



## Annotated Meeting Agenda 7<sup>th</sup> Meeting of the Global Compact Working Group on the Tenth Principle against Corruption

9 – 10 December 2010  
UN Headquarters, New York

9 December 2010	
8:15 am – 9:00 am	<b>Arrival &amp; Registration</b> Visitors Entrance (46 <sup>th</sup> Street & 1 <sup>st</sup> Avenue), UN Headquarters
9:00 am – 11:30 am	<b>International Anti-Corruption Day - Panel Discussion &amp; E-Learning Tool Launch</b> <b>Conference Room 2, First Floor of the North Lawn Building, UN Headquarters</b> <p>To commemorate the 7<sup>th</sup> Annual International Anti-Corruption Day, the UN Global Compact, together with the United Nations Office on Drugs and Crime (UNODC), United Nations Development Programme, and the UN Ethics Office, will host a high-level panel discussion on implementing the UN Global Compact's 10<sup>th</sup> Principle. Coinciding with the UN Global Compact's Anti-Corruption Working Group's 7<sup>th</sup> Meeting, this high-level panel discussion will bring together a significant number of business executives, institutional investors, and international business associations committed to furthering the discourse on the role of private sector in the fight against corruption. Key international anti-corruption organisations, such as Transparency International, the International Chamber of Commerce, and the World Economic Forum Partnering Against Corruption Initiative, will participate in this event.</p> <p>With five years remaining for achieving the MDGs, the year 2010 is the defining moment for MDG acceleration based on the knowledge and evidence gathered over the past ten years. The UN Secretary-General Report entitled "Keeping the Promise" stresses that integrity, accountability and transparency are crucial for MDG achievement, because corruption is adversely affecting the poor: particularly vulnerable groups, such as women. This panel discussion will review the cost of corruption on the achievement of the MDGs, and will illustrate the private sector's engagement to fight corruption.</p> <p>The panel will also discuss how to promote public-private partnerships to fight corruption and foster the enabling environment required to efficiently scale up the private sector's anti-corruption effort to achieve the MDGs. During this panel discussion, the UN Global Compact and UNODC will launch the Anti-Corruption E-Learning Programme, an interactive online anti-corruption educational platform. After the panel discussion, attendants will have an opportunity to continue the conversation and ask questions of the panelists. The Panel Discussion is open to civil society and UN Member States, UN-accredited journalists, UN Global Compact Anti-Corruption Working Group Members, and World Economic Forum – PACI Members.</p> <p><b>Moderator:</b> Mr. Jeremyn Brooks, Chair, Business Advisory Board, Transparency International</p> <p><b>Welcome &amp; Introduction</b></p> <ul style="list-style-type: none"> <li>Ms. Olajobi Makinwa, Head, Transparency and Anti-Corruption Initiatives, UN Global Compact Office</li> </ul> <p><b>Keynote Speech</b></p> <ul style="list-style-type: none"> <li>Mr. Lanny A. Breuer, Assistant Attorney-General, Criminal Division, the U.S. Department of Justice</li> </ul> <p><b>E-Learning Launch Ceremony</b></p> <ul style="list-style-type: none"> <li>Mr. Georg Kell, Executive Director, UN Global Compact Office</li> <li>Mr. Dimitri Vlassis, Chief of Corruption and Economic Crime Branch, UN Office on Drugs and Crime</li> </ul> <p><b>Lead Discussants</b></p> <ul style="list-style-type: none"> <li>Dr. Huguette Labelle, Chair, Transparency International/Member of the Global Compact Board</li> <li>Ms. Joan Dubinsky, Director, Ethics Office, United Nations</li> <li>Mrs. Oredoji Delano, Chief Compliance Officer, Oando Plc.</li> <li>Dr. Anga R. Timilsina, Coordinator, UNDP Global Thematic Programme on Anti-Corruption for Development Effectiveness, Democratic Governance Group, UNDP</li> </ul> <p><b>Keynote Remarks</b></p> <ul style="list-style-type: none"> <li>Dr. Asha-Rose Migiro, Deputy Secretary-General, United Nations</li> </ul> <p><b>Questions and Answer with Audience</b></p>

11:30 am – 11:50 am	<b>Coffee Break</b>
11:50 am – 1:00 pm	<p><b>Plenary Session 1: Building a Global Incentive Structure for Anti-Corruption Corporate Action</b> (Jointly Organized by the UN Global Compact, World Economic Forum – PACI, International Chamber of Commerce, and Transparency International)</p> <p><b>Conference Room 6, Second Floor, North Lawn Building, UN Headquarters</b></p> <p>In the wake of the 2008 global financial crisis, a business case for anti-corruption has become abundantly clear. For example, effective anti-corruption corporate policies and actions help companies reduce the cost of doing business, avoid the exclusion from bidding processes for international finance institutions and export credit agencies, attain and retain highly principled employees, attract investments from ethically oriented investors, and reduce legal sanctions. More and more companies have increasingly integrated anti-corruption policies, strategies, and actions into their overall business operations through employee training, corporate governance guidance, whistleblower policies, and supply chain engagement at the corporate headquarters level. To further accelerate corporate anti-corruption efforts, Global Compact business participants have repeatedly emphasized the importance of having a global and country-level incentive structure which rewards ethical and transparent corporate action.</p> <p>There have been a number of efforts made by various stakeholders to strengthen such global incentive structure for ethical corporate action. From a public policy perspective, international legal frameworks and national Governments create favourable policy frameworks. For example, the international legal framework for anti-corruption has been strengthened during recent years with the adoption of a number of critical inter-governmental instruments including the UN Convention against Corruption (UNCAC) and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transaction. Most recently, the Group of 20 acknowledged the critical role of businesses in anti-corruption efforts, and emphasized the need for the private sector's engagement on anti-corruption public-private partnerships and dialogue. Governments also have introduced rigorous anti-corruption instruments at the national level that have global implications for companies. For example, the 1977 Foreign Corrupt Practices Act of the United States has been considered as motivating U.S. multinational corporations to develop rigorous corporate governance and ethical guidelines. The UK Government introduced the UK Bribery Act, which will be effective in April 2011, and is anticipated to have a significant impact on UK-based corporations' engagement in anti-corruption issues.</p> <p>More recently, institutional investors and financial rating agencies are increasingly paying attention to corporate governance, accountability and transparency when evaluating companies' portfolios. One of the notable activities undertaken by institutional investors is a letter-writing campaign. In April 2010, a US\$1.7 trillion coalition of investors wrote to 21 major companies in 14 countries asking them to improve their disclosure of bribery and corruption risks and avoidance measures by using the GC Reporting Guidance 10<sup>th</sup> Principle. Multilateral development agencies and credit export agencies, one of the largest investors in countries with a high-level of perceived corruption, have put more emphasis on rigorous bidding processes in selecting corporate partners implementing major infrastructure and developmental projects. Despite such notable efforts undertaken by various stakeholders, anti-corruption remains one of the most difficult issue areas for Global Compact participants to implement and report their progress in this regard. This session will discuss what should be done to create an effective incentive structure for anti-corruption corporate action, and how other stakeholders such as Governments, Civil Society, Media, and Institutional Investors can contribute to strengthening incentives to implement the tenth principle against corruption. This session is open to Global Compact Working Group participants as well as World Economic Forum – PACI members.</p> <p><b><u>Questions for Discussion</u></b></p> <ul style="list-style-type: none"> <li>○ What material incentives are needed to further motivate corporations to adopt sound anti-corruption measures?</li> <li>○ What is the right balance between mandatory and voluntary measure?</li> <li>○ What are external obstacles that companies experience in implementing anti-corruption measures?</li> <li>○ What role should different stakeholders (Governments, Multilateral Developmental Agencies, Institutional Investors, Civil Society, and Media) play in motivating and sustaining corporations' anti-corruption measures?</li> <li>○ What are the practical challenges facing different stakeholders in supporting the creation of an incentive structure for anti-corruption corporate action?</li> </ul> <p><b><u>Lead Discussants</u></b></p> <ul style="list-style-type: none"> <li>○ Dr. Huguette Labelle, Chair, Transparency International/ GC Board Member (Moderator)</li> <li>○ Mr. Greg Andres, Acting Deputy Assistant Attorney-General, Criminal Division U.S. Department of Justice</li> <li>○ Mr. Richard Samans, Managing Director, World Economic Forum</li> <li>○ Amb. Chulki Joo, Secretary-General, Global Compact Korea Network</li> <li>○ Mr. Dominique Lamoureux, Vice President, Ethics and Corporate Responsibility, Thales</li> </ul>

1:00 pm – 2:00 pm	<b>Lunch</b>
2:00 pm – 3:30 pm	<p><b>Plenary 2: Public-Private Dialogue / Partnerships against Corruption</b>  <b>Conference Room 6, Second Floor of the North Lawn Building, UN Headquarters</b></p> <p>Public-private dialogue and partnerships have been increasingly recognized as a critical tool to advance emerging policy issues. There is a crucial need to initiate and sustain a meaningful public-private dialogue/partnership against corruption, as corruption requires society's collective action. Public-private dialogue/partnership comes in a multitude of forms, including formal or informal, structured or ad hoc, wide-ranging or specifically tailored to one issue. Government representatives, the private sector or third parties, such as international donor agencies, non-governmental organizations or institutional investors, can initiate these dialogues/partnerships. Public-private dialogue works in a support capacity, boosting ongoing initiatives that would fail or flounder without strong stakeholder support. A key benefit of these dialogues is policy reform that exists not only on the books but is applied at the ground level; this reform can be in the form of new legislation, simplification of new regulations or the standardization of procedures. After such reforms take place, private-public dialogue can be utilized to ensure that the reforms are carried out on the ground level by disseminating information on the reform, raising awareness, and exerting pressure on other actors to encourage implementation. Annual conferences, functional monitoring and information dissemination programs, policy papers, position papers, improvement in a country's ranking in indices and the building of social capital are other possible outputs of public-private dialogue and partnerships.</p> <p>This public-private dialogue must be initiated and implemented at a country level. It is vital that goals, strategies and priorities are developed prior to engaging in these dialogues and partnerships in order to ensure that they are fruitful and productive. Without a clearly delineated agenda, they run the risk of becoming long and unfocused, never attaining concrete results and quickly losing support and participants. A clear and concise statement of the objective for the dialogue/partnership allows stakeholders to fully understand their responsibilities and the aims and objectives of the dialogue/partnership prior to signing on, thereby lessening the risk of the members opting out at a later date. Another key component of these dialogues/partnerships is a monitoring and evaluation framework, which provides members with the ability to monitor internal processes and allows for transparency and accountability for all stakeholders.</p> <p>Joint target setting and mutual accountability frameworks will enable companies to be fully informed of what standard of behaviour is required of them in each country in which they operate. Where such standards fall short of minimum acceptable corporate integrity standards, companies face the challenge of how to encourage the gap to be bridged even when some competitors and public officials may have a vested interest in keeping the standards relatively weak. Many more countries are expanding their anti-corruption legislation to cover a wider range of conduct. Through engaging in public-private dialogue, companies can ensure that their conduct remains in compliance with these new regulations. In weak governance environments, where corporate culture has not supported adequate levels of business integrity, a roadmap to internalizing the emerging heightened standard whilst also negotiating with government the provision of the necessary enabling structures/environment/incentives may be the subject of private-public dialogue.</p> <p>Officials often have discretionary authority when it comes to public procurement, by engaging in a public-private dialogue incentives may be created to avoid corruption by both private and public sector individuals. Additionally, these dialogues and partnerships will foster relationships between the two sectors that will enable the members of each sector to be receptive to institutional arrangements that empower public vigilance and inform both sides when an individual attempts to corrupt the procurement process. Through these processes, trust, cooperation and understanding is fostered among the various stakeholders. It is important that government participation comes from the highest level possible. The approval of the President or Prime Minister, or equivalent on the local level, often correlates with the success and sustainability of the dialogue/partnership. Public-private partnerships will protect corporations in countries with both strong and weak-governance, by protecting business from legal penalties in countries with strict anti-corruption regimes and increasing the chances of leveling the playing field in countries with weak governance. This session discusses what challenges have been experienced in initiating a public-private dialogue, and identifies innovative ways to advance public-private dialogue on anti-corruption.</p> <p><u>Questions for Discussion:</u></p> <ul style="list-style-type: none"> <li>○ What are the benefits of public-private partnerships?</li> <li>○ What challenges do companies experience when they operate in countries with differing anti-corruption regulations? How can companies do business in countries with a "culture" of corruption while remaining in compliance of anti-corruption legislation?</li> <li>○ How can public-private partnerships increase a companies' reputation among third-party stakeholders?</li> </ul> <p><u>Lead Discussants:</u></p> <ul style="list-style-type: none"> <li>○ Mr. Olusoji Apampa, Co-Founder, Convention on Business Integrity</li> <li>○ Mr. Odell Guyton, Director, Compliance, Microsoft</li> <li>○ Dr. Anga R. Timilsina, Coordinator, UNDP Global Thematic Programme on Anti-Corruption for Development Effectiveness, Democratic Governance Group, UNDP</li> </ul>

3:30 pm – 4:00 pm	<b>Coffee Break</b>
4:00 pm – 5:30 pm	<p><b>Plenary 3: Leading the Change through a Investor-Company Dialogue</b> (jointly organized with the Principles for Responsible Investment)</p> <p><b>Conference Room 6, Second Floor of the North Lawn Building UN Headquarters</b></p> <p>Bribery and corruption are incompatible with good corporate governance and harmful to the creation of value. Where corruption is present, efficient markets, fair competition and economic development are undermined to the detriment of investors and other company stakeholders—including governments and civil society more broadly. As legal enforcement of bribery and corruption continues to build globally, companies are facing increasing potential liability – both at the corporate and individual executive level—to the extent that a company's anticorruption defences are shown to be lacking.</p> <p>For these reasons, it is important that companies provide their owners sufficient reassurance on the significant risks that they face. A number of tools and resources have been developed over the last ten years to assist companies to better integrate rigorous anti-corruption practices into their day-to-day operations. Many companies have taken a more proactive approach to tackling corruption by adopting various policies and procedures, and by communicating them in a way that enables investors and other stakeholders to judge their suitability and effectiveness. In the last few years, institutional investors have increasingly recognised the importance of robust corporate governance and anti-corruption measures.</p> <p>Yet, dialogue between company representatives and institutional investors around the issue of anti-corruption take place rather on an ad-hoc basis. In order to better integrate anti-corruption issues into investment decision making, there is a need to forge deeper understanding between company representatives and institutional investors on practical challenges that companies experience and what efforts can be made by investors to further encourage ethical corporate behaviours.</p> <p><u>Questions for Discussion</u></p> <ul style="list-style-type: none"> <li>• How – and to what extent – does corruption affect portfolio returns?</li> <li>• What is the cultural component of corruption? How do we do business in countries with a “culture” of corruption?</li> <li>• What are the benefits of a robust anti-corruption program? Can we go beyond compliance to reduce risk and burnish reputation?</li> <li>• What challenges do companies experience when they discuss corporate governance and anti-corruption issues with institutional investors?</li> </ul> <p><u>Lead Discussants</u></p> <ul style="list-style-type: none"> <li>○ Mr. Jeremyn Brooks, Chair, Business Advisory Board, Transparency International (Moderator)</li> <li>○ Mr. Gavin Power, Deputy Director, UN Global Compact</li> <li>○ Mr. Bennett Freeman, Senior Vice President, Calvert Investment</li> <li>○ Ms. Sharon Zealey, Chief Ethics and Compliance Officer, The Coca Cola Company</li> </ul>
6:30 pm – 8:30 pm	<p><b>Dinner</b></p> <p>Venue: 3<sup>rd</sup> Floor of the New York Hemsley Hotel</p> <p>Held in honour of working group participants, this dinner will provide an opportunity to interact, welcome new members, and re-energize the existing participants’ commitment to the GC Working Group on the 10<sup>th</sup> Principle against Corruption.</p> <p><b><i>Performance by Transworld Performance Arts Ensemble, part of Artfully AWARE</i></b></p> <p>Artfully AWARE (AfA) is a global not for profit organization established in the United Kingdom and the United States that uses the arts as an important tool for social improvement and emotional recovery of persons who have experienced traumatic events, disabilities or living conditions. AfA is proud to present a performance from its Bronx based partner, Transworld Performance Arts Ensemble (TWOPEA), which is a troupe of East and Central Africans who share their culture through the language of music, dance and drama in workshops and providing entertainment.</p>
<b>10 December 2010</b>	
8:30 am – 9:00 am	<p><b>Coffee &amp; Day 2 Registration</b></p> <p>Participants are asked to meet at the visitors’ entrance (46<sup>th</sup> street and 1<sup>st</sup> avenue) at 8:30 am in order to go through the security.</p>

9:00 am – 9:20 am	<b>Review of the First Day</b>
9:20 am – 10:00 am	<p><b>Plenary Session 4: International Human Rights Day – Linking Human Rights to Anti-Corruption Debates through the Human Rights and Business Dilemmas Forum</b></p> <p>Honouring International Human Rights Day, this session will explore the relevance of a human rights perspective and corporate efforts to respect and support human rights in the context of efforts to combat corruption. The session will introduce the UN Global Compact Human Rights and Business Dilemmas Forum - an online platform that seeks to enhance collective understanding of human rights themes and to stimulate discussion about the dilemmas responsible multinational companies may face in their efforts to respect and support human rights. The Forum contains a theme on anti-corruption. "How can a company successfully pursue commercial activities in countries with a history of corruption, whilst at the same time ensuring it does not compromise its own anti-corruption or human rights commitments?" The input of the Working Group will be sought on the human rights dimension of this theme, including on additional good practices from an anti-corruption perspective that should be captured there.</p> <p>Lead Discussants:</p> <ul style="list-style-type: none"> <li>○ Mr. Ronald Berenbeim, Principal Researcher, Business Ethics, Conference Board (Moderator)</li> <li>○ Mr. Ayuush Bat-Erdene, Chief, Right to Development Section, UNOHCHR</li> <li>○ Ms. Katharine Hermann, Head, Human Rights Risk Atlas Team, Maplecroft</li> </ul>
10:00 am – 11:15 am	<p><b>Plenary Session 5: Update from Sub-working Groups &amp; Proposal for the New Initiatives</b></p> <p>This plenary session reviews the progress made by different sub-working groups within the Anti-Corruption Working Group, and discusses new proposals suggested by working group participants. The items to be discussed in this session include: Reporting Guidance on the 10<sup>th</sup> Principle; Anti-Corruption and Supply Chain; PRME Working Group on Anti-Corruption; and Role of Ombudsperson.</p> <p>Lead Discussants:</p> <ul style="list-style-type: none"> <li>○ Mr. Matthias Kleinhempel, Director, Centre for Governance and Transparency, IAE Business School</li> <li>○ Mr. Sven Biermann, Senior Manager, Accenture</li> <li>○ Ms. Susan Cote-Freeman, Programme Manager, Private Sector Programme, Transparency International</li> <li>○ Ms. Olajobi Makinwa, Head, Transparency and Anti-Corruption, UN Global Compact</li> <li>○ Mr. John Sullivan, Executive Director, Centre for International Private Enterprises</li> </ul>
11:15 am – 11:30 am	<b>Coffee Break</b>
11:30 am – 12:30 am	<p><b>Plenary Session 6: International Policy Making Process / Private Sector Advocacy on Anti-Corruption &amp; Media</b></p> <p>After the 2009 CEO Letter Campaign, the important role of the private sector in international policy making has been underscored. This session discusses how to mobilize business executives to publicly advocate anti-corruption instruments and practices. Specifically, this session identifies ways to mobilize business around UNCAC review process and upcoming Meeting of Conference Parties to the UNCAC. In addition, in this session, participants reflect on the role of media in spotlighting the positive contribution of the private sector in advocating anti-corruption agenda. This session also links how to utilize sub-working on media engagement to enhance the private sector's contribution to anti-corruption advocacy</p> <p>Lead Discussants:</p> <ul style="list-style-type: none"> <li>○ Mr. Dimitri Vlassis, Chief, Corruption and Economic Crime Branch, UNODC</li> <li>○ Mr. Fritz Heinmann, ICC Representative</li> <li>○ Mr. Sven Biermann, Senior Manager, Accenture</li> <li>○ Mr. Jock Mendoza-Wilson, Director, International and Investor Relations, System Capital Management</li> </ul>
12:30 pm – 12:45 pm	<b>Closing &amp; Next Meeting</b>