

4th Steering Group meeting
Kuala Lumpur, Malaysia, 1-2 December 2003

Minutes of the Fourth Steering Group Meeting 1 - 2 December 2003, Kuala Lumpur, Malaysia

Participants

Endorsing countries: Australia; Bangladesh; Cambodia; Cook Islands; Fiji Islands; Hong Kong, China; India; Indonesia; Republic of Kazakhstan; Republic of Korea; Kyrgyz Republic; Malaysia; Mongolia; Nepal; Pakistan; Papua New Guinea; Philippines; Singapore; Vanuatu.

Absent: Japan; Samoa

Observer: PR China

Secretariat: ADB; OECD

Advisory Group: American Bar Association-Asia Law Initiative (ABA-Asia), Australian Agency for International Development (AusAID), Pacific Basin Economic Council (PBEC), Transparency International (TI), United Nations Development Programme (UNDP), United Kingdom Department for International Development (DFID), United States Department of State.

Summary of Discussion:

1. Opening

The meeting was opened by Y. Bhg. Dato' Mohd Zawawi bin Mohd Nordin, Deputy Director General I of the Anti-Corruption Agency of Malaysia and Messrs. Jak Jabes and Frédéric Wehrlé of the Secretariat of the ADB/OECD Initiative for Asia-Pacific.

The agenda was adopted after clarification by the Secretariat – upon request from Bangladesh – that countries that had not selected priority reform areas under the Action Plan's initial implementation cycle would have an opportunity to report on their countries' overall progress in combating corruption during agenda item 4 on Tuesday 2 December.

2. Minutes of the 3rd Steering Group Meeting

Mongolia requested to correct the minutes by eliminating reference to its request made during the previous meeting under paragraph 2, confirming thereby that their project "Law on special permission for economic activities" was Mongolia's priority area for reform under the Action Plan's first implementation cycle (2002-03). With this change, the Group approved the minutes of the 3rd Steering Group meeting.



3. New members to the Steering Group

The Hong Kong Special Administrative Region of the People's Republic of China (herein after: Hong Kong, China) and Australia have, in written procedure, endorsed the Anti-Corruption Action Plan for Asia-Pacific on 3 April and 31 October 2003 respectively. After providing a brief overview on their legal and institutional frameworks to combat corruption each, the respective delegates confirmed their governments' decision to do so in a formal statement to the group which welcomed them as its twentieth and twenty-first members.

4. Report by the Secretariat on activities undertaken since the last Steering Group meeting in March 2003:

The Steering Group:

- noted the publication of the workshop handbook on outcomes of the Initiative's master training seminar on "Effective Prosecution of Corruption" (Ghaziabad, India, February 2003) and its availability, free of charge, in PDF format on the Initiative's website (<http://www1.oecd.org/daf/asiacom/publications.htm>) and in paper copies for Steering Group members through the Secretariat, subject to availability;
- noted the draft Stocktaking Report and agreed to pursue this work so that the report covers all participating countries by the time of its final release in spring 2004. *cf. inf. 8*; and
- noted the outreach to non-members, including continuous discussions between the Secretariat and governments of Thailand, Timor Leste, and Vietnam, and that, as a result, Timor Leste and Vietnam had sent observer delegations to participate in the Kuala Lumpur conference. The Group also heard the Secretariat's involvement in the organization of a workshop on "regional cooperation in the fight against corruption in Asia-Pacific and Africa" in the framework of the 11th IACC held in May in Seoul, Korea, and thanked Mr. Kim Euy-whan (KICAC, Korea) for his active participation as speaker in this workshop.

5. Country self-assessment reports on project implementation:

The Steering Group:

- *noted* that most countries have completed the implementation of their projects as planned in the initial project proposals and in this context heard the implementation reports on reform projects under the Action Plan by the Cook Islands, Indonesia, Korea, Malaysia, Mongolia, Nepal, Pakistan, Papua New Guinea and the Philippines;
- *noted* in this context that some implementing projects still require additional time and financial means to be completed; in this regard, the Group heard the explanation provided by the delegate from Papua New Guinea for the delay in initiating PNG's projects under Pillar II, i.e. national elections and partly a lack of will within responsible authorities;
- *noted* that a few countries have not undertaken any specific reform projects under the Action Plan in its initial implementation cycle and urged them to do so in the second cycle to be started, as decided by the group, in the first half of 2004; and
- *noted* that the repeated absence of Japan and Samoa in the meetings of the Steering Group should be notified in the meeting's minutes and other documents that are to be made available subsequent to the meeting on the Initiative's website, and that, in the absence of remedial actions by countries concerned, the Steering Group might have to reconsider other actions, including bringing up the issue with the country's political authorities.

6. National anti-corruption reform efforts

The Steering Group:

- *noted* Bangladesh's plan to establish an independent anti-corruption agency, expected to be in place in the course of 2004.
- *heard* Cambodia's detailed report on the government's efforts to reduce corruption along the lines of the recently adopted national action plan to combat corruption. The legal and institutional framework to combat corruption currently undergoes fundamental changes; *inter alia*, an Anti Corruption Law is to be passed within six months, containing for instance duties for civil servants to report on assets and liabilities and the establishment of an independent body against corruption.
- *noted* the activities undertaken by the Republic of Kazakhstan in the framework of the State Anti-Corruption Program that runs until 2005, including for instance the adoption of an individual anti-corruption legislation and the establishment of a central agency to coordinate authorities at all levels involved in the fight against corruption, and also heard difficulties identified in this context as highlighted by the Kazakh delegate, for instance with regard to preventive measures in the private sector, balancing of punitive and preventive measures, and the strengthening of actual enforcement of the new law.
- *noted* the Kyrgyz Republic's report on achievements of the central and regional Commissions on Ethics with regard to public sector ethics, the recent election of the Kyrgyz Republic's first Ombudsman and also the adoption of an anti-corruption law. Furthermore, in cooperation with civil society groups, the Kyrgyz Republic has focused its attention on training and awareness raising in different anti-corruption matters.
- *heard* the People's Republic of China's report as observer in the Group on various reform measures currently undertaken, in particular those addressing the legal anti-corruption framework and the revenues of public officials.

7. Stocktaking Report:

The Steering Group:

- *noted* the draft Stocktaking Report as an important and useful instrument to gain an overview of the countries' legal and institutional frameworks to fight corruption.
- *noted* amendments and additions to the document requested by Australia; Hong Kong, China; Indonesia; Kyrgyz Republic; Nepal; the Philippines; Pakistan; Papua New Guinea and Singapore, and with these changes adopted the document as the Preliminary Stocktaking Report that was presented and distributed to the audience of the Kuala Lumpur conference by the Secretariat and made publicly available through the Initiative's website (<http://www1.oecd.org/daf/asiacom/stocktaking.htm>).
- *noted* the comments and questions raised by the Secretariat, the Advisory Group and country delegates on the structure of the draft report, and agreed on the proposal made by the Advisory Group to have an executive summary incorporated in the final report. The purpose of this executive summary is to summarise the key findings of the report and, as background information, highlight the value of regional co-operation, the role of the international donor community and the Initiative's role as a catalyst to reform and achievements. The group in this context mandated the Secretariat to reflect on ways to extend the stocktaking to additional aspects of the fight against corruption addressed in the UN-Convention Against Corruption in order to support the governments in their efforts to meet the Convention's standards.

- *agreed* that countries that have not yet completed and submitted their country self-assessment report on their legal and institutional framework should do so to the Secretariat until 31 January 2004 and that the final report, completed with information covering those countries, should be sent to the Steering Group for approval under written procedure.
- *decided* on the dissemination of a press release at the time of the publication of the final report, in order to further enhance the visibility of the Initiative and to promote the stocktaking report.

8. Follow-up activities in the framework of the ADB/OECD Anti-Corruption Initiative for Asia-Pacific:

The Steering Group:

- *noted* the proposal by the Secretariat to submit a working strategy for 2004 and 2006 for discussion and adoption by the group at the time of its next meeting in 2004.
- *agreed* that the next meeting of the Steering Group will be held in the first half of 2004; due to rather full schedules in many member countries in the month of June, the Secretariat agreed to try finding a date either during late May or in early July. The purpose of this next meeting will be to initiate the second implementation cycle of the Action Plan, to decide on the Initiative's work strategy for 2004 and 2005, and to discuss further developments of the stocktaking report.
- *acknowledged* the usefulness of the training seminar held in India in February 2003 and encouraged the Secretariat to organize follow-up seminars, targeting in particular prosecutors. In addition to topics already identified at the third Steering Group meeting, Pakistan proposed that the Secretariat should organize a seminar on the link between the UN-Convention Against Corruption and the ADB/OECD-Initiative, and offered to host such a possible event.
- *expressed* its interest in a handbook on mutual legal assistance that would outline respective guidelines and procedures in countries participating in the Initiative as well as possibly OECD member countries, to facilitate the execution of requests for mutual legal assistance by relevant authorities.