



## **INTERNATIONAL PARTNERSHIP AGAINST CORRUPTION IN SPORT ("IPACS")**

### **TERMS OF REFERENCE OF THE TASK FORCE FOR REDUCING THE RISK OF CORRUPTION IN PROCUREMENT RELATING TO SPORTING EVENTS AND INFRASTRUCTURE**

#### ***I. Introduction***

1. The organisation of sporting events and infrastructure carries high risks of inefficiencies, corruption and serious misconduct. The need to meet tight deadlines and manage significant resources and funds for construction and infrastructure development projects, as well as the acquisition of goods and services might also pressure organisations or governments to circumvent established procurement and management practices. It is, therefore, essential to provide an adequate degree of transparency and oversight in line with global integrity standards in the implementation of the legal and regulatory framework. While the complexity and scale of mega events involves exponential increases of risks, it is equally true that small and medium sized events are also exposed. Management strategies should therefore be developed to manage the risk of corruption in procurement relating to sporting events and necessary infrastructure, regardless of their scale.

2. A programme of work of the task force will aim to help governments and sport organisations prevent, manage, and reduce the risks of corruption, fraud, and collusion throughout the entire procurement cycle. By offering options to strategically manage those risks, it will also aim at laying the foundations for safely implementing effective procurement strategies for the delivery of venues, infrastructure and services.

3. The first meeting of the Working Group of the International Partnership against Corruption in Sport ("IPACS") proposed the creation of three Task Forces. The Task Force on Reducing the Risk of Corruption in Procurement Relating to Sporting Events and Infrastructure (TF 1) will be one of the three Task Forces and will be guided by the following Terms of Reference ("ToRs").

#### ***II. Objectives of TF 1***

4. The initial purpose of TF 1 is to map procurement standards to the specific context of sport and develop actionable guidelines and targeted tools aimed at managing procurement risks, including corruption risk in the public procurement of sporting events, which can then be showcased through pilot projects. In line with the 2016

London Anti-Corruption Summit communiqué,<sup>1</sup> the 15 February 2017 International Forum for Sport Integrity (“IFSI”) Declaration,<sup>2</sup> the 2017 G20 Leaders’ Declaration,<sup>3</sup> and resolution 7/8 on Corruption in Sport, adopted by the Conference of States Parties to the United Nations Convention against Corruption at its seventh session,<sup>4</sup> TF 1 shall facilitate a common understanding to tackling corruption risks in the public procurement of sporting events.

5. Specifically, the objectives of TF 1 are to support entities responsible for procurement in sporting events in the following areas:

- i. Improve the effectiveness and use of methodologies and tools for identifying and assessing risks specific to procurement in sporting events and infrastructure projects. TF 1 will focus on fraud and corruption risks, for the necessary delivery of the venues, infrastructure and services of sporting events, including the use of risk assessments, data analytics, and risk monitoring to inform decision-making; and
- ii. Enhance strategies and action plans for managing fraud and corruption risks related to procurement in major, medium, and small sporting events. It is envisaged that this will include implementing risk-based control activities in the procurement of sporting events, while not hindering the effective and timely delivery of the venues, infrastructure and services.

6. To achieve these objectives, TF 1 will develop the following outputs, detailed further in the next section:

- i. Development of a tool to effectively mitigate corruption, fraud and bid-rigging risks associated with procurement processes related to sporting events and infrastructure projects, complemented by case studies.
- ii. A pilot project to apply and tailor the principles and practices from the mapping exercise to a concrete case, which will work in cooperation with a host country or sports organisation, to support the piloting of the tool.

### ***III. Substantive basis and method of work of TF 1***

7. The work of TF 1 will be supported by and benefit from existing international standards and efforts. This could also include stocktaking of risk assessment frameworks and a reflection of the collective experience gained, for instance, through peer reviews by the Organisation for Economic Cooperation and Development (“OECD”) and the United Nations Office on Drugs and Crime (“UNODC”) within their respective mandates, including pursuant to the OECD Anti-Bribery Convention and the United Nations Convention against Corruption (“UNCAC”). In this respect, reference could be made to the *High-Level Principles for Integrity, Transparency and Effective Control of Major Events*

---

<sup>1</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/522791/FINAL\\_-\\_AC\\_Summit\\_Communique\\_-\\_May\\_2016.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522791/FINAL_-_AC_Summit_Communique_-_May_2016.pdf)

<sup>2</sup> [https://stillmed.olympic.org/media/Document%20Library/OlympicOrg/News/2017/02/2017-02-15-IFSI-Common-Declaration-eng.pdf#\\_ga=2.104529472.1751064024.1500543268-833557415.1497969558](https://stillmed.olympic.org/media/Document%20Library/OlympicOrg/News/2017/02/2017-02-15-IFSI-Common-Declaration-eng.pdf#_ga=2.104529472.1751064024.1500543268-833557415.1497969558)

<sup>3</sup> [https://www.g20.org/Content/EN/\\_Anlagen/G20/G20-leaders-declaration.pdf?\\_\\_blob=publicationFile&v=11](https://www.g20.org/Content/EN/_Anlagen/G20/G20-leaders-declaration.pdf?__blob=publicationFile&v=11)

<sup>4</sup> [http://www.unodc.org/documents/treaties/UNCAC/COSP/session7/UNCAC\\_-\\_Corruption\\_in\\_Sport\\_resolution.pdf](http://www.unodc.org/documents/treaties/UNCAC/COSP/session7/UNCAC_-_Corruption_in_Sport_resolution.pdf)

and Related Infrastructures,<sup>5</sup> and the 2015 OECD Recommendation on Public Procurement,<sup>6</sup> which provides a holistic approach towards developing risk mitigation measures for public procurement and can be applied across all levels of government and state owned enterprises. The OECD has specific experience in helping governments promote integrity in procurement, including by mitigating risks in large events such as the 2015 OECD Effective Delivery of Large Infrastructure Projects. TF 1 can use the OECD's expertise to build on all the relevant standards in this field such as the 2012 OECD Recommendation on Fighting Bid Rigging in Public Procurement,<sup>7</sup> and the 2017 OECD Recommendation on Public Integrity.<sup>8</sup> These standards can also be tailored to small and medium sized sporting events.

8. Reference can also be made to the UNODC's "*The United Nations Convention against Corruption: A Strategy for Safeguarding against Corruption in Major Public Events*"<sup>9</sup> and the risk assessment tools suggested therein, as well as its training materials<sup>10</sup>. IPACS would draw from this expertise while also mapping lessons learnt from past sporting events and any other relevant international instruments or examples. The OECD's *Principles for Leveraging Local Benefits from Global Sporting Events*<sup>11</sup> and *Organising Sporting Events*,<sup>12</sup> which target the bidding process, delivery, evaluation and preparation of such events at the local level, may also be considered. Other standards such as the Council of Europe ("CoE") Draft recommendation to CoE States Parties<sup>13</sup> and its collection of national good practices will also be benchmarked as will other relevant norms and frameworks adopted internationally, which will be comprehensively mapped out as part of the Taskforce's first outputs.

9. The project will be carried forward through a phased approach that could begin with the mapping of procurement standards to the specific context of sport, possibly complemented by illustrative case studies on how these standards could be applied in practice.

10. Project development can be done through email and virtual conferences.

#### **IV. Structure**

11. For the time being, IPACS is composed of a two-tier structure: (i) a Working Group, which consists of international sports organisations, governments, and relevant international organisations; and (ii) Three Task Forces, with a multi-stakeholder membership reflecting the composition of the Working Group.

12. TF 1 will be facilitated by the OECD, which will serve as the Technical Facilitator of TF 1.

13. TF 1 should include:

- Members of the working group which have expressed interest in joining TF 1;

---

<sup>5</sup> See: [http://www.oecd.org/gov/ethics/High-Level\\_Principles\\_Integrity\\_Transparency\\_Control\\_Events\\_Infrastructures.pdf](http://www.oecd.org/gov/ethics/High-Level_Principles_Integrity_Transparency_Control_Events_Infrastructures.pdf)

<sup>6</sup> <http://www.oecd.org/gov/ethics/OECD-Recommendation-on-Public-Procurement.pdf>

<sup>7</sup> See: <http://www.oecd.org/daf/competition/RecommendationOnFightingBidRigging2012.pdf>

<sup>8</sup> See: <http://www.oecd.org/gov/ethics/Recommendation-Public-Integrity.pdf>

<sup>9</sup> [http://www.unodc.org/documents/corruption/Publications/2013/13-84527\\_Ebook.pdf](http://www.unodc.org/documents/corruption/Publications/2013/13-84527_Ebook.pdf)

<sup>10</sup> [http://www.unodc.org/unodc/en/corruption/tools\\_and\\_publications/training-materials-major-public-events.html](http://www.unodc.org/unodc/en/corruption/tools_and_publications/training-materials-major-public-events.html)

<sup>11</sup> [http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=CFE/LEED\(2016\)4&docLanguage=en](http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=CFE/LEED(2016)4&docLanguage=en)

<sup>12</sup> See: <http://www.oecd.org/corruption/Corruption-Responsible-Business-Conduct-Large-Sporting-Events.pdf>

<sup>13</sup> CoE EPAS Database on alleged corruption cases in sport, forthcoming.

- A limited number of external experts gathering expertise in the relevant areas; and
- Reflect a diversity of membership across geography, country size and development status.

14. The external experts will be invited upon decision by the Working Group of IPACS. TF 1 will designate a Chair from among its Members.

15. Decisions taken by TF 1 are adopted by consensus. Where there is no consensus, options will be presented to the Working Group.

### ***V. Reporting***

16. TF 1 will report on a semi-annual basis to the Working Group, with a view to submitting a progress report at the end of 2018 for dissemination. The report will also include a plan for possible continuation of TF 1's work and a proposal to update and renew its ToR.