



Report on the
**“Global Forum on Governance – fighting corruption
and promoting integrity in public procurement”**,
29-30 November 2004, Paris

The November 2004 OECD “Global Forum on Governance – **Fighting corruption and promoting integrity in public procurement**”, organised jointly by the Directorate for Financial and Enterprise Affairs (DAF) and the Public Governance and Territorial Development Directorate (GOV) with a contribution by Development Co-operation Directorate (DCD), and hosted by the French Ministry of Economy, Finance and Industry, was a success in many ways.

First, collaboration of the different OECD directorates¹ made it possible to design a broad based and diversified event which attracted a large number of prominent speakers. They facilitated stimulating discussions of a wide range of complementary ideas from various perspectives that ensured a multidisciplinary approach throughout the sessions.

Second, attendance of the Forum exceeded the expectation of the organisers. Over 200 participants from 58 countries and 15 international organisations as well as the private sector, trade unions and civil society underlined the interest in the broad based approach developed in the Forum.

Third, the focus of the event was topical and timely. Public procurement deserves particular attention as it is potentially very exposed to corruption since it is the major intersection between the public and the private sector. Stakeholders concern now goes to identifying areas in public procurement most exposed to corruption in order to develop specific actions to fighting it.

Fourth, the Forum was identified as potentially setting the scene for starting a broad-based debate on fighting corruption and promoting integrity in public procurement. Discussions in plenary as well as in the five workshops² stressed that corruption is a major problem in public procurement. The Forum also underlined that although public procurement rules do not specifically aim at fighting corruption, there is a need for developing a comprehensive, integrated and multidisciplinary approach that includes measures from raising awareness and prevention to effective sanctioning of corruption in public procurement.

¹ The need for close working together was also emphasized at the Development Assistance Committee Partnership Forum on Anti-Corruption on 9-10 December 2004 (www.oecd.org/dac/governance/anticorruptionforum/).

² The two workshops by DAF Anti-Corruption Division were conceived and developed against the commitment of Parties to the Convention to set up effective domestic mechanisms to fight corruption. Mechanisms must encompass elements of prevention, detection, prosecution and sanctioning of domestic and international bribery as well as effective and swift international judicial co-operation. The two workshops organised by GOV explored how good governance arrangements, i.e. clear, simple and transparent procedures could enable a favourable environment for keeping public officials accountable. Transparency was identified as a key pillar for preventing corruption and ensuring accountability in public procurement. The Development Assistance Committee (DAC) workshop was organised to assess the effectiveness of different donor approaches to safeguard aid-funded procurement from corruption and bribery.

Fifth, the OECD was recognized as an excellent forum to define an integrated and multidisciplinary approach, particularly as discussions in relation to transparency and accountability in public procurement are no longer pursued at the World Trade Organisation. The OECD's commitment to improve economic growth by establishing rules ensuring a level playing field as well as its expertise in business and government integrity makes it a natural place to develop the fight against corruption and promote integrity in public procurement.

Finally, in the closing remarks Ms. Odile Sallard, Director, OECD Public Governance and Territorial Development Directorate and Mr. Rainer Geiger, Director, OECD Directorate for Financial and Enterprise Affairs, made concrete suggestions, building on avenues identified during the Forum, to orient the Organisation's future work. They in particular proposed:

1. To disseminate the broad range of ideas discussed to a wider audience, the proceedings of the Forum should be published.
2. To elaborate an operational guide in view of helping procurement officers and other relevant agencies prevent and detect corruption. It was proposed that such a guide include a typology of fraud and corruption practices used to circumvent rules as well as preventive mechanisms so as to provide detection tools for areas particularly at risk in public procurement. The guide should also contain practical measures for improving transparency and ensuring integrity in the whole process. The development of the guide would best be achieved by building on the collaboration established on the occasion of the Forum between the relevant OECD directorates with other national, regional or international organisations. When the work is sufficiently advanced, it could be useful to organize another international event to discuss any draft operational guide.
3. To review the provisions of the OECD anti-corruption instruments in relation to public procurement to ensure their significance. It was suggested that the OECD Working Group on Bribery address this matter in the framework of its foreseen discussion of the review of the Revised Recommendation on Combating Bribery of Foreign Public Officials in International Business Transactions.
4. To develop good governance principles fostering transparency, accountability and integrity of public officials in the whole public procurement process, particularly in the definition of needs and contract management phase. Lack of transparency and accountability in public procurement has been identified as a major policy challenge. But the difficulty also lies in defining what type of information should be disclosed, to whom and at what step of the process. The development of these policy principles will draw on practical solutions of the manual guide linked to transparency as well as on good practices identified within a network of policy-makers and procurement practitioners.
5. Finally, consideration should be given to reinforcing national networks to combat bribery in public procurement by engaging in exchanges between public procurement offices, competition authorities and judiciary bodies.