

Strategy and Work Program 2009-2011

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Introduction

1. The year 2009 will mark the 10th anniversary of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific. In the past ten years, the anti-corruption landscape in the Asia-Pacific region has dramatically changed: In 2001, the Initiative's Anti-Corruption Action Plan set the first common anti-corruption standards for the Asia-Pacific region, and the Initiative was the only multilateral process in the Asia-Pacific region to assist countries in implementing these standards. The entry into force of the United Nations Convention against Corruption (UNCAC) in 2005 gave new impetus to the adoption of international anti-corruption standards and boosted Asian and Pacific countries' drive for anti-corruption reform.

2. The Initiative has maintained and strengthened its unique role in this changing environment because it evolved with its member countries' priorities and demands and remained faithful to its mission to encourage and assist the Initiative's member countries in implementing international anti-corruption standards. The Initiative's membership has grown to now 28 countries and economies, including Australia; Bangladesh; Bhutan; Cambodia; People's Republic of China; Cook Islands; Fiji Islands; Hong Kong, China; India; Indonesia; Japan; Kazakhstan; Korea; Kyrgyz Republic; Macao, China; Malaysia; Mongolia; Nepal; Pakistan; Palau; Papua New Guinea; Philippines; Samoa; Singapore; Sri Lanka; Thailand; Vanuatu; and Vietnam.

3. The Initiative's members set out their medium-term priorities and demands for support in the Initiative's Strategy and Work Programs. At its 11th meeting in May 2008, the Initiative's Steering Group discussed proposals for the Initiative's Strategy and Work Program 2009-2011 that are reflected in the present document. The Steering Group will discuss this Draft Strategy and Work Program 2009-2011 at its 12th meeting in November 2008, and will subsequently finalize and adopt the Initiative's Strategy and Work Program 2009-2011.

Strategic objectives in 2009-2011

4. The Initiative endeavours to support the Initiative's member countries in implementing international anti-corruption standards as set forth in the UN Convention against Corruption (UNCAC) and the OECD anti-bribery instruments,¹ by

- Enhancing Asia-Pacific countries' understanding of international anti-corruption standards through regional and trans-regional policy dialogue;
- Supporting Asia-Pacific countries in making and implementing policy, legislative and institutional reforms that meet these standards; and
- Encouraging co-operation among members of the Initiative, as well as with regional and international partners; and by facilitating cooperation with constituencies involved in the fight against corruption.

Mechanisms to achieve the strategic objectives

5. The Initiative's Steering Group has developed three main mechanisms to support member countries in their fight against corruption: The Initiative provides a mechanism to foster policy dialogue and measures progress; it provides analysis in support of the policy dialogue; and it contributes to strengthening capacity in member countries to design and implement anti-corruption policies. These three work areas are supported by the Initiative's network of international organizations, civil society, the business sector, and donors. The following sets out in more detail the individual mechanisms, their features, and specific contributions to meeting the Initiative's strategic objectives.

1. Fostering policy dialogue and measuring progress

6. Measuring progress in anti-corruption reform is essential to evaluate achievements and impact, ensure the effectiveness of implementation, encourage the drive towards reform, and to identify weaknesses and challenges that require further action.

¹ The OECD anti-bribery instruments include: 1. The OECD Anti-Bribery Convention (Convention on Combating Bribery of Foreign Public Officials in International Business Transactions); 2. The 1997 Revised Recommendation of the Council on Combating Bribery in International Business Transactions; and 3. The 1996 Recommendation of the Council on the Tax Deductibility of Bribes to Foreign Public Officials.

7. Continual review of progress has been a hallmark of the ADB/OECD Anti-Corruption Initiative. Eleven rounds of country reporting and two rounds of comprehensive stocktaking of anti-corruption policies have been conducted since the establishment of the Steering Group in December 2001. The Steering Group's discussions and the resulting reports have been a powerful impetus for reform, and the frank and constructive dialogue among the member jurisdictions has fostered policy reform and mutual learning in the region.

a. Oral and written progress reports

8. Policy dialogue and exchange of experience on reform efforts, achievements and failures, as well as remaining and emerging challenges are a core element of each Steering Group meeting. Oral and written progress reports by all members support this dialogue. Regular methodological refinements of these review mechanisms keep this instrument in tune with the increased reform drive and maturity of the Initiative.

9. Since mid-2006, each of the Initiative's members provides a comprehensive written report on reform efforts and achievements in all areas of the Action Plan in advance of a Steering Group meeting. The written reports aggregate information on reform progress over time and constitute a unique and impressive database on anti-corruption reform in Asia-Pacific. Information on these achievements is publicly accessible through the Initiative's website (www.oecd.org/corruption/asiapacific/resources).

10. One of the purposes of the written country reports on reform progress is to record the development of members' anti-corruption policies and efforts over time. In light of this purpose, information resulting from earlier reports should be deleted only if the deletion is necessary to correct factual errors or to clarify unclear information. Changes in policy and new development are reflected by adding new items to the record.

11. Members also deliver oral reports at each Steering Group meeting. Oral reports focus on measures that members wish to share as good practice for others to learn from or on which they wish to seek other members' experience. Countries deliver succinct oral reports on up to three thematic areas of the Action Plan and present specific reform projects carried out in priority areas for reform. Plenary discussions on the country experiences in each of the Action Plan's eight thematic areas follow the set of country reports; these discussions allow for the comparison of approaches and outcomes. The oral reports also provide an opportunity to report on particular challenges that countries encountered when implementing their reform agenda, and assess the impact and effectiveness of reform measures.

b. Regular stocktaking of the state of progress

12. In 2004 and again in 2006, the Initiative's members took stock of their overall policies and frameworks to fight corruption. The resulting progress reports assemble a wealth of information on policies and arrangements that countries have developed and highlight achievements, emerging trends and remaining challenges. The stocktaking reports are based on the comprehensive information that countries provide in their progress reports presented at the Steering Group meetings; this information is complemented by research conducted by the Secretariat.

13. Today, international instruments such as the UN Convention against Corruption and the OECD anti-bribery instruments set global standards for anti-corruption policies and frameworks. Many members of the Initiative have committed to these international instruments, and deliberations on a review mechanism for UNCAC take place at a global level.²

² Those members of the Initiative that are Parties to the OECD Anti-Bribery Convention (Australia, Japan and Korea) have undergone rigorous reviews of their systems for combating the bribery of foreign public officials in international business transactions. Two members (Kazakhstan and the Kyrgyz Republic) have been reviewed under the Istanbul Action Plan of the Anti-Corruption Network for Eastern Europe and Central Asia.

14. The Initiative's members attach great value to the stocktaking exercise. They will continue the regular stocktaking that they have been carrying out since 2003 as long as no equivalent review mechanism in regard to UNCAC standards has been established. In anticipation of a possible review mechanism established in regard to UNCAC, stocktaking reports will henceforth be broadened and deepened to cover all areas of UNCAC and will make explicit reference to UNCAC standards.

15. To reflect the rapid reform progress in Asia-Pacific, to identify emerging trends and challenges, and to include information on new members, draft stocktaking reports will continue to be prepared by the Secretariat and discussed, adopted and published by the Steering Group in 2009 and again in 2011.

c. Country reviews

16. In late 2006, the Steering Group agreed to establish a country specific review mechanism as a complementary, voluntary review mechanism to stimulate the exchange of experience, to showcase achievements and results, to encourage further reform, and to identify priorities for capacity building. An outline of the review methodology was laid out in the Strategy and Work Program 2007-2008. Based on this outline, the Steering Group will discuss and adopt a detailed methodology.

17. Subject to requirements of the voluntary country review methodology to be agreed upon by member countries, the Steering Group would endeavor to finalize one country review per Steering Group meeting. Provided that sufficient resources are available, the Group will consider finalizing up to two country reviews per Steering Group meeting in the medium term. In this case, the Group will also consider whether discussions on the draft reports at Steering Group meetings would be held partly or fully in parallel sessions.

2. Providing analysis in support of the policy dialogue through thematic reviews

18. Since 2005, the Initiative's member countries have conducted thematic reviews to provide in-depth analysis of legal and institutional arrangements and practices to encourage and inform the reform process in areas of region-wide priority. The thematic reviews highlight all member countries' approaches and provide the Group's recommendations to encourage and guide further policy reform.

19. The methodology that the Steering Group has developed involves all relevant government agencies in the self-assessment, and the discussion of draft reports in plenary sessions of the Steering Group ensures countries' ownership of the process. Two successive Steering Group meetings are dedicated to each review to allow sufficient discussion of the analytical work, country reports, and policy recommendations. This frequency allows the Initiative to conduct two thematic reviews in 2009-2011.

20. In early 2009, member countries will start their third thematic review that will address Criminalisation of Bribery. The purpose of the review is to assess whether the criminal bribery offences in the Initiative's members meet the relevant international standards as set out in the UN Convention against Corruption and the OECD anti-bribery Instruments.

21. The subject of the Initiative's 4th thematic review will be decided upon once the third review has been completed. At the 12th Steering Group meeting in November 2008, countries indicated interest in carrying out a review on the topic of corruption prevention

22. Countries will assess at their future Steering Group meetings whether more urgent priorities arise from countries' efforts to implement international anti-corruption standards as set out in UNCAC.

23. Again here, measuring progress is a core element of the Initiative's approach. Two years after the adoption of a final report on a thematic review, the Steering Group dedicates time to assess progress against the reviews' policy recommendations. Further follow-up on reforms and progress in the areas

addressed by the thematic reviews will be carried out as part of the oral reports that countries deliver at Steering Group meetings.

3. Strengthening capacity to implement anti-corruption policies

24. In addition to dialogue among policy makers from its member countries, the Initiative supports implementation efforts through a capacity building program for experts and practitioners. Since the inception of this work stream in 2003, the Initiative has conducted seven regional technical seminars to provide practitioners from Asian and Pacific countries with a forum to exchange experience on the implementation of anti-corruption policies and international anti-corruption standards. Experts from ADB and OECD member countries participate in these seminars to ensure a regional and international outlook, to enhance professional networks and cooperation among practitioners, and for sharing experience that the OECD Working Group on Bribery has gained in the implementation of the OECD anti-bribery instruments.

a. Regional technical seminars on horizontal issues

25. Subject areas for technical seminars are determined by the Steering Group in line with the member countries' priorities.

26. The Initiative will conduct one regional technical seminar per year on a subject of regional priority determined by the Steering Group. As in the past, the Secretariat will identify appropriate partners from its extensive network to deliver the regional technical seminars. Observer countries are invited to send experts to these technical seminars to contribute to and benefit from the exchanges.

27. In terms of subject areas, the Steering Group decided to:

- dedicate a regional seminar on corruption prevention in early 2009;
- hold a seminar on *Criminalization of Bribery Offences* to further discuss the conclusions of the thematic review, if necessary;
- hold a seminar on the political economy of corruption between the 13th and the 14th Steering Group meetings at ADB Headquarters in Manila; and
- hold a special session on Preparing a Self-assessment Checklist of the implementation of UNCAC. This session will be designed to assist interested countries in preparing and providing information under the self-assessment mechanism. This session would be held in the margins of the 13th Steering Group meeting in March 2009.

b. Regional technical seminars on sectoral issues

28. Countries' efforts in designing and implementing anti-corruption reforms have revealed the need for sector-specific responses to adequately address corruption risks in these areas (e.g. in natural resource management). Thanks to its access to a wide network of specialists and experts, the Initiative is ideally placed to respond to the demand for policy dialogue on such sector specific issues in addition to its regional technical seminars that tackle horizontal issues.

29. To make the most efficient use of resources, the Initiative's members will exercise great care when selecting priorities for such regional technical seminars so as to not duplicate efforts made by other organizations and forums that conduct similar work. The Secretariat will assist member countries in identifying areas that have not yet been addressed sufficiently by such other actors. The Secretariat will also seek to establish *ad hoc* partnerships with relevant actors when organizing and carrying out such technical seminars on sector specific anti-corruption policies.

c. Technical seminars in response to specific situations

30. The regional technical seminars have provided a forum for experts and policy makers from the Asia-Pacific region on issues of region-wide priority. Member countries have benefitted from the wide range of experience and approaches from the diverse membership in the region as well as experts from outside the region. Besides these region-wide priorities, policy challenges emerge that are rooted in particular situations, such as the very small size of some States, or the prevalence of a certain kind of economic activity in others. At present, forums for exchange on anti-corruption policies adapted to such specific conditions are rare.

31. Technical seminars could for example be held on specific challenges in fighting corruption in small States. Such a seminar could be held in cooperation with the Pacific Islands Forum that counts many small States among its members. Participation would however not be limited to participants from the Pacific region; experts from other small States in Asia would be equally welcome to attend such a technical seminar. Another subject area for a technical seminar that is tailored to match specific demand could address measures to fight the bribery of foreign public officials; such a seminar is likely to draw particular interest among large exporting economies and those receiving or wishing to attract substantial foreign investment.

32. The Initiative will endeavour to deliver such technical seminars in the Asia-Pacific region in collaboration with one or more of its partners, subject to the availability of additional resources for such activities.

4. Strengthening and expanding partnerships in the fight against corruption

a. Accommodating new members in the Initiative

33. The increasingly cross-border nature of business transactions due to an ever closer economic integration in the Asia-Pacific region and globally requires countries in the region to form strong partnerships to succeed in the fight against corruption. The Initiative's processes that foster exchange of experience and mutual learning have attracted a growing number of countries in the region, and this growth is beneficial to the old and new members of the Initiative alike. The Steering Group has adapted its working mechanisms to maintain the effectiveness of exchanges of experience.

34. The Initiative will remain open to requests for membership and welcome new members based on the consensus principle. The Secretariat guides the accession processes of countries that express interest in endorsing the Action Plan and in joining the Initiative. Countries that are not members are invited to participate in the Initiative's meetings and seminars as observers.

b. Forging alliances with regional and international actors in the fight against corruption

35. The Initiative benefits from its partnerships with international organizations involved in the fight against corruption, regional organizations and donors. These constituencies contribute to the Initiative's efforts by sharing information and expertise, and providing funding; cooperation with regional and international institutions also helps coordinate support and avoid duplication of efforts. The Advisory Group provides an institutional framework for the Initiative's permanent partners.

36. The Initiative also benefits from close cooperation with organizations such as the OECD Working Group on Bribery, the United Nations Office on Drugs and Crime – the body that oversees the UN Convention against Corruption –, the APEC Anti-Corruption and Transparency Task Force (ACT), the United Nations Asia and Far East Institute for the Prevention of Crime and the Treatment of Offenders (UNAFEI), the Commonwealth Secretariat, and the Basel Institute on Governance. These partnerships and alliances are mutually beneficial to the Initiative's members and the international and regional

partners. Further partnerships, for instance with the Association of South-East Asian Nations (ASEAN), may lead to additional synergies and benefits for the members of the Initiative.

37. The Initiative will strengthen the partnerships and working relations it has developed. The Secretariat will contact appropriate regional and global organisations in order to expand the network of formal and informal partners of the Initiative, and will seek to establish ad hoc partnerships for the conduct of individual activities. The Initiative will in turn contribute to these partners' work by facilitating the participation of experts from members of the Initiative or by sharing the outcome of the Initiative's work with these partners.

38. The working mechanisms of the Initiative inspire anti-corruption initiatives in other regions, including a regional program for Africa that is being developed jointly by the African Development Bank and the OECD. In addition, some of the Initiative's mechanisms have been proposed as models in developing a review mechanism for the UN Convention against Corruption. Sharing experience is an underlying principle of the ADB/OECD Initiative, as it is beneficial to overall efforts to implement international anti-corruption standards. The Secretariat will thus share the experience of the ADB/OECD Anti-Corruption Initiative and with other forums that strive for similar objectives and facilitate the participation of experts from countries that take part in such processes.

c. Facilitating mutual support with the OECD Working Group on Bribery

39. The OECD Working Group on Bribery in International Business Transactions, the forum that has been monitoring implementation by State Parties of the OECD Anti-Bribery Convention since 1999, has accumulated extensive experience in fighting corruption in transnational bribery. Mutual support between the Working Group and the Initiative's member countries intensified over time, due to mutual areas of interest, notably international legal assistance and asset recovery. Continuing dialogue between the Working Group on Bribery and the members of the Initiative will therefore be promoted where appropriate. For instance, technical seminars could be held to facilitate the sharing of relevant expertise by members of the Working Group on Bribery and members of the Initiative.

40. The Initiative's close ties with the Working Group also enable it to facilitate closer mutual support between the Working Group and interested Asian and Pacific countries. Given the focus of the Working Group on the fight against bribery in transnational business transactions, such bilateral cooperation is of particular interest for Asian and Pacific countries that are the source of significant exports or foreign investment, as well as those that already receive or wish to attract significant foreign investment. Such enhanced bilateral cooperation could include attendance at plenary sessions of the Working Group, country roundtables, and participation in gatherings of prosecutors who are involved in investigations of major corruption cases in State Parties to the OECD anti-bribery instruments.

d. Enhancing dialogue with business, trade unions and civil society

41. Fostering cooperation among all stakeholders is a core principle of the Action Plan and an essential precondition to success in the fight against corruption. Governments around the globe recognize the important role that business and trade unions, as well as civil society play in the fight against corruption: These actors trigger and catalyse policy developments, provide innovative approaches, educate, and scrutinize and support public administrations in their efforts to curb corruption. They also often play a critical role in raising society's awareness of the need to combat corruption and the risks of engaging in corrupt practices. Both civil society and the business sector increasingly drive the fight against corruption and bribery.

42. Further progress in the fight against corruption requires stronger cooperation between governments, the business sector and civil society in the development and implementation of anti-corruption policies,

legislation and institutions. The Initiative's 6th regional Anti-Corruption Conference will contribute to structuring and promoting such dialogue towards future closer cooperation.

e. Effective communication about the Initiative's work and its members' achievements

43. Partnerships in the fight against corruption and dialogue at national, regional, and global levels rely on effective communication. Communication about the Steering Group's activities and achievements is assured through regular newsletters, the Initiative's website, publications on the outcomes of the work of the Steering Group, and since 2007, annual reports. The proceedings of the Initiative's conferences and regional seminars, its policy reviews, and country self-assessments are made available to practitioners and experts through the Initiative's website www.oecd.org/corruption/asiapacific and in print.

44. The Initiative's newsletter – issued three to four times per year and sent to over 5,000 anti-corruption experts and policy makers in the Asia-Pacific region and beyond – has in the past drawn significant interest to the process and the efforts and achievements of the Initiative's member countries. When editing the newsletters, the Secretariat consults the Initiative's member countries to seek input that may be of particular interest to the community of experts and policy makers that the newsletter targets.

45. The Initiative will, through its Secretariat, maintain and expand its proactive information policy to inform policy makers, practitioners, experts, and the general public about progress of the Initiative's members in the development and implementation of anti-corruption policies.

Governance and financing of the Initiative's work

46. In the ten years since its inception in 1999, the Initiative developed its working and governance mechanisms based on the principle of country ownership. Improvements have been introduced over time to adapt mechanism to the rapid growth of the Initiative, and members have confirmed arrangements that have proven effective and useful. In 2008 for instance, members reaffirmed that the joint ADB/OECD Secretariat of the Initiative continue to chair the Steering Group's meetings.

1. Independent evaluation of the Initiative

47. The Initiative's tenth anniversary suggests a more systematic analysis of elements that could further enhance the support that the Initiative provides to its members. An external evaluation will thus be carried out with a view to assess how the impact of the Initiative's work could be further strengthened and how the Initiative could serve more efficiently and effectively its stakeholders – foremost its member countries and the members of the Advisory Group. The evaluation will begin in early 2009.

48. Following the principle of country ownership, the member countries will agree on the approach and methodology of the evaluation. Countries will also take a leading role in overseeing the conduct of the evaluation and will adopt the draft of the evaluation report. The evaluation itself will be carried out by a team of two consultants working under the guidance of an Evaluation Committee, consisting of two to four member countries, two representatives from the Advisory Group, and one representative each from ADB and OECD.

2. Funding of the Initiative's work

49. Since the Initiative's inception, its work has been primarily funded by in-kind contributions of the Initiative's member countries, ADB grants, and voluntary contributions to the OECD. Countries' in-kind contributions include hosting meetings of the Steering Group, technical seminars, conferences, and secondments of experts to the Initiative's Secretariat.

50. In addition to in-kind contributions, the Initiative's work depends on direct financial contributions to fund the management of the process through the Secretariat; to extend financial support to developing member countries to enable their representatives and experts to participate in the Initiative's events; to fund the preparation of analytical reports; and to prepare, produce and disseminate publications and information. The long-term average gross annual expenditure for all the Initiative's activities – excluding in-kind contributions – stands at roughly 500,000 USD.

51. The Initiative has hitherto received generous support from donors; Australia, Japan, Germany and Sweden as well as an ADB grant enabled the Initiative to implement the Strategy and Work Program 2007-2008. Member countries of the Initiative agree that broadening the financial basis of the Initiative remains a high priority to ensure that it can deliver support to member countries in the medium and long term. They also agree that some member countries of the Initiative would be in a position to contribute financially to the work of the Initiative, thereby underscoring the members' ownership of its work. Member countries commit to assess whether they can contribute to cover the Initiative's expenditure. The Secretariat will continue to seek financial support from donors.

3. Financial arrangements and budget

52. The Work Program 2009-2011 will be funded by member countries in-kind contributions, ADB Technical Assistance Grants and voluntary contributions to the OECD pledged by donors. The following budget estimate covers only expenditure from ADB or OECD managed fund sources and is based on past experience.

53. Budget estimates are only available for core activities set out in the Draft Strategy and Work Program 2009-2011. Individual budgets for additional activities will be drawn up as soon as the terms of the additional activities have been defined.

Budget estimate for core activities

(amounts in EUR)

2009		2010		2011	
Policy dialogue		Policy dialogue		Policy dialogue	
– Steering Group meeting (April 2009)	58,000	– two Steering Group meetings (Q1 and Q4)	116,000	– one Steering Group meeting (Q3)	58,000
– publication of 3rd edition of Stocktaking Report	39,000	– continual stocktaking	6,000	– publication of 4th edition of stocktaking report	39,000
– country review	74,000	– two country reviews	148,000	– two country reviews	148,000
				– Regional Anti-Corruption Conference (Q3)*	112,000
Policy analysis		Policy analysis		Policy analysis	
– cross-regional thematic review	115,000	– cross-regional thematic review	115,000	– cross-regional thematic review	115,000
Strengthening capacity		Strengthening capacity		Strengthening capacity	
– regional technical seminar	92,000	– regional technical seminar	69,000	– regional technical seminar	69,000
Strengthening partnerships		Strengthening partnerships		Strengthening partnerships	
– public communications (website, brochures, newsletter, annual report)	17,000	– public communications (website, brochures, newsletter, annual report)	17,000	– public communications (website, brochures, newsletter, annual report)	17,000
– participation in relevant meetings of partner organisations	18,000	– participation in relevant meetings of partner organisations	18,000	– participation in relevant meetings of partner organisations	18,000
Overhead charges		Overhead charges		Overhead charges	

- external evaluation of the Initiative					
- fundraising and fund management, financial reporting	30,000	- fundraising and fund management, financial reporting	33,000	- fundraising and fund management, financial reporting	37,000
total expenses 2009	443,000	total expenses 2010	522,000	total expenses 2011	613,000
total 2009-2011					1,578,000

* The Steering Group meeting and the Regional Conference would be held back to back; therefore, travel costs for conference participants that also attend the Steering Group meeting do not show at the estimate for the conference.