

Strategy, Work Program And Budget of the Initiative 2012-2014

A. Introduction

1. The ADB/OECD Anti-Corruption Initiative for Asia and the Pacific has supported the efforts of governments in Asia-Pacific to fight corruption since 1999. The Initiative's 28 member countries have endorsed the Initiative's Anti-Corruption Action Plan for Asia-Pacific and collectively form the Initiative's Steering Group.¹ The Initiative also includes an Advisory Group comprising relevant international organizations, donors, civil society, business organizations, and other constituencies. The Advisory Group supports the Initiative by providing technical advice to the Steering Group and mobilizing resources.² The Initiative also includes observer countries that attend the Initiative's meetings and events.

2. In 2009-2010, the Initiative conducted an independent review of its past work and developed its future objectives and priorities. This process concluded at the Initiative's 15th Steering Group meeting in Kuala Lumpur in September 2010 with the adoption of the Initiative's "Strategic Principles and Future Activities", which will guide its operation in the future.³ According to this policy document, the Initiative's General Objective is as follows:

The Initiative is a regional forum for supporting national and multilateral efforts to address and reduce corruption in Asia and the Pacific, primarily through the effective implementation of UN Convention against Corruption (UNCAC). The Initiative seeks to achieve this goal through capacity building based on peer-learning, mutual support and exchange of expertise, while taking into account the geographical and developmental diversity of its members; demands on members' human and financial resources; and the need to provide value-added in view of the functions and roles of other multilateral anti-corruption bodies.

3. The Initiative also adopted six Strategic Principles that will guide the Initiative's future work:

(a) Supporting the Initiative's members to implement UNCAC;

¹ The Initiative's members are 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.

² The current members of the Advisory Group are the Swedish International Development Cooperation Agency (SIDA), Japan's Ministry of Foreign Affairs, Governance Network of the OECD Development Assistance Committee (DAC GOVNET), American Bar Association/Rule of Law Initiative (ABA-ROLI), Asia-Pacific Group on Money Laundering (APG), Transparency International (TI), United Nations Development Programme (UNDP), and World Bank.

³ The full text of the Strategic Principles and Future Activities of the Initiative is available at: www.oecd.org/document/25/0,3746,en_34982156_34982431_44084761_1_1_1_1,00.html.

- (b) Taking advantage of the Initiative's feature as a regional network by addressing members' common challenges and matters requiring regional co-operation;
- (c) Supporting learning with action and measurable outcomes;
- (d) Accommodating the diversity in members and stakeholders, including different state institutions, civil society and the private sector;
- (e) Enhancing member ownership of the Initiative; and
- (f) Avoiding duplication with other international bodies and initiatives.

4. The Initiative's Strategy and Work Program 2012-2014 will aim to realize the Initiative's General Objective and will be guided by the six Strategic Principles.

B. Core activities for achieving the strategic objectives

5. In its meeting in September 2010, the Initiative further agreed on Specific Operational Activities for accomplishing its General Objective, which are discussed hereunder.

1. Steering Group meetings and country reporting

6. Steering Group meetings allow members to discuss policy and administrative matters related to the Initiative's operation and to report their recent anti-corruption activities. Reporting on progress in anti-corruption reform allows members to exchange experiences, evaluate the effectiveness of these measures, and identify weaknesses and challenges that require further action.

7. As in the past, members of the Initiative will be invited to provide a written report on their recent anti-corruption efforts. The member provides the report prior to each Steering Group meeting by filling out a template. The reporting template, to be revised and adopted in 2011, is organized by sub-topics drawn from UNCAC and the Initiative's Anti-Corruption Action Plan. Each report will thus provide clear and current information on a member's efforts to implement each aspect of the Action Plan and UNCAC. Members are also invited to report how they have disseminated and used knowledge acquired in the Initiative's previous activities and events in their anti-corruption efforts. This would be consistent with the principle of measuring the Initiative's country-level impact on anti-corruption. The Secretariat consolidates all country reports received from Steering Group members. The consolidation is published on the Initiative's website after adoption by the Initiative's members at the Steering Group meeting.

8. The Initiative's members will also be invited to provide an oral report at each annual Steering Group meeting. Members make 10-minute presentations on one or two issues if they would like to report a success story, challenge, good practice etc. After the presentations, small group discussions could be conducted for problem solving and sharing experiences. The Steering Group could also discuss specific issues raised in a member's written report. After the presentations, if small group discussions would be useful for problem solving and sharing experiences, then the members will break into small groups for this purpose. Each small group will then report back to the plenary to ensure a full sharing of the information exchanged in the small groups so that delegations of all sizes benefit from this format. This format would also avoid duplicating the work of other international bodies and initiatives, which tend to address anti-corruption issues in large plenary-style gatherings of delegations.

9. The Initiative's Steering Group meeting will be held annually. One member of the Initiative (preferably, the country hosting the SG Meeting) will co-chair each Steering Group meeting with the Secretariat on a rotating and voluntary basis. Eventually, meetings will be chaired only by a member with the Secretariat in a supporting role. One or two members of the Initiative will also attend the Advisory Group on a rotating and voluntary basis.

10. The Initiative's Strategic Principles also specifies that the Initiative should design its activities to encourage and support the participation of relevant stakeholders, including civil society and the private sector. To this end, the Initiative will consider holding a separate session in future meetings and seminars to which the private sector, civil society and the media would be invited.

2. Capacity building seminars

11. Capacity building seminars is one of the Initiative's main tools for delivering technical assistance to its members. The Initiative's Independent Review conducted in 2009 found that almost all members find these seminars useful. The members decide seminar topics, which enhances member ownership and ensures that the topics address the members' demands. The choice of topics is guided by the Initiative's Strategic Principles. The seminars will thus be aimed towards supporting UNCAC implementation while accounting for differences in the needs among its members. The seminars will also focus on issues with an international or regional dimension, while avoiding duplication with the efforts of other relevant bodies.⁴

12. As noted above in paragraph 7, after attending a seminar, each member of the Initiative is expected to provide a written report (by filling out the template) describing how the knowledge acquired during the seminar has been disseminated and applied, and what the outcome was. This approach is consistent with the principle of supporting learning with action and measurable outcomes.

13. Capacity building seminars are usually held back-to-back with Steering Group meetings to reduce costs. Seminars therefore take place annually unless a regional conference is held, in which case the Conference would replace the seminar. The Initiative will hold capacity building seminars in 2012 and 2013.

14. The topics for the seminars in 2012 and 2013 will be discussed in the Steering Group meetings in 2011 and 2012. In its 2011 meeting, the Steering Group tentatively decided that the topic for the 2012 seminar could be "tracing illicit flows, and asset recovery in relation to corruption in Asia-Pacific". For seminars beyond 2012, the Steering Group might consider topics that would be directly relevant to UNCAC implementation and benefit from significant private sector and civil society participation, which is one of the proposals for "specific operational activities" in the "Strategic Principles and Future Activities of the Initiative". Topics along these lines that have not hitherto been addressed in-depth by the Steering Group include conducting a successful awareness-raising campaign, and the reporting of corruption by individuals in the public and private sectors and related whistleblower protection. The seminar in 2014 could cover region-wide issues identified by the first cycle of the UNCAC review mechanism which is scheduled to conclude at around that time.

⁴ Information on previous seminars are available the Initiative's website (www.oecd.org/corruption/asiapacific/capacitybuilding).

3. Regional anti-corruption conferences

15. The Initiative will hold a regional anti-corruption conference once every three years. Unlike seminars, regional conferences allow for greater participation, such as by the private sector and civil society. Conferences are also generally less technical and provide a forum for dialogue among policymakers and stakeholders. The conference topic is chosen by the host member in consultation with the Secretariat. Members find the regional conferences useful, according to the Independent Review. The choice of topic will also be guided by the Initiative's Strategic Principles. As with capacity building seminars, regional conferences will be held back-to-back with Steering Group meetings to reduce costs. The next conference is scheduled for 2014.⁵

4. Thematic reviews

16. Since 2005, the Initiative has conducted Thematic Reviews of specific areas of anti-corruption work among the Initiative's members. The Thematic Review is a fairly lengthy and intensive exercise. The Secretariat oversees the review. Members are initially asked to respond to an information-gathering questionnaire developed by the Secretariat. The Secretariat (or an external consultant) also conducts extensive independent research to gather more information. A report of the Review is then prepared which consists of individual country reports analyzing a member's efforts in the area under review, and providing recommendations for improvement. The report also includes a horizontal study identifying trends that cut across the membership. Members are invited to provide written comments on multiple drafts of the report. Each country report is finalized with that country's input and approval. The final report is then discussed and adopted at a Steering Group meeting. It is also published on the Initiative's website and in print.

17. Additional follow-up measures by members promote implementation of the Thematic Review's recommendations after the adoption of the final report. Two years after the completion of a Thematic Review, members are asked to report the steps that have been taken to implement the Review's recommendations. Thereafter members should continue to report steps taken to implement the recommendations in the country self-reporting written report. The follow-up reports are also published on the Initiative's website.

18. The choice of Thematic Review topics is again guided by the Initiative's Strategic Principles. Topics are thus geared primarily towards assisting members to implement UNCAC. Past reviews have focused on corruption in public procurement (2005); extradition, mutual legal assistance and asset recovery in corruption cases (2007); and criminalisation of bribery (2010). In 2012, the Initiative will begin a fourth review on accounting and auditing, and corporate compliance, internal controls and ethics to prevent and detect corruption, and the tax deductibility of bribes.⁶ The Review is expected to be completed in 2013, subject to available funding. The Steering Group will then consider starting the next review in 2014.

⁵ Information on previous conferences are available the Initiative's website (www.oecd.org/corruption/asiapacific/stg).

⁶ Information on previous Thematic Reviews is available at www.oecd.org/document/4/0,3746,en_34982156_34982431_43094468_1_1_1_1,00.html.

5. Country Scoping Exercises

19. In 2009, the Initiative adopted a methodology for voluntary country reviews.⁷ Voluntary country reviews will identify and address deficiencies in specific areas of a member country's anti-corruption framework. The main purpose of these exercises is to further promote the sharing of experience among members and the development of expertise at the national level, focusing on specific areas identified by volunteer countries in which they are encountering difficulties. The exercise will also identify capacity development needs for obtaining technical assistance. Exercises are entirely voluntary in nature. A member volunteers for an exercise and decides the scope of the exercise in consultation with the Secretariat and the experts. Emphasis is given to UNCAC and Action Plan implementation. The exercise would not duplicate reviews conducted in other fora, such as UNCAC Implementation Reviews which are more general and not focused on overcoming difficulties. A report of the scoping exercise is adopted with the reviewed country's consent before it is published. Subject to available funding and volunteering members, the Initiative will conduct two pilot country reviews in 2012-2014 before re-examining the review methodology.

6. Strengthening and expanding partnerships in the fight against corruption

a. Accommodating new members in the Initiative

20. The Initiative's role as a forum for exchanging knowledge and experience can be strengthened by broader participation. For this reason, the Initiative accepts (on a consensus basis) requests from countries to participate in the Initiative as members or observers. Countries wishing to become members are required to endorse the Initiative's Anti-Corruption Action Plan. The Secretariat will liaise with and guide countries that express interest in participating in the Initiative. Countries may also be invited to participate in the Initiative's meetings and seminars as observers.

b. Partnerships with regional and international bodies, private sector and civil society

21. The Initiative maintains partnerships with other regional and international bodies in the anti-corruption field to further the Initiative's objectives and to avoid duplication with these bodies' efforts. These bodies also contribute to the Initiative by sharing information and expertise. Officials from the United Nations Office on Drugs and Crime (UNODC) have regularly attended the Initiative's events. The Initiative attended the UNCAC 3rd Conference of States Parties (COSP) in October 2009 as an observer and may attend next COSP in October 2011. The Initiative's Secretariat has attended events and meetings of the Asia-Pacific Economic Co-operation (APEC) Anti-Corruption and Transparency Task Force (ACT). The Initiative will continue to explore possible joint-activities with APEC ACT beginning in 2012. Other organizations that have partnered the Initiative in the past include 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. The Initiative will work to strengthen the Initiative's existing partnerships with these bodies, and seek to establish contact with additional relevant bodies, such as the Association of South-East Asian Nations (ASEAN). Co-ordinating more closely with other international and regional anti-corruption initiatives would also help avoid the unnecessary duplication of work.

⁷ The full methodology is available at: www.oecd.org/document/38/0,3746,en_34982156_34982441_43094438_1_1_1_1,00.html

22. The Initiative has co-operated with the OECD Working Group on Bribery in International Business Transactions. The Working Group has been responsible for monitoring the implementation of the OECD Anti-Bribery Convention since 1999 and thus has a wealth of experience in anti-corruption. Experts from Working Group members have participated in the Initiative's seminars and conferences, including Working Group members that are also members of the Initiative – Australia, Japan, and Korea. In addition, several other members of the Initiative (China, India, Indonesia, Thailand and Malaysia) have attended Working Group meetings and events as observers. Continued co-operation between the Initiative and the Working Group will help strengthen the global fight against international bribery.

23. The Initiative also benefits from co-operation with business, trade unions and civil society, as these stakeholders can offer a different and valuable perspective on the fight against corruption. Representatives of these bodies are invited to the Initiative's regional conferences. In addition, the Initiative will consider inviting local business associations to attend relevant parts of Steering Group meetings. The Secretariat will work to develop partnerships between the Initiative and these stakeholders.

c. Effective communication of the Initiative's work and its members' achievements

24. Communicating its work and its members' achievements to relevant stakeholders is an important aspect of the Initiative's work. Dissemination of the reports of Thematic Reviews and Voluntary Country Reviews enhances the reviews' impact and promotes the implementation of the reviews' recommendations. Information and assessments in the reports are also shared with relevant international bodies, particularly those involved in UNCAC implementation. Publication of conference and seminar proceedings allows the discussions in those events to be disseminated to a wider audience. Publishing the members' self-reports increases the profile and transparency of the members' anti-corruption efforts. The Secretariat also communicates information to the public through the Initiative's website and a widely-distributed periodic newsletter.

25. The Initiative's members have also undertaken to do more to raise awareness of the Initiative, e.g. by providing more information about the Initiative on their websites, and involving other relevant government bodies in the Initiative's events. Some members have reported on the Initiative's activities domestically, and translated the Initiative's publications into its national language for distribution. Other members have been encouraged to do the same.

7. Priority of the specific core activities

26. In September 2010, the Initiative specifically noted that it would be important to prioritise the various activities in its programme of work. Whether the Initiative can implement its entire programme of work depends on the availability of resources.

27. In 2012-2014, priority will generally be given to Steering Group meetings (including country reporting at the meetings) since this activity is essential to the Initiative's operation. Capacity training seminars and conferences are generally held back-to-back with Steering Group meetings. They therefore would not require a great deal of additional resources and should thus also be conducted when these additional resources are available. On the contrary, Thematic Reviews are generally very resource intensive and will thus be conducted only when sufficient resources are available for this activity. The same applies to country reviews, which will also be conducted only if a country has volunteered to be reviewed. Finally, strengthening and expanding the Initiative's partnerships are important and is not especially resource intensive. In sum, the priority for the

Initiative's activities in 2012-2014 should be in the order in which those activities appear in the present document.

C. Financing the Initiative

1. Overview of the Initiative's financial arrangements

28. In the past, the Initiative's Work Program has been funded by member countries in-kind contributions, ADB Technical Assistance Grants and voluntary contributions by donors to the OECD. These financial contributions are used to finance the travel, accommodation and per diem expenses for resource persons (such as expert speakers) and eligible Initiative-funded meeting participants at the Initiative's meetings, seminars and conferences. The Initiative has a policy of funding only participants designated as "Official Development Assistance recipients" by the OECD Developing Assistance Committee (DAC). Although these participants have much to gain from the Initiative's events, they may find it difficult to fund their participation. These financial contributions are also used to support the Initiative's other activities (such as communications-related activities), staffing of the Initiative's Secretariat, and administrative costs (such as overhead and financial management). In its meeting in September 2011, Steering Group members agreed that the Secretariat would request some members to voluntarily forgo financial support from the Initiative to attend the Initiative's events. This would lessen the Initiative's financial burden. Members also agreed to revisit in the future a proposal that non-developing country members would pay annual membership fees.

29. In September 2010, the Initiative also agreed that members that are financially supported by the Initiative could make in-kind contributions, such as by hosting events, providing speakers at events, and representing the Initiative at meetings of other international bodies.

2. 2012-2014 budget

30. The following budget estimate covers only expenditure from ADB or OECD managed fund sources and is based on past experience.

Budget estimate for core activities (amounts in EUR)					
2012		2013		2014	
– One Steering Group meeting and capacity building seminar	227,000	– One Steering Group meeting and capacity building seminar	235,000	– One Steering Group meeting and regional conference	264,000
– Thematic review (2011-2012)	101,000	– Thematic review (2013-2014)	103,000	– Thematic review (2013-2014)	104,000
– One country review/Scoping exercise	170,000			– One country review/ Scoping exercise	178,000
– Public communications (website, brochures, newsletter)	32,000	– Public communications (website, brochures, newsletter)	32,000	– Public communications (website, brochures, newsletter)	36,000
– Participation in relevant meetings of partner organisations	35,000	– Participation in relevant meetings of partner organisations	35,000	– Participation in relevant meetings of partner organisations	36,000
– Fundraising and fund management, financial reporting	20,000	– Fundraising and fund management, financial reporting	20,000	– Fundraising and fund management, financial reporting	20,000
Contingency	15,000	Contingency	15,000	Contingency	15,000
Total expenses 2012	600,000	Total expenses 2013	440,000	Total expenses 2014	653,000
total 2012-2014					1,693,000

* All voluntary contributions (VCs) to the OECD incur a standard administration charge of 6.3 % (as of 1 January 2012) to cover the administrative costs of processing, managing and reporting on VCs. Due to the uncertainty of future VCs to the OECD for this project at the time of the programme preparation, this charge has not been included in this budget estimate, and will be charged individually to each donor upon reception of the VC.