

The Bangkok Declaration: Restoring Trust

Outcome of the 14th International Anti-Corruption Conference

I. Introduction

We, more than 1,200 people from around 135 countries, from the public, private and non-profit sectors came together in Bangkok, Thailand, for the 14th International Anti-Corruption Conference (IACC) from 10 -13 November 2010, with a mission to restore trust through global action for transparency.

Inspired by the rich cultural heritage and outstanding hospitality of our host country and the economic dynamism of the region, we explored issues ranging from corruption in climate change, to the achievement of the Millennium Development Goals and improved corporate governance. Our main objective was to produce strategies to overcome the effects of corruption in all of these areas.

Our Thai hosts told us of a common phrase, “mai pen rai”, indicating acceptance and tolerance. We agreed with them that there could be no “mai pen rai” when it comes to corruption. In the long run we will accept nothing less than zero tolerance for corruption.

The opening of our conference focussed on the need to restore trust through frank discussion, concerted action and results, drawing on the varied experience of those present, and by emphasizing the roles and responsibilities of governments, the private sector and civil society.

During our meeting there were synergies with global events. The G20 concluded their Seoul Summit on the second-to-last day of our conference, pledging to “prevent and tackle corruption through [their] Anti-Corruption Action Plan” as well as to increase integrity and transparency in global financial markets. We were also heartened to see the Asia-Pacific Economic Cooperation (APEC) identify corruption as a threat to prosperity and development in the region at their 22nd Ministerial Meeting which concluded on the second day of the 14th IACC.

There were some overarching themes during the 14th IACC. In plenaries and workshops we heard time and again that laws are not enough. The role of civil society in ensuring the effectiveness of anti-corruption approaches similarly ran through our deliberations as a red thread. We came back again and again to the role of youth in promoting integrity through values education and thereby preventing corruption and noted with great appreciation the participation of young journalists from across Asia in covering the conference through social media channels.

We remembered our last gathering for the 13th IACC in Athens in 2008, and acknowledged that we were still fighting for a future that was sustainable and in which trust could once again flourish.

We also extended our heartfelt thanks to the people and the Royal Government of Thailand as well as the Thai National Anti-Corruption Commission (NACC) and Transparency Thailand for creating a platform for the global anti-corruption movement to come together.

II. Leadership Forum: Combating Corruption and Illicit Trade

Good laws will not defeat corruption in the face of public indifference. The fight against corruption therefore becomes a moral issue. Civil society and the media were identified as the catalysts and driving forces to raise public awareness. Speakers noted that at no time has there been less trust in elected representatives.

The conflicting messages from multilateral development institutions on the importance of civil society were flagged, as was the critical importance of the United Nations Convention against Corruption in providing a governance framework for developing countries.

III. Restoring Trust for Peace and Security

We sought the dynamic linkages between corruption, peace and security. We looked at the incidence and spread of violent conflict, poverty and organised crime as well as the emergence of the human rights framework and the globalised economy. We acknowledged that some societies are penalised multiple times through the coincidence of corruption, conflict and abject poverty, and noted preventive remedies grounded in a culture of transparency, accountability, participation and integrity.

Corruption was identified as a facilitator and generator of civil conflict, as an inhibitor of peace-building, as correlated with terrorism and as a facilitator of nuclear proliferation. It was also seen to be conspicuously linked to human trafficking.

In trafficking, particularly of human beings, corruption is seen to play a facilitating role at every stage in the process, keeping the crime from becoming visible, buying impunity when a case is detected, expediting the physical movement of trafficked individuals and ensuring that its victims stay beholden to the system that first victimised them.

When vested interests influence and manipulate the policy making process for their own advantage, we speak of state capture. We agreed that state capture was a complex phenomenon and one that could spell violence for those who challenge it.

We agreed that there could be no true security and no real freedom as long as the machinery of law enforcement remained compromised by corruption. Looking at case studies we concluded that determined leadership was a critical factor, while civil society could create pressure through publicising cases of corruption in the police and judiciary.

IV. Fuelling Transparency & Accountability in Natural Resources & Energy Markets

We focussed on tools to bridge the gap between the promise of resource wealth and some of the attendant problems such wealth brings. We discussed methods for increasing transparency, strengthening accountability and engaging citizens to unlock the positive potential of natural resource wealth.

We acknowledged that, all too often, resource wealth ends up benefiting a country's elites while ordinary citizens continue to suffer the effects of extreme poverty. A starting point was seen in getting those citizens involved in monitoring wealth that should ultimately be theirs. In addition to exploring existing initiatives such as the Extractive Industries Transparency Initiative (EITI), the discussion also centred around the newly minted Dodd-Frank Act in the United States, which mandates disaggregated reporting on monies paid to resource-host governments by oil, gas and mining companies publicly listed in the United States.

The recently published Revenue Watch Index demonstrates the existence of effective measurement tools which expand the arsenal of civil society. But the focus must move outwards from the national level to capture the international playing field of companies. Although these and other developments have contributed to an increased transparency on the part of the industry, there is still a long way to go.

Panellists identified the main trends and problems caused by corruption in land and natural resource tenure arrangements globally. They identified the need for a modernisation of land administration and for adequate, coherent and viable institutional settings.

V. Climate Governance: Ensuring a Collective Commitment

In our discussions, we raised the issue of a trust deficit between developed and developing countries in international climate negotiations, a situation exacerbated by broken promises and differing priorities. A first step to ameliorating the problem were seen in proposed mechanisms for mutual accountability both in terms of commitments for funding by developed nations and commitments to undertake mitigation actions by developing nations. The positive benefits for both groups need to be brought front and centre rather than focussing on efforts as a source of burden.

We also investigated how corruption contributes to deforestation, looking at the opportunities REDD+ represents, but also the risks, in terms of ensuring that companies with poor track records did not end up as recipients of funds under the programme. The role of banks in preventing money laundering and flagging suspicious transactions was emphasized.

We explored why and how corruption in the water sector can be addressed through collaborative multi-stakeholder research. We identified the need for anchoring anti-corruption programmes in national policy frameworks and underscored that an understanding of national context is crucial. We also recognised the need for increased collaboration by broader civil society in addressing current shortcomings in international and national climate governance processes, including through participation in decision-making, tracking funding, and working to build robust national processes that can effectively implement mitigation and adaptation activities.

VI. Strengthening Global Action for an Accountable Corporate World

The corporate sector has an especially rocky road to travel in restoring trust after the crises of the past years. For this reason, corporate accountability was a crucial part of our deliberations at the 14th IACC.

Listed companies are moving in the right direction in anti-corruption awareness but investors are lagging. Investors need anti-corruption metrics for decision-making although corporate culture cannot be measured. Companies should disclose anti-corruption policy using the UN Global Compact Guidance to help investors understand risks. A mixture of company disclosure, investor awareness and regulatory action is required.

Transnational bribery was discussed in the Asian region. The need for a more efficient exchange of information across jurisdictions was highlighted as well as the usefulness of the OECD Good Practice Guidance on Internal Controls, Ethics and Compliance within companies.

We looked at integrity in public procurement and the role collective action could play. The continuing relevance of Integrity Pacts as a tool for clean procurement was highlighted, as well as multi-national initiatives such as the APEC Transparency Standards on Public Procurement.

We also closely assessed the construction sector, exploring the application of the CoST initiative, and concluding that there is a fine balance in degrees of detail for efficient reporting, while fighting systemic corruption does not necessarily require witch-hunts and investigations.

Risk mitigation was on the agenda as work with agents, contractors and other third parties was investigated. Pushing third parties to adopt codes of conduct, in particular the principles of the Global Compact, was seen as an approach with great potential. Similarly, we looked at

the issue of ensuring compliance along marketing and supply chains. Despite the logistical challenges posed, discussants saw the process evolving and were optimistic for the future.

The role of civil society in corruption-related litigation was explored, mindful that states choose not to pursue many cases for reasons of politics or resource scarcity. This dialogue was particularly timely as a French court this week authorised investigation in the case brought by Transparence France and SHERPA against three African heads of state for alleged large-scale embezzlement of public funds.

Multilateral Development Banks (MDBs) disburse billions of dollars in development loans annually and are therefore greatly exposed to corruption risks. Participants discussed the potential of the newly minted cross-debarment agreement which ensures that companies found to have engaged in corruption by one MDB are barred from contracts from other MDBs around the world, noting the agreement instantly raised the cost of corruption for companies.

Settlement as an alternative to conviction was found to be useful in the context of debarment, but it was concluded that guiding principles were needed to maximise the efficacy of settlement as a tool of law enforcement and as a channel for civil society to promote corporate integrity. Besides settlements, the importance of not only compensating material damage to individual victims but also compensating the social damage caused to society as a whole was stressed as a means to restore trust in institutions and the rule of law.

VII. Reaching our Millennium Development Goals

We acknowledged that domestic and internationally funded development programmes had accomplished a great deal in the past half century, but that corruption was still undermining our best efforts to spur human and economic development. In particular, corruption threatens the global community's ability to achieve the Millennium Development Goals (MDGs) by 2015. Particularly troubling is the fact that the economic recession of the last two years has plunged 180 million people back into extreme poverty.

We therefore saw a great need to integrate anti-corruption efforts and the MDGs, with a focus on engaging citizens in the monitoring of financial assistance and on local accountability projects. Looking at the Asian region, it was observed that around 900 million people there still live on less than US \$1.25 a day, a number that added urgency to our discussions.

We discussed the importance of social protection in developing a safety net for the most poor, but noted that these must include anti-corruption mechanisms if they are to be effective in lifting people out of poverty. In particular the lack of awareness of rights among the poor, among women and indigenous peoples make them particularly vulnerable to corruption and political manipulation.

A dialogue on aid transparency confirmed key principles including proactive publication of information in a comprehensive, timely, accessible and comparable format, the right to information on aid, and the need to promote access to information. The overarching theme was the need to incentivise greater openness towards the public.

We sought strategies for reaching achievement of universal primary education by 2015, identifying systemic weak points from school procurement, to hiring, to the administration of examinations. In discussions, prioritizing areas of action emerged as a useful approach, so that positive spill over could be harnessed. As with other MDGs, civil society has a central role to play in monitoring funding and its application.

VIII. People's Empowerment to Change the Rules of the Game

All people, individually and collectively, must not be obstructed from joining the fight against corruption. Special sessions on people's empowerment offered an important opportunity for the sharing of strategies, tools and lessons learned about people-centred approaches to curbing corruption and strengthening accountability.

In our interactive sessions, participants engaged on facilitating the mobilization of people in grass-roots campaigns and approaches to supporting victims, witnesses and whistleblowers. We also recognized the role of the diverse actors who facilitate the empowerment of others, including youth, and sought to leverage their capacities by building new connections through new and social media.

It was clear from the wide variety of contributions that the rules of the corruption game won't change unless people are willing to stand up and demand integrity from their leaders, and demonstrate integrity themselves. Systemic change can be meaningfully achieved when people become a part of the process. Their resolution is harnessed when they can see that anti-corruption efforts improve their livelihoods and their communities.

IX. The Way Forward

Affirming our many collective victories in the fight against corruption, participants were united in the conviction that transparency paves the road ahead for rebuilding trust in our institutions.

We recommended that the G20 uphold their pledge to "prevent and tackle corruption through [their] Anti-Corruption Action Plan", and increase integrity and transparency in global financial markets. The Asia-Pacific Economic Cooperation (APEC) conclusion on corruption as a threat to prosperity and development must also be followed up.

We noted that the United Nations Convention against Corruption was groundbreaking as the first global instrument to address corruption. Regrettably, many countries have yet to ratify the Convention or are lagging behind in implementation. Addressing shortcomings in the UNCAC process can be assisted through gap analyses and robust self-reporting and transparency by states parties.

We recognised that measurement tools such as the World Bank's Governance Indicators and Transparency International's Corruption Perceptions Index have been crucial in mobilising for greater accountability and putting corruption on the global agenda. There has however been a generational shift through the use of new tools that apply local ownership and local specificity. This evolution is important as forms and conditions of corruption are constantly changing.

We recommended that the trust deficit between developed and developing countries in international climate negotiations can be ameliorated by the development of new mechanisms for mutual accountability at the international level. Climate change adaptation means investing in water management, climate proofing and corruption proofing must go hand in hand, and those most affected by climate change must have real participation in decision-making. Civil society must also play a role in ensuring that national climate institutions are robust and effective.

We confirmed that corruption contributes to deforestation, while REDD+ presents opportunities, there are also risks in ensuring that companies with poor track records would not end up as recipients of funds under the programme. The role of banks in preventing money laundering in forestry and flagging suspicious transactions should be emphasized.

We agreed that there is a need to integrate anti-corruption efforts to work towards the achievement of the Millennium Development Goals by 2015, with a focus on engaging citizens in monitoring of financial assistance and on local accountability projects, the right to information on aid, and the need to promote access to information.

Concerning the private sector, we called on companies to disclose their management of anti-corruption risks using the UNGC 10th Principle Reporting Guidance in order to allow investors to understand and analyse the corruption risks in their portfolios.

We affirmed that people must not be obstructed from joining the fight against corruption in the extraction of natural resources, and a critical starting point is getting those citizens involved in monitoring the wealth springing from resources that are ultimately theirs.

We concluded that there cannot be true security as long as the machinery of law enforcement remains compromised by corruption. Determined leadership is a critical factor, while civil society can create pressure through publicising cases of corruption in the police or judiciary.

Committed leadership and strong political will are critical to preventing and suppressing corruption in its various forms and dimensions, synergy between leadership, civil society and media and private sector are critical to successfully curbing corruption.

We called on the anti-corruption movement to respond to the growing demand for opportunities to share strategies, tools and hard earned lessons about people-centred approaches to curbing corruption and strengthening accountability.

X. Conclusion

The IACC platform has proven its relevance once again, spurring real debate on some of the most critical challenges facing our world today. The conference's ability to encourage participants to reach across the aisle to those working in other countries, regions or sectors is critical given the interconnected nature of the challenges we must tackle.

The IACC is evolving with a new emphasis on people. It also emphasises all forms of media, and especially investigative journalism and social media, as offering great potential for unearthing the truth, achieving participation and inclusiveness, both vital factors for the success of anti-corruption strategies.

Empowered people create change. We recognize that involving people needs time, fresh new ideas and a vibrant civic space. Our role should be to support the people who are willing to change the rules of the game.

This expanded element of our conference points the way for the future of the anti-corruption movement, one incorporating citizen mobilisation and empowerment, as well as the inclusion of youth.

It was with these recommendations in mind that we closed the Bangkok conference with an eye to our next meeting, at the 15th IACC in 2012.

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