



*Empowered lives.
Resilient nations.*



Regional Expert Meeting

**Training Materials on Promoting Business Integrity and the
Implementation of the United Nations Convention against
Corruption in the Arab Region**

Doha, State of Qatar

27 March 2012

Programme

Table of Contents

OVERVIEW..... 3

I. CONTEXT..... 3

II. METHODOLOGY..... 4

III. AGENDA..... 5

OVERVIEW

A selected group of leading law scholars and senior practitioners in the area of anti-corruption and business integrity are meeting in Doha on 27 March 2012 to discuss training needs for individuals who wish to develop specific expertise on anti-corruption and business transactions, including the implementation of the United Nations Convention against Corruption (UNCAC) in the context of the Arab region and its interface with the broader context of international trade and investment. The meeting is organized by the United Nations Development Programme (UNDP) in the framework of its partnership with each of the State of Qatar and the Siemens Integrity Initiative (SII), and in cooperation with the Qatar University College of Law. Among other things, participants will crystallize the concept and outline of training material that UNDP intends to develop and disseminate in cooperation with various national, regional, international partners.

I. CONTEXT

1. The ongoing transformative events that the Arab region is currently witnessing have catapulted anti-corruption to the top of the reform priority list in most Arab countries. Widespread concerns about the unchecked relationship between senior public officials and private business interests feature prominently in this forcefully emerging agenda. Egypt and Tunisia, among others, are cases in point. Serious gaps in the national integrity system and the absence of effective accountability measures, especially at the higher levels of government, increased corruption risks in the bureaucratic interface between the public and the private sectors, and perhaps more seriously, created an environment where "policy-making" and "profit-making" became increasingly intertwined. Vast and complex networks of individuals and entities, with unfair access to decision-making circles, were formed using their access for private gain, thus reinforcing practices of crony capitalism and generating a sweeping trend of unjust enrichment by public officials. Although it is difficult to assess the exact cost of corruption in those two countries and the impact it had on doing business, there are clear signs that, corruption had acted, at least partly, as a barrier for competitiveness and Foreign Direct Investment, and had contributed to slow trickle-down of economic growth that has accrued over the past decade.

2. The current global consensus, that has been taking shape over the last three decades, asserts that corruption produces a multitude of negative results that undermine development and adversely impacts people, government, business, and, even, our natural environment. More specifically, in relation to business, the consensus asserts that corruption diverts private resources from their proper use, distorts fair competition, and creates gross inefficiencies in the private sector. Some estimates show that corruption adds up to 10% to the total cost of doing business globally, and up to 25% to the cost of procurement contracts in developing countries. Others indicate that moving business from a country with a low level of corruption to a country with medium or high levels of corruption is found to be equivalent to a 20% tax on foreign business. Notwithstanding other considerations, including principles of corporate social responsibility, these numbers, among others, seem to support the case for enhancing the engagement of the private sector in anti-corruption efforts.

3. In addition to the establishment of appropriate national and local regulations, and promoting healthy interaction and consultations between the public and the private sector, there is also a need for proactive action by the private sector, including internal compliance programs, industry standards,

integrity pacts and other forms of collective action initiatives. Furthermore, the continued globalization of economic activity and the complexity of cross-border trade and investment require stronger international cooperation between stakeholders, be it through legally-binding instruments or through voluntary initiatives. Indeed, recent years have seen considerable progress in this area, but stakeholders agree that much more can be done.

4. The advent of the United Nations Convention against Corruption (UNCAC), which has entered into force in 2005 and now has 159 States Parties, provides a solid basis for action. In the first session of the Conference of States Parties to the UNCAC, held in Jordan in 2006, participating representatives of the business community submitted a statement in which they declared that "*UNCAC holds the potential to become the global framework for combating corruption which will pave the way for the establishment of a level playing field for all market participants.*" Indeed, in addition to providing a roadmap for national anti-corruption efforts, the UNCAC specifically recognizes the importance of engaging the private sector in these efforts. In Article 12, it provides for corruption prevention measures in the private sector; while in Article 13, it promotes the participation of non-public entities, including business representatives, in national anti-corruption efforts. It also criminalizes various forms of corrupt practices, including those that occur entirely within the private sector, namely "bribery in the private sector" (Article 21) and "embezzlement of property in the private sector" (Article 22), and stipulates a number of measures aimed at enhancing transparency in financial institutions in Article 14 among many other provisions.

5. In addition to the UNCAC, there is also the Anti-Bribery Convention of the Organisation of Economic Cooperation and Development (OECD), which was adopted in 1997, and complemented by a number of other instruments, including the 2009 Recommendation of the OECD Council for Further Combating Bribery and the 2009 Recommendation on the Tax Deductibility of Bribes to Foreign Public Officials. This Convention establishes legally-binding standards to criminalize bribery of foreign public officials in international business transactions and provides for a host of related measures that make this effective. In addition there is a multiplicity of initiatives that may provide an important resource for action to engage the private sector in the ongoing global fight against corruption. Those include initiatives by the "United Nations Global Compact", the "International Chamber of Commerce", the "World Economic Forum Partnering against Corruption Initiative", and Transparency International, among others, and some that are specific to the Arab region such as the MENA-OECD Investment Programme or even to sub-regions, such as the Pearl Initiatives which focuses on the Gulf Cooperation Council Countries.

II. METHODOLOGY

6. UNDP's regional project on "Anti-Corruption and Integrity in Arab Countries" (ACIAC) organizes the regional expert meeting on "Training Materials on Promoting Business Integrity and the Implementation of the United Nations Convention against Corruption in the Arab Region" in Doha, the State of Qatar, on 27 March 2012 in cooperation with the Qatar University College of Law. Participants in the meeting include deans of selected law schools in the region, compliance officers in the private sector, and senior legal and anti-corruption experts.

7. The overall objective is to discuss training needs for individuals who wish to develop specific expertise on anti-corruption and business transactions, including the implementation of the United Nations Convention against Corruption (UNCAC) in the context of the Arab region and its interface with

the broader context of international trade and investment. The meeting will extend for the whole day, and will be divided to an opening session and three working sessions, where participants are expected to share perspectives and experiences on the topics at hand, and contribute to the formulation of a clear concept, and potentially a draft outline of, training material that UNDP intends to develop and disseminate in cooperation with various national, regional, international partners.

III. AGENDA

Tuesday, 27 March 2012

09.30 **Departure: Mövenpick Towers & Suites to Qatar University College of Law**

10.00 – 10.30 **Opening Session**

***Objective:** Enable organizers to present the background, objectives, and expectations of the meeting.*

- **Welcome statement**

Mr. Arkan EL SEBLANI, Manager of the Regional Project on Anti-Corruption and Integrity in Arab Countries, UNDP

- **Official statement**

Dr. Hassan OKOUR, Dean of the College of Law, Qatar University

H.E. Mr. Abdessalam ABOUDRAR, President of the Arab Anti-Corruption and Integrity Network, President of the Central Authority for Corruption Prevention, Kingdom of Morocco

10.30 – 11.30 **First Session**

Corruption and Business in the Arab Region: Situation Analysis

***Session Objective:** Enable participants to discuss corruption trends in the interface between the public sector and the private sector in the Arab region, and share information on their own respective efforts and on related initiatives in general.*

- **Introduction of participants**

- **Moderated discussion**

Mr. Rainer GEIGER, Independent Expert

11.30 – 12.00 **Break**

12.00 – 13.30 Second Session

Promoting Business Integrity through the Implementation of the United Nations Convention against Corruption: Key Issues for Businesses and Governments

Session Objective: Enable participants to discuss how UNCAC implementation can assist in the promotion of business integrity in the Arab region, and what key issues that government and businesses should be encouraged to address in this regard.

- **Presentation**

Mr. Jonathan AGAR, Associate Officer at the Corruption and Economic Branch, UNODC

- **Moderated discussion**

Dr. Nikos PASSAS, Professor at the School of Criminology and Criminal Justice, Northeastern University

13.30 – 15.00 Lunch followed by a short tour of campus

15.00 – 17.00 Third Session

Training Materials on Anti-Corruption in Business Transactions in the Arab Region: Crystallizing the Concept and the Way Forward

Session Objective: Enable participants to discuss and finalize the concept of the training material that will be developed on anti-corruption in business transactions in the context of the Arab region and its interplay with international trade and investment.

- **Presentation**

Mr. Arkan EL SEBLANI, Manager of the Regional Project on Anti-Corruption and Integrity in Arab Countries, UNDP

- **Moderated discussion**

Honorable Judge Ahmad OUERFELLI, Legal Advisor to the President of the Republic, Tunisia Republic

17.00 Departure: Qatar University College of Law to Mövenpick Towers & Suites
