

[Help/FAQ](#)

Organisation for Economic Co-operation and Development

[MyOECD](#)[Français](#)

Building Partnerships for Progress

 All match More Sec

Browse

- About OECD
- By Topic
- By Country
- By Department

Find

- Statistics
- Publications & Documents
- News Releases

Resources for

- Journalists
- Government Officials
- NGOs & Civil Society

Online Services

- Online Bookshop
- Online Library
- E-mail Alerts
- MyOECD

Opportunities

- Job Vacancies
- Human Resources
- Calls for Tender

Home: [OECD](#) > 10th International Anti-Corruption Conference

10th International Anti-Corruption Conference



Prague, Czech Republic, from 7 to 11 October 2001

The 10th International Anti-Corruption Conference was held in Prague, Czech Republic, from 7 to 11 October 2001, adopting the theme of Together Against Corruption: Designing Strategies, Assessing Impact, Reforming Corrupt Institutions". The 10th IACC focused on concrete strategies for making real and lasting changes to reduce corruption and on devising methods for assessing the impact of such strategies. The conference will place a strong emphasis on developing practical skills and on learning lessons from a range of case studies.

Topics covered included: Effective global, regional, national, and local anti-corruption strategies; Specific strategies to address economic and organized crimes, and money laundering; Prevention - the roles of education, culture and the media; Corruption problems at a regional level, state institutions and municipalities; Other specific topics: corruption in sport, political party financing, and public procurement, corruption in the private sector.

The conference aimed to identify global anti-corruption priorities, develop national and international strategies, exchange experiences in anti-corruption efforts and further develop international cooperation.

For more information, please consult the official conference website at:
<http://www.10IACC.org>

Several Workshops were held in conjunction with this conference:

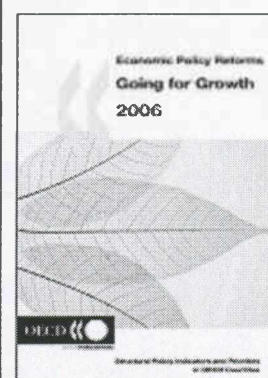
Asia-Pacific Regional Workshop

UNDP together with Transparency

Don't miss

- Key Upcoming Meetings and Events**
- Frequently Requested Statistics**
- Hot Topics**
- OECD in the News**
- Contact Us**
- Site Map**

Major publication just released:



Going for Growth 2006

This second issue takes stock of the progress made in implementing policy reforms, and provides comparative indicators covering structural policy areas such as labour markets, education and product market regulation. Special feature: a focus on innovation, which is a key driver of economic growth.

International (TI), the Organization for Economic Cooperation and Development (OECD) and the Asian Development Bank (ADB), with support from the UK Department for International Development (UK DFID) organised this workshop. It provided a venue for sharing concrete lessons in improving accountability and transparency through "access to information". Specifically, the workshop discussed the topic of access to information as it impacts on political accountability (e.g. political party financing) and its contributions to improving effectiveness of monitoring mechanisms at the regional and national levels.

The workshop built on existing initiatives to forge collaborative actions in the region and used, as its basic framework, the third pillar of the draft Anti-Corruption Action Plan for Asia and the Pacific on "supporting active public involvement".

Central and Eastern Europe and NIS regional workshop

This workshop was jointly organised by UNDP together with Transparency International and the OECD / Anti-Corruption Network for Transition Economies. Its objective was to provide a venue for learning from actual and concrete lessons and experiences by actors in the fight against corruption in the region. Lessons learned and knowledge sharing will focus on a) monitoring techniques to prevent corruption in the privatization process and b) integrity pledges of the business sector - providing a market edge.

Regional Workshop for Latin America and the Caribbean: Making the Inter-American Convention Against Corruption Work - the Role of the Civil Society

On the 5th of June, eighteen State Parties of the Inter-American Convention Against Corruption (thereafter the OAS Convention) have officially adopted a follow-up mechanism to this Convention, giving a new turn to anti-corruption efforts on the American continent. This Convention was the first multilateral instrument of its kind. It combines obligations for State parties related to the criminalisation of corruption of domestic and foreign bribery, procedures for cooperation in mutual legal assistance and extradition with respect to corruption offences, and a series of preventive measures that the Parties agree to consider establishing. Its signature in 1996 has helped bring the problem of corruption to an unprecedented degree of discussion and scrutiny in the region and has provided a general international legal framework for

remedial action.

Since the entry into force of the Convention in March 1997, substantial progress in its implementation has been achieved, notably through projects developed by the OAS, as the Inter-American Program for Cooperation in the Fight against Corruption, or by other key actors in the region. Yet, the Convention is still in early stages of implementation. The adoption of an effective follow-up mechanism is likely to give a new impetus to State parties to meet their commitments.

Article 8 of the text defining the follow-up mechanism specifies: "In order to obtain the best input for its review, the Committee [of experts] will include in its rules of procedure an adequate role for civil society organizations, taking into account the Guidelines for the Participation of Civil Society Organizations activities CP/RES. 759 (1217/99) and the definition of civil society included in AG/RES. 1661 (XXIX-0/99), in accordance with the domestic legislation of the State Party being reviewed. The Committee may request information from civil society organizations, for which purpose it will elaborate the methodology it deems to be most appropriate".

The workshop "Making International Law Work: Monitoring Mechanisms and How They Operate", also at the 10th IACC, organized by Mark Pieth and Drago Kos, will allow comparing the rules and procedures that organize the participation of civil society in two already existing monitoring mechanisms, the OECD's and the GRECO. It will also provide baseline information and understanding on the status of the OAS Convention and present an update on where the follow-up mechanism currently stand.

With a special focus on the Latin American perspective, the regional workshop will build on the previous one and reflect on the role of civil society organizations in monitoring mechanisms. More specifically, its objective is to share and analyze good practices, lessons, techniques and actual participation experiences of civil society organizations in follow-up mechanisms. The LAC regional workshop will also provide first insights to aid agencies in terms of the resources and support needed for such activities.

Workshop on Small and Medium Sized Enterprises: Strategies for Survival in Corrupt Environments

Jointly organised by OECD and TI-USA. The private sector is becoming an important actor in the global anti-corruption dynamic. Its participation is indeed crucial. The success of

recent multilateral anti-bribery agreements, such as those of the OECD, Council of Europe, and OAS, will depend in large measure on the willingness of the private sector to take voluntary action to implement internal compliance measures. The threat of criminal penalties is a powerful incentive for businesses to do so. But there are positive incentives as well. Tolerance of bribery can undermine management control, diminish the competitive dynamic, and lead to situations that will damage the reputation of the company.

There have been several initiatives to strengthen the involvement of the private sector in the fight against corruption, but, for the most part, they have not differentiated between large enterprises and small and medium sized enterprises (SMEs). However SMEs differ from large companies in many ways. SMEs may not have adequate financial and human resources to keep informed of legal changes and to develop large-scale compliance programmes. It is difficult for policy makers to reach out to SMEs to inform them of new regulatory developments or for governments to control their behaviour. Business associations for SMEs are most often numerous and decentralised. SME directors may have less time to devote to participating in these structures and to interacting with public authorities. Finally, when facing bribe solicitation to obtain a market, SMEs may not have the bargaining power larger firms enjoy. These differences should be reflected in anti-corruption activities that involve the private sector.

Developing efforts to include small and medium sized enterprises in the global anti-corruption dynamic is all the more important because SMEs are key economic actors in OECD countries as well as non-OECD countries. SMEs constitute an important share of the exporting firms in OECD countries. For instance, in 2000 SMEs accounted for 80% of the exporter population in France. In the US, SMEs accounted for 96.5% of the exporter population in 1997 and over 97 of its 1992-97 growth [OECD]. They also constitute the driving force of economic growth in developing countries and emerging economies.

The objective of this workshop was to explore the following two issues:

- What measures should SMEs take internally to ensure compliance with anti-corruption norms and what kind of help do they need?
- What can be done to help SMEs deal with bribe solicitation?

The workshop addressed the perspective of SMEs involved in international transactions, many of whom are now governed by the anti-bribery prohibitions of the OECD Convention, and that of SMEs operating domestically who confront corruption involving local public officials. Even though the contexts may differ, common issues arise in both cases and lessons learned in one type of situation can be of benefit in the other.

More specifically, issues addressed were:

1. What measures should the managing director of a small firm take to make sure that her/his staff will not engage in corrupt practices, either to obtain a market or in ordinary operations (for instance when dealing with customs administrations)? How should she/he proceed to implement the measures? One could say that it is much easier for small firms to control for corruption practices internally than for large companies. In the latter, CEOs have to deal with problems of control of a greater number of employees, who are sometimes far away from the company's headquarters; a smaller size allows more direct control. In the case of a small and medium sized enterprise, does it suffice to spell out clearly the firm's values through a code of conduct and ensure transparent bookkeeping? Should compliance programmes contain procedures to protect whistle-blowers? These questions are relevant for the SMEs of the 34 countries that signed the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which are active on international markets. They are also relevant for the SMEs operating in countries where efforts are developing to curb corruption.
2. In the United States, under the "sentencing guidelines" for bribery acts, the sanction can be mitigated if the company has an "effective" compliance program in place. Does this system act as an incentive and should other governments consider similar incentives?
3. The line between legal practices and corrupt ones is not always easy to define and small and medium sized enterprises may not always have the capacity to take the steps necessary to distinguish between them. For instance, how can one differentiate between the remuneration for legitimate intermediary services and bribery to obtain a market? Based on the experience of several of its members, the ICC (International Chamber of Commerce) has developed

Recommendations on Agents and Sales Representatives. Some of the measures recommended (level of compensation, red flags) can be easily followed by SMEs. For some others (e.g. selection process through which the firm evaluates the candidate's financial standing, his commercial and technical competence to discharge the required services and his reputation for business integrity; drafting of the contract, with precautionary clauses), the small size of the firm, and again its limited resources, might be a disadvantage for SMEs. What do SMEs think of these ICC Recommendations? How can they be adapted or complemented to reflect SME particularities?

4. SMEs are much more numerous than large companies. They also have less time to participate in business associations. It is thus more difficult to reach out to these companies, be it to inform them of the regulatory changes and their consequences or to solicit their feedback or suggestions on policy decisions. What can we learn from past or recent experiences on how to reach out to SMEs? What examples are there of co-operation? What examples are there of associations being part of the corrupt status quo [OECD]?
5. According to the Business and Industry Advisory Committee to the OECD (BIAC), testimony and available evidence indicate that explicit or implicit request for bribes are often the "initiating act" for bribes. Most legal systems do not consider the fact that the bribe has been solicited as a defence in prosecution: the briber is not able to argue that he/she had no other choice or that unlawful pressure was exerted by the public official to justify his actions. However the offence of consenting to the solicitation of a public official does not usually cover situations of extortion where the consent is obtained through blackmail, physical threat, violence, etc. When confronted with bribe solicitation or extortion, small and medium firms may have fewer resources and may be less able to resist than larger companies. Some companies react to this problem by staying out of countries in which it is known to be impossible to conduct business without paying bribes. But between these highly corrupt countries and cleaner countries, there is a large grey area in which bribe solicitation or even extortion may or may not occur. What is the role of government, business associations, NGOs or organisations such as the OECD in providing assistance to firms, and in

- particular to SMEs, to deal with situations of bribe solicitation?
6. BIAC has proposed a programme for Combating Solicitation of Bribes, which, among other things, recommends collecting data on bribe solicitation through reporting bodies; and setting up an international co-operation mechanism, linking national contact points, which would bring assistance to firms facing bribe solicitation in large public procurement contracts. Would this programme be of help to SMEs? Could other types of solutions, involving co-ordination mechanisms within the private sector in general or among competitors be more widely adapted? What role could institutions such as the ICC play? What other types of solutions could be envisaged?
 7. Bribes can be solicited in different situations: to obtain a market, to obtain payments or in daily operations such as customs procedures. Do generic solutions answer all problems of bribe solicitation or should we search for different solutions for the different situations?