

## Private sector integrity underlined as essential to foster prosperity

More than 80 senior government officials and representatives from business and civil society organizations from across the Arab region convened in Kuwait from 17 till 19 November 2012, to explore the progress achieved on private sector integrity in Arab countries and to envision further action. Academics, entrepreneurs, lawyers, activists and officials attending the discussion agree on the negative effects of corruption politically, economically and socially and the need to work collectively.

Inspiring initiatives, successful best practices and active discussions predominated during the Summit held through the collaborative support of **UNDP Anti-corruption Regional Programme** and the **MENA-OECD Investment Programme**. With the goal of providing a platform for further action in the field of anti-corruption in the Arab region, the meeting showed a high level of commitment from participants against corruption and eventually the potential of key groups such as civil society, governments and entrepreneurs to lead initiatives in this regard.

The last years witnessed an impressive transformation of the Arab region; awareness about transparency, integrity and anti-corruption is becoming more evident than ever. **Mr. Arkan El Seblani, head of UNDP's regional anti-corruption programme** remarked that *"the transformations in the region create unprecedented opportunities for tackling the root causes of corruption, but swift and decisive action is needed and the private sector must be engaged in defining related reform priorities, while also taking up its own share of the responsibility"*. As **Ms. Nicola Ehlermann-Cache, Deputy-Head of the MENA-OECD Investment Programme** commented *"an acceleration of initiatives and considerations against corruption are currently taking place; civil society and the business sector have a relevant role in this process"*.

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In presenting the **OECD Foreign Bribery Convention**, **Ms. Olga Savran** asserted *"there are companies that do bribe, but the big majority are accomplishing with standards"*. One of the useful services offered by the OECD is a web portal - **Cleangovbiz.org**- where the user can find anti-corruption and integrity standards.

*"Transparency is not a goal, it is a means, a method"*, said **Dr. Nikkos Passas**, Professor of Criminal Justice at **Northeastern University**, at the opening ceremony of the meeting. As useful tools, he underlined long term strategic approaches, involving all stakeholders –private sector, media, civil society and academia- and operating through short projects. Along with this, **Dr. Stuart Gilman**, a former senior UNODC official from the **United States**, proposed the inclusion of Financial Intelligence Units, a tool that the region usually lacks.

### Tools for the private sector

A major part of the meeting was dedicated to the instruments and initiatives that the private sector can use to both avoid corruption practices and promote transparency in their businesses. To this regard, **Mr. Joe Murphy**, from the **OECD Working Group on Bribery**, explained that *"there are cost-effective measures that companies can follow to fight corruption, such as communications within the company to increase awareness"*.

Legislation against corruption as well as the recognition of the efforts of transparent companies were supported by most of the audience. The need to attract resources to develop mechanisms to foster transparency and anti-corruption practices were also underlined as key to move forward.

The role of public companies, present in all Arab countries, was also tackled in the discussions. *"The driving force in the Arab region against corruption will be represented by state-owned companies, because they do not search for monetary benefits"* said the Tunis delegation.

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## Research, measurement and action

In spite of the positioning against corruption that these three pillars -civil society, companies and governments- have expressed during the Summit, the reality is that this global problem persists. **Professor Ms. Rania Mardini, from the American University in Beirut**, shared with the participants research data on corruption figures in the Arab region. *“In the Middle East, we have 50% more corruption than in other regions; we have data on the countries that comply, but what about those that do not?”*, she said.

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She claimed for research and measurement mechanisms that would help to find solutions: *“we cannot control what we cannot measure and we should focus in the opportunity cost related to anti-corruption; in fact, certain markets are constrained because investors escape from their corruption environments.”* Good monitoring mechanism and incentives to fight corruption were other solutions she proposed. *“In the business sector, if employees are well paid, anti-corruption measures can be widely applied”*, she commented.

Once the landscape of corruption is measured, action can be implemented. To this regard, most of the participants showed enthusiasm to establish coalitions and alliances to eliminate corruption. According to **Mr. Nadeem Anwer, CEO of Siemens in the MENA region**, *“collective action has three major benefits for companies: the creation of clean businesses, the establishment of fair selection procedures as a supplier and enhancement of the company's reputation.”*

Public and private partnerships were also mentioned by **Mr. Jean Monville, President of the International Deontology Committee of the French Business Confederation** who stated that *“the approach of collaboration between public and private sector to fight corruption can be implemented in any country in the world”*.

## Parallel working groups

Besides the exchange of experiences and the discussions held at the meeting, three groups were formed in order to launch further initiatives in the field of anti-corruption. One was composed of government members, a second one involved civil society groups and the third one included representative from the business field.

The return of funds derived from corruption, investigations and public prosecution were some of the subjects discussed in the government section of the Summit. On the side of the private sector discussions, two major approaches were emphasized: **capacity building** -of government officials on private sector needs and of entrepreneurs on fields such as corporate governance- and encouragement measures such as an **Index for Governance** -for companies to include corporate governance approaches- or a **White List** of transparent companies respecting standards.