

ADB OECD Anti-Corruption Initiative for Asia-Pacific
Combating Corruption In the New Millennium

Anti-Corruption Action Plan for Asia and the Pacific

Implementation Strategy

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Secretariat of the ADB-OECD Anti-Corruption Initiative for Asia-Pacific:

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INTRODUCTION

The Anti-Corruption Action Plan for Asia and the Pacific has been endorsed by 17 countries from Asia and the Pacific¹ on 30 November 2001 in Tokyo, Japan. After this important proof of political commitment to the fight against corruption by these countries, the key objective of the ADB-OECD Initiative's work program for 2002-2003 is to support endorsing countries in fulfilling their commitment by implementing the Action Plan on national level. The present document sets out the strategy and actions to be undertaken in the framework of the ADB-OECD Anti-Corruption Initiative for Asia-Pacific in 2002-2003 in this regard.²

History

The ADB/OECD Anti-Corruption Initiative for Asia-Pacific was launched at a regional workshop in Manila in October 1999 and formally endorsed by participants of the Forum on Combating Corruption in the Asia-Pacific Region in Seoul, Korea in December 2000. Participants of the Seoul Conference³ expressed the wish to jointly develop a more comprehensive and co-ordinated regional framework for action against corruption in Asia and the Pacific and called upon the Secretariat of the ADB/OECD Initiative to co-ordinate efforts in this matter.

In response to this demand, the Secretariat of the Initiative established a regional expert group to draft the Anti-Corruption Action Plan for Asia and the Pacific. The Action Plan was formally endorsed during the Third ADB-OECD Conference on Combating Corruption in the Asia-Pacific Region held in Tokyo, Japan in November 2001. It is the outcome of an intensive consultation process between regional ADB member countries as well as representatives of civil society and business organizations from the region and the international donor community. It provides for a comprehensive set of actions which governments are committed to take to develop effective and transparent systems for public service; strengthen anti-bribery actions and promote integrity in business operations; and support active public involvement.

Objectives and Principles of Action

The objective of the ADB-OECD Initiative is to help countries of the region which wish to do so to build up effective anti-corruption mechanisms and to lay the foundations for the sustained fight against corruption. This Initiative is seen as an integral part of government's

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1. Bangladesh, Cook Islands, Fiji, India, Indonesia, Japan, Korea, Kyrgyz Republic, Malaysia, Mongolia, Nepal, Pakistan, Papua New Guinea, Philippines, Samoa, Singapore, and Vanuatu. In addition, the Republic of Kazakhstan endorsed the Action Plan on 22 May 2002.
 2. This strategy was approved by the Steering Group at its second meeting on 27-28 May 2002 in Manila, the Philippines.
 3. Participants of this conference included representatives from governments, civil society, and the business sector from the following 32 Asian and Pacific countries (Australia, Bangladesh, Bhutan, Cambodia, People's Republic of China, Fiji, Hong Kong, China, India, Indonesia, Japan, Kazakhstan, Republic of 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, Chinese Taipei, Tajikistan, Thailand, Uzbekistan, Vanuatu, and Viet Nam) and from the international donor community.

efforts to make their policies more efficient and effective in achieving growth and reducing poverty.

The Initiative aims at promoting an integrated approach to policy-making while respecting country differences and without interfering in internal corruption cases. By bringing together major stakeholders and by pooling regional efforts, the ADB-OECD Initiative aims to help and advise in institution building and the formulation of reform strategies, to encourage partnerships between governments and civil society and their exchange of approaches and sharing of experiences, and to promote international donor coordination. As such, it bases its activities on four principles of action: country ownership, regional cooperation, civil society involvement and international coordination.

PROGRESS TO DATE

Activities in 2002 and 2003 will build on progress made since the Initiative's establishment in 1999:

Understanding the challenges facing the Asian and Pacific region. By means of workshops, conferences, e-discussions and other activities such as regional anti-corruption video-conferences, the Initiative has supported participants of the Initiative in increasing their understanding of the particular challenges facing Asian and Pacific governments in their struggle to fight corruption. This accumulated knowledge ensures accuracy and comprehensiveness of future anti-corruption actions taken by participating countries in the framework of the ADB-OECD Anti-Corruption Initiative for Asia-Pacific.

Anti-corruption knowledge tools. This accumulated knowledge is collected and processed in a number of books and newspaper articles published by the Secretariat, and thus shared with a large public. In addition, by widely disseminating the Action Plan (forthcoming pamphlet), and by means of its regional Anti-Corruption website (<http://www.oecd.org/daf/ASIAcom/>), the Initiative further contributes to enhancing anti-corruption knowledge and to increasing the visibility of the various anti-corruption efforts in the region.

Fostering regional cooperation. Through regional fora, and by means of a regional website which provides extensive information about key actors involved in the fight against corruption and their activities, the Initiative contributes to strengthening cross-border and cross-sector partnerships which are crucial to effectively fighting corruption. Future activities undertaken in the framework of the Initiative shall rely strongly on these networks and partnerships, and will continue to foster the sharing of experience and expertise.

Putting the anti-corruption issue higher on the political agenda. The endorsement of the Anti-Corruption Action Plan for Asia-Pacific by 17 regional ADB member countries in Tokyo on 30 November 2001 was proof of and further reinforced the commitment of countries of the region to place anti-corruption higher on their political agenda. The implementation plan which accompanies the Action Plan aims at ensuring that this political commitment is followed by concrete action.

Targeting reform areas. As an immediate follow-up to the endorsement of the Action Plan in Tokyo and the First Steering Group⁴ Meeting in November 2001, participating countries were – in accordance with the implementation plan – invited to identify, until end-February 2002, up to three priority areas for reform in which they consider that achieving progress in the coming 12-18 months is crucial. The first set of priority areas for reform selected by endorsing countries was discussed and reviewed by the Steering Group at its second meeting on 27-28 May 2002 in Manila. This discussed aimed to ensure highest quality of implementing projects and their complementarity with the longer-term overall anti-corruption strategy of the country.

Encouraging donor support and involvement. Donors have been invited to play an active role in the Initiative's different activities, including annual meetings and the drafting of the Action Plan. Endorsing countries were encouraged to engage in a dialogue with the local donor community on their selected priority reform areas and corresponding technical cooperation and capacity-building needs. As such, the Initiative provides endorsing countries with opportunities to strengthen their bilateral contacts with the donor community and encourages better coordination of donor support. It furthermore aims to ensure the representation of donor's views within the regional and national policy dialogue.

STRATEGY FOR 2002 - 2003

The ADB-OECD Anti-Corruption Initiative for Asia-Pacific is now entering its operational phase. From 1999 to date, the Initiative focused on knowledge and capacity building, the fostering of regional cooperation, and the development of a concrete framework for action. For 2002 and 2003, the strategic objective of the Initiative is to consolidate the results of the preceding phase by shifting the emphasis towards implementation of concrete anti-corruption reform efforts in the framework of the Action Plan. The policy work of the Initiative will focus on **four areas of action**:

1. Country Ownership
2. Regional Cooperation
3. Civil Society Involvement and International Donor Support
4. Enlarging Regional Participation in the Action Plan

The Initiative will thus aim at fostering both regional and country-specific policy reform. This strategy will be tailored to policy priorities identified by endorsing countries and provide means by which governments, donors and other partners of the Initiative can review progress achieved.

4 The Steering Group is made up of all endorsing countries, the Advisory Group and the Secretariat of the Initiative.

1. Country Ownership

Targeting selected priority areas and capacity building

Endorsing countries have primary responsibility for addressing corruption under the Action Plan. The implementation plan thus foresees a country-specific approach to implementation, which allows taking into account the diversity of social, economic and political factors in the countries of the region. Each endorsing country selects up to three priority areas per implementation cycle (12-18 months) under which reform is considered to be of primary importance for the country.⁵ For this operational phase, assistance to the countries is crucial.

The primary role of the Initiative's Secretariat in this context is to help endorsing countries, where required, in identifying likely donors for technical and financial assistance. For this purpose, the Secretariat, together with the endorsing governments, may engage in consultation with the local donor communities, e.g. in the framework of a joint government/donors meetings ("Action Plan Coordination Meeting"). The purpose of this consultation is: i) to ensure that the priority areas correspond to the primary needs for reform in the respective countries and that in-country steering mechanisms such as program coordination and policy making bodies are in place; ii) to sensitise donors about the Action Plan and to encourage further donor support to its implementation; iii) to explore possible complementarity with existing technical assistance projects; iv) to discuss the country's long-term anti-corruption strategy, v) to assist countries in formulating an anti-corruption strategy where one does not exist; and vi) to ensure that countries have set performance targets on which the self-evaluation reports would be based. Whenever possible, inputs will be made to the ADB's Country Strategy Programs.

Assistance from donors interested in supporting a given project is expected to take place in the form of bilateral technical assistance to the endorsing countries for implementation of the proposed projects. Endorsing countries and donors should aim at integrating new projects in the countries' on-going anti-corruption efforts, e.g. by further mainstreaming anti-corruption in the donor's overall support to the countries and by linking, where possible, new projects with existing ones. If required, the Secretariat, will evaluate the feasibility of supplying direct in-kind support and policy advice to certain projects including projects on a regional level such as training for selected authorities, by either making use of existing expertise in areas where ADB or OECD have a specific comparative advantage or by involving other experts in the field, including from endorsing countries and major partners of the Initiative. It will also input information on country projects into ADB's programmatic operations and activities.

2. Regional Cooperation

Endorsing countries have committed themselves to participate in a regular review process. The overall objective of this exercise will be to review progress and lessons learnt in implementing the Action Plan and to identify further needs for policy reform and institution building. This mechanism will furthermore allow members of the Advisory Group⁶,

5. The first set of priority areas for reform and corresponding implementing projects was discussed by the Steering Group at its second meeting in Manila, Philippines on 27-28 May 2002.

6. The Advisory Group is made up of donor countries and international donor organizations as well as representatives of civil society and the business sector.

responsible for co-ordinating direct support to endorsing countries in implementing the Action Plan provided by the respective members' institution or affiliates, to better target their technical assistance and capacity-building programs and to evaluate aid effectiveness.

The review process will focus on the priority reform areas selected by endorsing countries. It will be based on the national anti-corruption strategies to implement the Action Plan and on self-assessment reports on progress made in the selected areas drafted by endorsing countries along the lines of reporting guidelines provided by the Initiative's Secretariat. Furthermore, countries will report on additional efforts undertaken under each of the pillars of action in the form of a general stock-taking exercise. Reviewing of progress will primarily take place in the framework of sub-regional roundtables and regional policy dialogue fora, thus strongly rely on the principle of regional cooperation.

Review of reform progress: Sub-regional roundtables

To reinforce regional cooperation between endorsing countries in seeking common solutions to a common problem, and to ensure regular review of progress made in implementing the Action Plan, the Secretariat will support calls from endorsing countries for the establishment of *sub-regional roundtables*. Examples of possible roundtables include: the Mekong Delta, the Pacific islands and Central Asia. Endorsing countries have identified the benefit of such sub-regional structures as lying in the often similar socio-economic, political and historic context of neighbouring countries, the cross-border characteristics of corrupt practices, the increased efficiency of small working groups, and the contribution of such sub-regional structures to political stability between neighbouring countries.

Sub-regional roundtables will discuss and validate each country's national implementation strategy and analyse and share experience on technical questions arising during the implementation process. As such, they provide an ideal forum for regularly reviewing progress made in implementing the Action Plan. Sub-regional roundtables will furthermore address thematic issues related to the countries' reform efforts which are of particular concern to the sub-region in question and where cooperation is crucial for achieving policy reform. Examples of such issues include mutual legal assistance, seizure and confiscation of proceeds of crime, court procedures, transborder economic crime, disclosure of personal assets and liabilities, conflicts of interest, or corruption in customs administration.

The Secretariat will assist such roundtables by seeking to establish partnerships with existing sub-regional, inter-governmental bodies such as the Pacific Forum Secretariat as well as by working with regional cooperation groups within ADB. Furthermore, the Secretariat will provide expertise and management advice and establish linkages, if required, with the international donor community for possible funding of multilateral activities resulting from this sub-regional approach.

Regional Policy Dialogue

To further expand the learning effects of the review process to the entire group of endorsing countries, a *regional Steering Group meeting* will be held regularly to discuss and compare progress and experiences among all endorsing countries from the Asia-Pacific region. Sub-regional roundtables will report to the Steering Group.

The third Steering Group meeting is planned to be held in early 2003. After that, the Steering Group meetings will be held back-to-back with the Initiative's biannual *regional anti-corruption meetings*. This will allow endorsing countries to share with a larger public and with other countries from the region progresses made in implementing the Action Plan, to discuss issues of common concern, compare successes and failures of anti-corruption strategies and identify needs and corresponding remedies. It will also provide an opportunity for endorsing countries to critically review and validate each country's approach.

In order to further foster the learning effect which results from the Initiative's regional approach, the Secretariat may, over the longer term, work to develop a set of generic indicators. These indicators would be based on the experience of endorsing countries in implementing specific projects and could be used by the other countries in pursuing their own implementation strategy.

Outreach

In between regional Steering Group meetings and sub-regional roundtable events, the Initiative will make use of its *regional anti-corruption website* (<http://www.oecd.org/daf/ASIAcom/>) to disseminate a wide range of anti-corruption relevant information, such as information on relevant training opportunities in the region. The website will also aim to continuously inform the large public about progress made by endorsing countries in implementing the Action Plan, i.e. by featuring the priority areas for reform selected by endorsing countries and the corresponding project proposals, and about related activities undertaken in the framework of the Initiative.

Furthermore, the Initiative will continue to cooperate with the World Bank on developing video-conferencing seminars in the framework of the World Bank Global Distance Learning Programme on Combating Corruption in Asia-Pacific. As such, the Initiative will continue to support the continuous dialogue between anti-corruption actors of the Asian and Pacific region and ensure accountability and transparency of the Initiative's activities.

3. Civil Society Involvement and International Donor Support

While governments of endorsing countries have primary responsibility for addressing corruption related problems, the regional and international donor community as well as civil society and the business sector have a key role to play in supporting the governments' reform efforts.

Promoting an Active Civil Society

Participants in the Initiative have identified cooperation between governments, civil society and the private sector as crucial for an effective fight against corruption. Consequently, the Action Plan encourages endorsing countries, in particular under Pillar III, to develop proactive strategies to promote citizens' participation in national anti-corruption efforts. Both regional NGOs and business associations actively involved in the fight against corruption in the region are represented in the regional Steering Group and contributed to the drafting of the Action Plan.

The Secretariat strongly supports this tripartite approach and consequently encourages endorsing countries to consult with NGOs and relevant business partners on the selection of priority areas for reform and the corresponding implementation strategies. The Secretariat in particular welcomes their active involvement in the Action Plan Coordination meetings at national level and in sub-regional and regional roundtables, and encourages the development of national anti-corruption policies and strategies with the active involvement of civil society.

The regional meetings specifically aim at sharing and discussing progress made by endorsing countries with a wider audience, including national and regional NGOs and business associations. As such, the Initiative ensures that civil society can closely follow the governments' anti-corruption efforts and strengthens partnerships between the different actors.

The regional website further reinforces this approach by continuously informing the wider public about anti-corruption action taken by endorsing countries and about assistance provided by the international community. The data provided on this website also constitutes an important source of information for citizens to enhance their knowledge about the causes and effects of corruption and about counter-action that they can possibly take.

International donor support

The Secretariat encourages the international donor community to provide the assistance required to enhance the capacity of endorsing countries to achieve progress in the priority areas and to meet the overall policy objectives of the Action Plan.

In the context of selecting priority areas for reform and corresponding implementation strategies and projects, endorsing countries are encouraged to consult with the local donor community, if required with support from the Secretariat. Such dialogue should enable endorsing countries to strengthen their bilateral contacts with the international donor community, to receive feedback from the latter with regards to their implementation strategy, and to make known their specific assistance requirements. It should further ensure that duplication with existing assistance programmes is avoided and that donors interested in supporting endorsing countries do so in cooperation with each other. The Secretariat furthermore supports this process through the Initiative's web site which provides information on existing and planned assistance programmes and initiatives.

4. Enlarging regional participation in the Action Plan

In order to further strengthen the positive effects of regional cooperation as one of the key elements of the Action Plan, the Initiative will aim to actively encourage additional countries from the region to endorse the Action Plan. During and in the aftermath of the Tokyo Conference, a number of countries from the region have expressed their interest in endorsing the Action Plan. In this context, some have requested further consultation with the Initiative's Secretariat in order to clarify issues related to their future endorsement. Against this background and on a case-by-case basis, the Secretariat might decide to hold in-country consultation meetings or anti-corruption workshops with relevant authorities. For certain countries, the Secretariat might consider to develop a regional approach to encourage their

endorsement of the Action Plan. As a result of this process, the Republic of Kazakhstan became the 18th country to endorse the Action Plan on 22 May 2002.

With the objective of further enhancing coordination between regional and international organizations actively involved in supporting the region in its fight against corruption, and of making use of existing mechanisms and programmes in order to avoid duplication of efforts, the Secretariat will furthermore seek to strengthen existing partnerships, e.g. with the World Bank, and establish new partnerships with organizations such as APEC.

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