, external control, whistleblowing, and exchange of good practices between public and private spheres. Such unique corruption risks and good practice solutions will inform the OECD’s forthcoming guidance on anti-corruption and integrity in SOEs that seeks the more diligent implementation of the OECD Guidelines on Corporate Governance of State-Owned Enterprises.

Infrastructure projects are susceptible to corruption and mismanagement, due to their scale and complexity, the multiplicity of stages and stakeholders involved, as well as the extent of public officials’ discretion on investment decisions. The Forum debate recognised the difficulty of addressing corruption and capture in the pre-tendering phase of infrastructure projects. Participants called for more efforts to better define pre-tendering phase procedures. Strengthening transparency through the comprehensive disclosure of data on infrastructure projects while taking into account fair competition also helps, as well as proactive disclosure of bid evaluation reports.

All [SOE] board candidates are screened for conflict of interest. This is time consuming, and you need sufficient resources... but the alternative is worse.

Lars Erik Fredriksson, Chair of Working Party on State Ownership and Privatisation Practices and representative of the Swedish Ministry of Enterprise and Innovation

The availability of better public infrastructure data increases private sector productivity by allowing them to be more effective.

Thom Townsend, Senior Policy Advisor, UK Cabinet Office

Advocates of Integrity

OECD corruption data indicates that intermediaries and professional service providers, including lawyers, notaries, agents, financial service providers, bankers, accountants, and auditors, are involved in three out of four cross-border corruption cases. In follow-up to the London Anti-Corruption summit, discussions on the ethical standards of professionals and intermediaries have shifted the debate to the special role that professional service providers can play in promoting integrity in business. The panel underlined the need for professionals to increase levels of awareness of their—and their clients’—exposure to corruption risk and embrace standards beyond legal compliance. Professional bodies also have a role to play in training and awareness-raising programmes on the global ethical, educational, and disciplinary standards they set.
Integrity Week

Fostering synergies between policy committees, the 2017 Integrity Week also brought together relevant policy communities in a series of meetings, including the meeting of the Working Party of Senior Public Integrity officials (SPIO), the DAC Network on Governance’s (GovNet) Anti-Corruption Task Team, the meeting of the Task Force on Countering Illicit Trade, regional anti-corruption networks, such as the MENA-OECD Working Group on Civil Service and Integrity and the MENA-OECD Business Integrity Network, the 2nd meeting of the Contracting 5’s (C5), the 4th Annual Anti-Bribery Conference, as well as academic networks.

Poster presentations

23 academic researchers were selected via a competitive call for papers and presented their innovative findings and insights on integrity and anti-corruption through poster presentations.

Corruption – The Elephant in the Room?

A multifaceted metaphor, Indira, the white elephant was present at the Forum, symbolising several aspects of corruption in society today.

The term ‘White Elephant’ is used to describe any investment, especially in infrastructure, that is expensive to maintain, unprofitable and often useless. White elephants serve as stark reminders of the misallocation of public budget and the risk of corruption in large infrastructure projects.

Indira was also here to remind us of the disastrous effects corruption has on wildlife. Corruption is a pervasive enabler of illegal trade in wildlife and illegal fishing, which account for billions every year in illicit revenues. Today more African elephants are being killed for ivory than are being born, with 60% of elephant deaths at the hands of poachers and organised criminal networks.

Lastly, she was the true metaphorical “elephant in the room”, the conversation we have neglected too often, that is, corruption and the capture of public policies by special interests groups.

Many thanks to

UK Government

And to our knowledge partners