



# *Overview*

## *Iraq's main corruption sources and counter-measures*

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# ***TOPICS TO BE COVERED***

***I. Why Combat Bribery and Corruption***

***II. Current status in Iraq***

***III. Major Challenges***

***IV. International cooperation & support***

# ***I. Why Combat Bribery & Corruption?***

In conflict or post-conflict situations, bribery & corruption:

- contribute to conflicts and insecurity
- encourage inefficiency and waste
- hamper implementation of post-conflict policies &
- undermine economic & democratic developments
- risk to attract businesses specialised in bad governance



## ***II. Fighting corruption : current status***

1. Anti-corruption in 2008
2. Legal and Institutional elements to build on

# 1. Steps in 2008 on fighting corruption

- **January** : Mr. Maliki's 18-point plan
- **March**:
  - ✓ accession UN Convention Against Corruption
  - ✓ & Baghdad Declaration on Combating Corruption
- **May**: Paris Declaration on Aid Effectiveness in the context of the Iraq International Compact
- **June** : lawsuits following Oil-For-Food Programme
- Enhanced International exchanges and consultations

## 2. Legal and Institutional Elements

### Key legal provisions:

- 1969 Penal Code anti-corruption provisions
  - Definition of the offences : passive and active bribery & Embezzlement
  - Definition of a bribe
  - Coverage of intermediaries and third beneficiary
- Other corruption related :
  - Money Laundering, Order Nr. 100
  - Government Whistleblowers , Order Nr. 59

## **Iraqi institutions fighting corruption:**

- COMMISSION ON PUBLIC INTEGRITY (CPI), Order Nr. 55
- INSPECTOR GENERAL's OFFICE (IGO) within each Ministry, Order Nr. 57
- BOARD OF SUPREME AUDIT (BSA), Order Nr. 77
- JOINT ANTI-CORRUPTION COUNCIL (JACC), May 2007



## ***III. Major Challenges***

1. Security

2. Resource management

- ❖ from oil revenues &
- ❖ Donors;
- ❖ minor domestic productions

3. Firm enforcement

4. Build Confidence: domestic & international

## 2. Resource management risks

- United Nations « Oil –For – Food » Programme
- Since November 2003
  - International funding for conflict resolution and rebuilding
  - Increasing oil revenues due to oil price raising
  - Distribution of goods by autonomous and independent Ministries with diverging objectives

# 3. Firm Enforcement

## A. Rule of Law:

- Effective and independent judiciary
- Protection of justice personnel, including AC staff
- Roles and responsibility of the courts
- Enhance criminal , administrative and civil AC provisions
- Independent, responsible and capable AC bodies
- Lines of conduct and responsibilities between courts and AC bodies

## **B. Promoting effectiveness and integrity**

- Adequate resources , means for law enforcement agencies
- protection of whistleblowers
- Training in detection and investigation of corruption
- Enhance inter-agency relation and consultations
- Public integrity
- Public –private partnerships
- Business integrity
- Involvement of civil society and media
- Broad AC awareness-raising

## C. Adequate controls:

- Oversight of international support and funding
- Domestic budget allocation and management
- Risk assessment and adequate supervision of key risk areas , ex.
  - ✓ Oil trading and shipment
  - ✓ Customs & Borders trading
  - ✓ Tax administration
  - ✓ Enforce public procurement provisions

## ***IV. International Cooperation with Iraq***

1. The International Community
2. The OECD-MENA Contribution

# 1. The International Community

Engaged dialogue with, and in support of, the Goals in :

- the development of the domestic Integrity and AC Initiatives
- the enforcement of a coherent AC strategy
- compatible with international standards and practices

## 2. Iraq Programme : OECD-MENA Contribution

- Participative, demand driven tailored to create an attractive business environment
- Build partnerships with the United Nations and donors
- Share experience gained notably through:
  - ✓ OECD Anti-Bribery Convention & Integrity tools
  - ✓ OECD led regional anti-corruption initiatives worldwide



- A multidisciplinary approach to

- Reduce the flow of corrupt payments

- Promote policy change

- Set high standards for global governance

- Provide awareness-raising & Training material

# Follow-up on Anti-corruption Policies and Integrity – a proposal

**I. Stocktaking (ongoing):** *Corruption sources and counter-measures*

**II. Training (ongoing):** *capacity-building with AC experts*

**III. Review the legal anti-corruption framework (next step)**


*Identify legislative needs in line with international standards to ensure effective implementation and enforcement*

**IV. Tools to detect and investigate corruption (next step)**

- *Development of detection indicators or “red flags”*
- *Risk assessment of corruption challenges in public procurement*

**V. Enhancing transparency in public procurement: Supporting implementation (next step)**

- *Develop practical tools, technical assistance and training materials*



Thank you for your attention  
and please share comments with

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