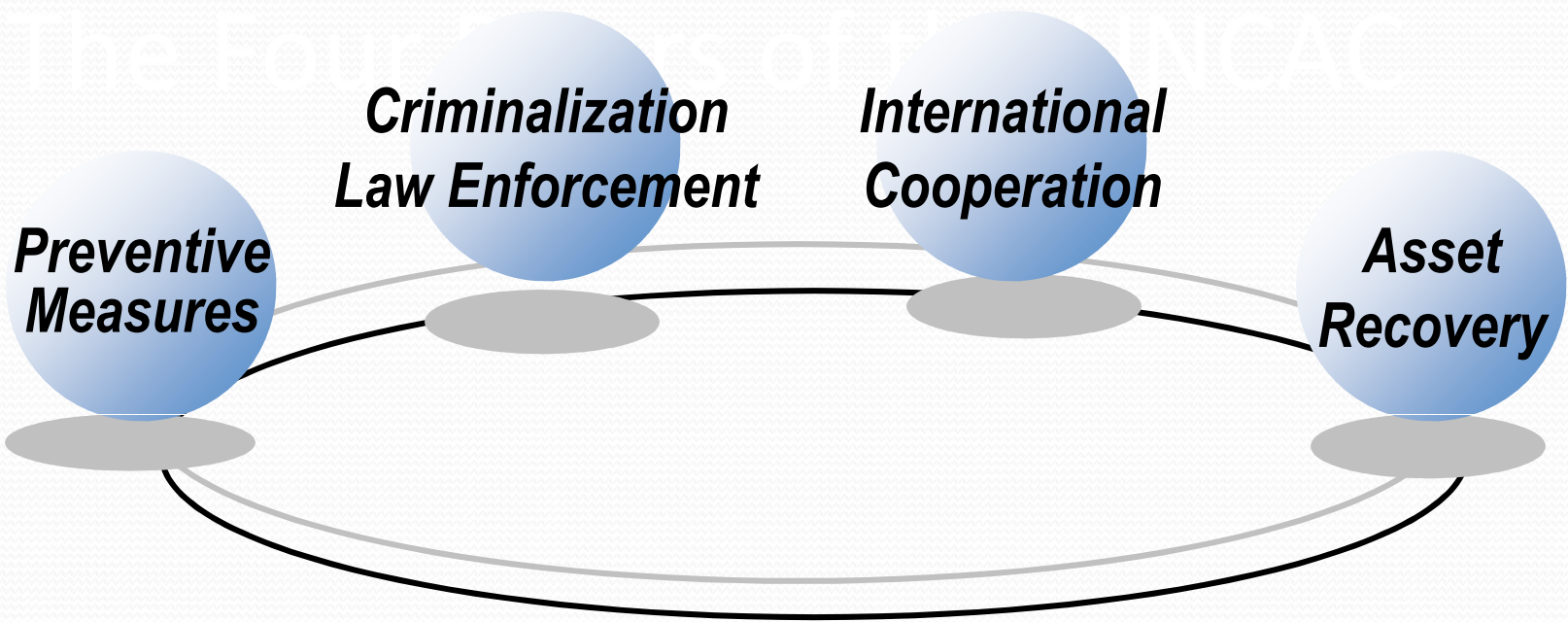


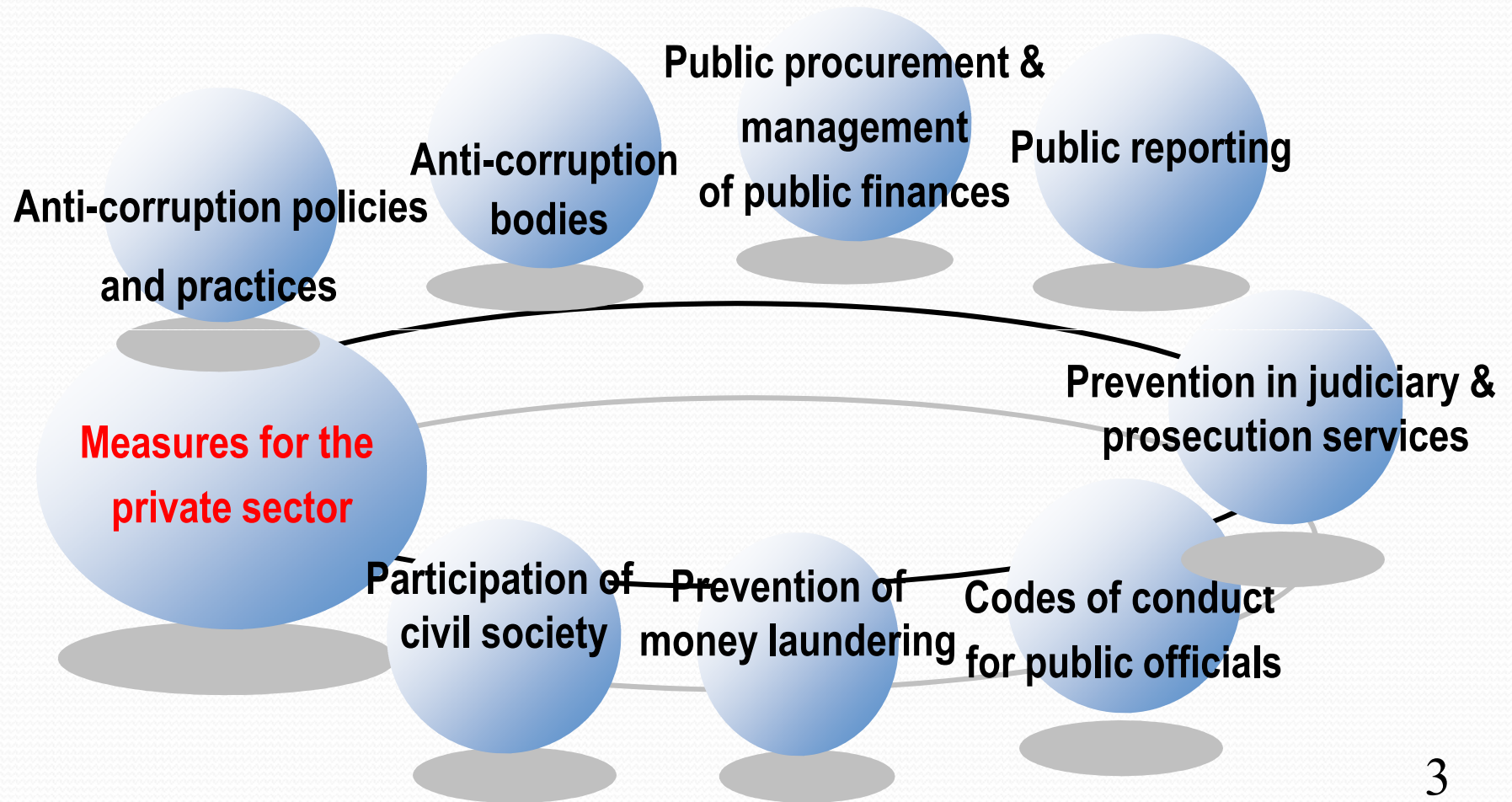
***The Challenge to Business in
Implementing the UN Convention against
Corruption:
Changing the Culture of Corruption***

UNDP Program
Tunis, Tunisia
June 2012



Purpose: Integrity, Accountability and the Proper Management of Public Affairs and Property

Preventive measures



Article 12: Private Sector Corruption

Prevent corruption involving the private sector, enhance accounting and auditing standards in the private sector and, where appropriate, provide effective, proportionate and dissuasive civil, administrative or criminal penalties for failure to comply with such measures.

Article 12b: Standards

Promoting the development of standards and procedures designed to safeguard the integrity of relevant private entities,

- including codes of conduct for the correct, honourable and proper performance of the activities of business
- the prevention of conflicts of interest
- promotion of the use of good commercial practices among businesses

Article 12c & d: Standards

Promoting transparency among private entities, including

- appropriate, measures regarding the identity of legal and natural persons in the establishment and management of corporate entities;
- Preventing the misuse of procedures regulating private entities including procedures regarding subsidies and licenses granted by public authorities for commercial activities;

Article 12 e&f: Standards

- Preventing conflicts of interest by imposing restrictions on the employment of public officials by the private sector after their resignation or retirement
- Ensuring that private enterprises have sufficient internal auditing controls to assist in preventing and detecting acts of corruption
- accounts and required financial statements of such private enterprises are subject to appropriate auditing and certification procedures.

Article 12: Records

- Maintaining books and records, financial statement disclosures and accounting and auditing standards to prevent
 - The establishment of off-the-books accounts;
 - The making of off-the-books or inadequately identified transactions
 - The recording of non-existent expenditures
 - The entry of liabilities with incorrect identification of their objects
 - The use of false documents
 - The intentional destruction of bookkeeping documents earlier than foreseen by the law.

Tax Deductibility of Bribes

Each State Party shall disallow the tax deductibility of expenses that constitute bribes, the latter being one of the constituent elements of the offences established in accordance with articles 15 and 16 of this Convention and, where appropriate, other expenses incurred in furtherance of corrupt conduct

Mandatory and Other Criminal Offences

5 Mandatory Offences

Bribery of National Public Officials (Art.15)

Active Bribery of Foreign Public Officials (Art.16)

Embezzlement, Misappropriation and Other Diversion
of Property (Art.17)

Money Laundering (Art.23)

Obstruction of Justice (Art.25)

6 Other Criminal Offences

Passive Bribery of Foreign Public Officials (Art.16)

Trading in Influence (Art.18)

Abuse of Function (Art.19)

Illicit Enrichment (Art.20)

Bribery in Public Sector (Art.21)

Embezzlement in Public Sector (Art.22)

Fighting Corruption is NOT the same as Building Integrity!

- Reward Systems
- Boeing Corporation
- Nike Corporation and child labor
- Effective Strategies do both:
 - Effective Means of Minimizing Corruption and
 - Building Integrity

- Publicity is justly commended as a remedy for social and industrial diseases. Sunlight is said to be the best of disinfectants; electric light the most efficient policeman.”

Justice Louis Brandeis