



International Standards for Business Integrity: OECD contribution

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Outline

- OECD anti-corruption and integrity standards (www.cleangovbiz.org)
 - Public sector integrity principles
 - Corporate governance standards
 - Convention against foreign bribery
- Business integrity in the MENA countries
 - Obstacles and incentives
 - MENA-OECD work to promote business integrity



Public Sector Integrity

- Recommendations on Ethical Conduct in Public Service
- Guidelines on Managing Conflict of Interest in Public Service, asset declarations
- Recommendations on Transparency and Integrity in Lobbying
- Principles for Integrity in Public Procurement
- whistleblowers, budget transparency



Corporate governance and ethics

- **OECD Guidelines for Multi-National Enterprises** (disclosure, human rights, employment, environment, bribery, consumers, science and technology, competition, taxation) and **National Contact Points**
- **OECD Principles of Corporate Governance** and **Guidelines for state owned enterprises** (shareholders, boards, disclosure)

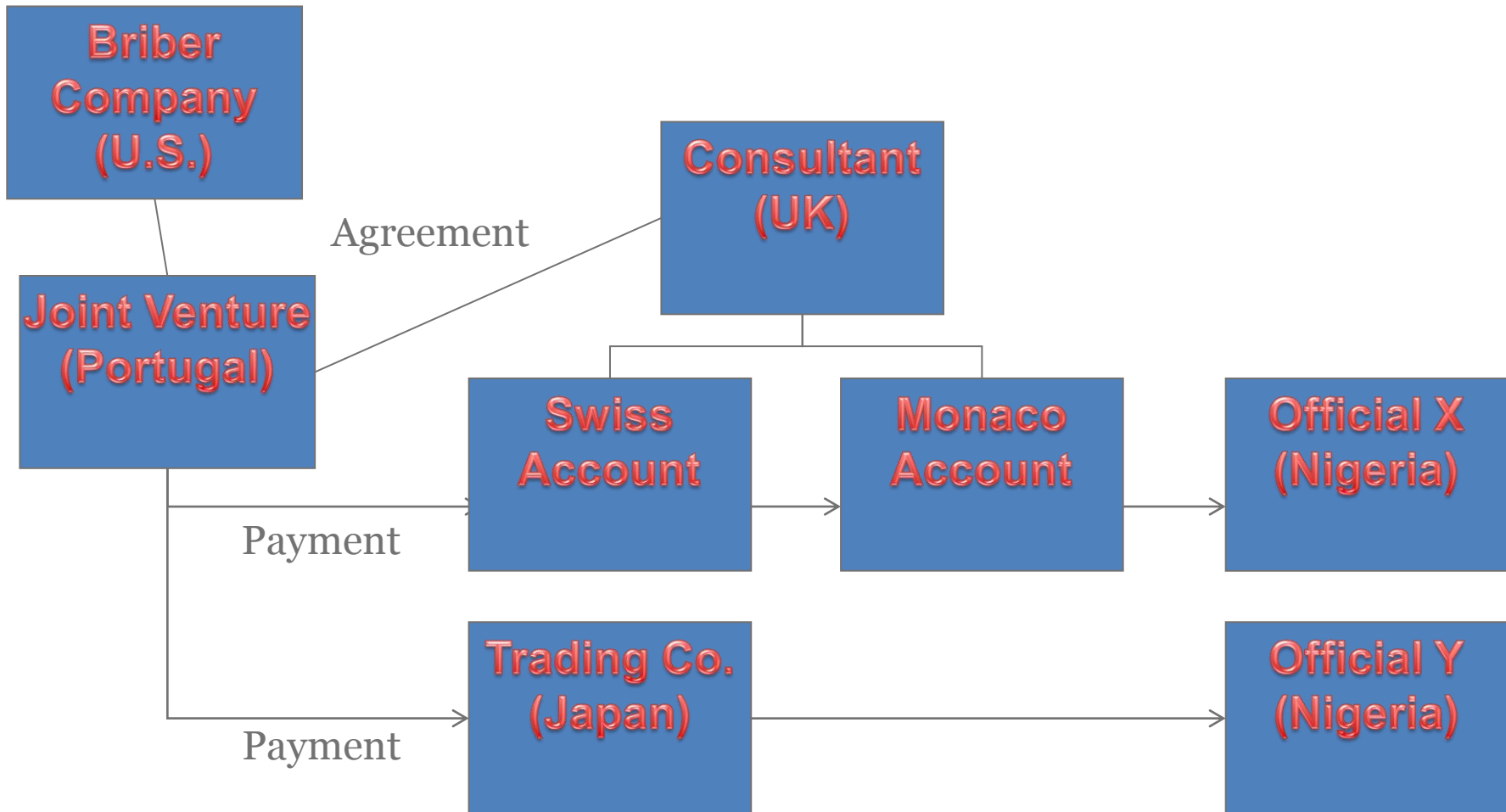


OECD Foreign Bribery Convention

- History
 - U.S. Foreign Corrupt Practices Act (1977)
 - came into force 15 February 1999
- Main provisions (17 articles)
 - criminal responsibility for promise, offer or giving a bribe to a foreign public official for any undue advantage, directly or through intermediaries
 - by any person, physical or legal
 - sanctions, debarment, confiscation
 - independence of prosecution; jurisdiction and statute of limitation
 - monitoring by Working Group on Bribery, publication



A foreign Bribery Case





Related Standards

- OECD Recommendation on tax measures
- OECD Recommendation on bribery and officially supported export credits
- OECD Anti-Corruption Proposals for bilateral aid procurement
- FATF standards on anti-money laundering



Parties to the Convention

- 39 States Parties
 - 35 OECD members and 4 non-members (Argentina, Brazil, Bulgaria, Russia, South Africa)
 - 2/3 world exports (2011)
 - G20 Anti-Corruption Action Plan calls on its members to join the Convention, 15 out of 19 are already parties (20th is the EU)

Australia	Estonia	Japan	Slovak Republic
Argentina	Finland	Korea	Slovenia
Austria	France	Luxembourg	South Africa
Belgium	Germany	Mexico	Spain
Brazil	Greece	Netherlands	Sweden
Bulgaria	Hungary	New Zealand	Switzerland
Canada	Iceland	Norway	Turkey
Chile	Ireland	Poland	United Kingdom
Czech Republic	Israel	Portugal	United States
Denmark	Italy	Russia	



Enforcement and Impact

- 199 individuals and 91 entities criminally sanctioned in 13 Parties
 - 54 prison sentences
 - EUR 1.24 billion fine in one case
 - 120 individuals and 20 entities charged in 5 Parties
 - 260 investigations in 15 Parties
 - + Debarments
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- **Compliance programmes, incl. supply chains**
 - **Disclosure of bribery by companies**



National and International Standards and Business Self-Regulations

- National laws, e.g. UK Bribery Act 2010
- Debarment by Multi-Lateral Development Banks
- Business self-regulations (ICC, UN Global Compact, WEF, TI, EITI, others)



Good practice guidelines on internal controls, ethics and compliance programmes

- Non-binding guidelines by OECD members to companies and business associations
- Company compliance programmes
 - Commitment and tone from the top
 - Clear policy/code/prohibitions, incl. for 3rd parties
 - Training, reporting, enforcement, sanctions
- Support by business associations
 - Information, training, advice
 - Especially for SMEs



Framework for business integrity in Middle East and North Africa

- Costs of bribery (for SMEs) and unfair competition with ‘connected’ companies
- Risk of domestic prosecution when UNCAC standards are enforced
- MENA companies reputation vis-a-vis citizens/consumers
- Opening for international business, modernisation of corporate governance, integrity requirements from MNE, foreign markets



MENA-OECD Business Integrity Network

- Public-private dialogue
- Strengthening the capacity of private sector and business associations
- Regional review of good practice
 - Joint efforts of governments and businesses, e.g. sectors with risk, reporting channels, etc.
 - Compliance programmes by companies
 - Collective and other actions supported by business associations



THANK YOU

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