

ANTI-CORRUPTION SUMMIT LONDON 2016

WAS IT WORTH IT?

ASSESSING GOVERNMENT PROMISES
AT THE 2016 ANTI-CORRUPTION SUMMIT

Transparency International is a global movement with one vision: a world in which government, business, civil society and the daily lives of people are free of corruption. With more than 100 chapters worldwide and an international secretariat in Berlin, we are leading the fight against corruption to turn this vision into reality.

www.transparency.org

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INTRODUCTION

The Anti-Corruption Summit held in London on 12 May 2016 intended to 'put fighting corruption at the heart of our international institutions'.¹

The Summit saw 43 Governments, including 12 Heads of Government, and seven international organisations come together² to issue a Global Declaration against Corruption³, sign a detailed communique⁴ and make individual country-specific commitments to ending corruption.

Normally major international forums, such as the G20 Summit, operate through consensus meaning that a minority of countries can hold back progress. This Summit offered the opportunity for groups of countries to make both collective and individual commitments, pioneering newer, more ambitious approaches to tackling corruption.

Transparency International and our national Chapters and partners have closely analysed the country-level commitments – over 600 in total – for their ambition so as to better judge the success of the Summit itself. We have collated all country commitments and published them within a central database⁵ that can be sorted by thematic issue, country or region.

What did we want?

Transparency International argued that only a comprehensive approach to tackling corruption would make the Summit successful.⁶ We called on the Summit to deliver concrete, ambitious and measureable pledges on:

- Preventing corruption
- Punishing the corrupt and ending impunity
- Protecting and empowering citizens who report corruption

Transparency International called for high level representation to demonstrate genuine political will and create an inclusive Summit that accepted civil society, the private sector, law enforcement and other stakeholders as genuine partners. Finally, we called for the Summit to adopt clear mechanisms for follow-up or implementation so as to ensure it would not be a "talk shop".

¹ UK Government, "Tackling Corruption: PM speech in Singapore" <https://www.gov.uk/government/speeches/tackling-corruption-pm-speech-in-singapore>

² UK Government, "Final Attendance List: Anti-Corruption Summit, 12 May 2016" <http://bit.ly/1XWjMeo>

³ UK Government, "Global Declaration Against Corruption" <https://www.gov.uk/government/publications/global-declaration-against-corruption>

⁴ UK Government, "Anti-Corruption Summit Communiqué" https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522791/FINAL_-_AC_Summit_Communique_-_May_2016.pdf

⁵ Transparency International, "London Anti-Corruption Summit Commitments" http://www.transparency.org/news/feature/london_anti_corruption_summit_commitments

⁶ Transparency International, "The Anti-Corruption Summit : Defining Success, Ambition and Impact at the London Anti-Corruption Summit on May 12, 2016" http://www.transparency.org/whatwedo/publication/the_anti_corruption_summit_london

So how successful was the Summit?

Overall, Transparency International judged the Summit a success in promoting new and ambitious anti-corruption pledges on a comprehensive set of key issues. But the real verdict will only come when governments follow through and adopt the reforms that prevent corruption and prosecute corruption when it happens.

How we assessed the strength of Summit country commitments

Our new database collates all country commitments into one central location. Each commitment was assessed as to whether it was concrete, new and ambitious.

Concrete commitments are those with measurable language such as “we commit to join”, or “we commit to establish”. ‘Somewhat concrete’ commitments include language that signal intent to make progress without there being an easily measurable outcome. This includes phrases such as “we commit to explore” or “we support”. Commitments identified as ‘other’ are those indicating existing actions that can be monitored, such as “we will continue” or “we are in the final stage of”.

Where country specific commitments depend on national context, Transparency International chapters and other civil society contacts in the 41 countries and the European Union assessed whether commitments were **new** or not and **ambitious** or not.

“New” commitments were defined as those generated by the Anti-Corruption Summit. “Somewhat new” commitments are those that are facilitated by or reinvigorated by the Summit but had been previously discussed. “Not new” commitments were already in place prior to the Summit. “Other” commitments refers to pledges that were already on the table but its unclear when the commitment was made official.

National civil society organisations took national context into consideration when assessing the level of **ambition**. For this reason similar commitments in different countries receive a different assessments.

Where we were unable to receive a response from civil society on a certain national issue in the available time, the commitment is marked as **‘no information available’**.

Concrete, ambitious commitments

Transparency International counted 648 commitments from the Summit across 20 issue areas.

- More than half of Summit commitments - 56 per cent - were “concrete”.
- About a third – 33 per cent -- were “new”, that is, generated by the Summit
- About a third – 30 per cent -- are “ambitious”.

The diversity, number and range of anti-corruption issues considered was commendably vast - from corporate transparency, to law enforcement cooperation, to protection of whistleblowers to tackling corruption in sport. The proof will be in their implementation.

Demonstrate Political will

Of the forty three participating countries, twelve were represented at Head of State/Government level and five of the international organisations participating were represented at the highest level.

All but two countries⁷ published specific anti-corruption annexes, although the quality and specificity of the detail varies.

Six of the seven international organisations issued action plans.⁸

Summit participants issued a Global Declaration against Corruption and Anti-Corruption Summit Communiqué, signed by all countries and international organisations in attendance. The language in both is much stronger and bolder than traditional Summit declarations, and sends a strong message of intent to tackle corruption in concerted and strong manner.

Openness and inclusivity

The Summit was livestreamed and panels consisted of interactive, often unscripted discussion with the audience. The panels themselves included representatives from civil society, business, governments, international organisations and activists.

In the run-up, Summit organisers had been criticised by several governments for not being inclusive at an early enough stage and negotiations were held behind closed doors and continued throughout the day and night before the Summit.

Collective action and partnerships

In addition to country-specific commitments, a number of new collaborative initiatives on sport, asset recovery, law enforcement cooperation, health sector governance and innovation were announced. These initiatives are set to bring together a range of actors to collaborate in tackling corruption and have potential to be real game changers.

⁷ Senegal and Saudi Arabia

⁸ Commonwealth, EU, FATF, IMF, OECD, World Bank, UNDP. Only the Financial Action Task Force did not.

WHO PROMISED WHAT?

PREVENT CORRUPTION

Opacity in the financial system and the use of anonymous companies that hide the real beneficial owners makes it all too easy for the corrupt to hide and transfer stolen funds. Transparency International called for governments to champion full transparency of company ownership and control information. It also called for the end of the use of secret companies in bidding for public contracts and in the purchase of real estate.

The Communiqué commits to beneficial ownership transparency as a way to expose corruption, and suggests public central registers as a possible mechanism for this.

Commitments around beneficial ownership information collection and sharing generated the largest number of commitments from all Summit participants. In 36 countries, 110 commitments were made with reference to beneficial ownership transparency: Forty-seven per cent were concrete and specific.

Twenty-one countries, along with the European Commission, made commitments to explore or establish registers of beneficial ownership. **Afghanistan, Bulgaria, France, Ghana, Kenya, Netherlands, Nigeria and the UK** committed to establish public central registers of beneficial ownership.

Afghanistan, Argentina, France, Georgia, Mexico, Nigeria, Russia, Spain and Tanzania committed to take unspecified steps towards increasing beneficial ownership transparency.

Italy, Jordan, Kenya and the UK committed to increase transparency of beneficial ownership around companies bidding for public contracts.

Brazil, Bulgaria and Ukraine referenced the importance of transparency of beneficial ownership information in public contracting but made no clear commitment.

Italy, Jordan, Tanzania and Kenya and the **European Commission** welcomed the establishment of transparent central registers for buying property.

Afghanistan, Argentina, France, Spain, Mexico the Netherlands and Nigeria all committed to take unspecified steps to ensure the transparency of the ownership and control of all companies involved in property purchasing.

Norway committed to explore the possibility of taking steps towards increasing beneficial ownership transparency in public contracting and purchasing property.

Colombia made a new, ambitious and concrete commitment to participate in the establishment of a Global Beneficial Ownership Register.⁹

⁹ Transparency International is working with the Open Contracting Partnership, the B Team, Open Corporates, Global Witness, the ONE Campaign, and the Web Foundation to build the Global Beneficial Ownership Register. <http://blog.transparency.org/2016/04/04/secret-company-ownership-a-global-solution-for-a-global-challenge/>

PUNISH THE CORRUPT AND END IMPUNITY

Transparency International called for the professional services and individuals that facilitate corruption to be punished when they knowingly do so and for law enforcement mechanisms for sharing financial intelligence to be strengthened to ensure more effective investigation and prosecution of the corrupt.

No commitments were made specifically to punish professional enablers of corruption but **Canada, the European Commission, France, Italy, Jordan, Kenya, Mexico, Nigeria, Norway, South Korea, Singapore** and **United Arab Emirates** committed to reviewing or exploring the need to review penalties against professional enablers of tax evasion

Australia, Bulgaria, Canada, France, Germany, Kenya, the Netherlands, Nigeria, Spain, Switzerland, Trinidad and Tobago, the UK, Ukraine and **USA** pledged to participate in a new International Anti-Corruption Coordination Centre (IACCC). The IACCC will be established by the UK and hosted in London and will consider cross border collaboration on investigations and by extension involve closer scrutiny of the enablers.

Kenya committed to establish and host an African Anti-Corruption Law Enforcement Coordination Centre.

PROTECT AND EMPOWER CITIZENS TO REPORT CORRUPTION

Transparency International called for governments to support protective measures for activists and whistleblowers. This would include increased support for initiatives for reporting, responding to and seeking redress for corruption complaints, and for providing strong digital security and physical protection measures.

Argentina, Australia, Brazil, Bulgaria, Colombia, France, Ghana, India, Indonesia, Ireland, South Korea, Romania, Tunisia, the UK and **the USA** committed to strengthen mechanisms to make it easier for citizens to report corruption and to protect whistleblowers who take personal risks to unveil corruption.

The **USA** committed to establish a new global anti-corruption consortium to support the work of investigative journalists and civil society networks to expose corruption globally.

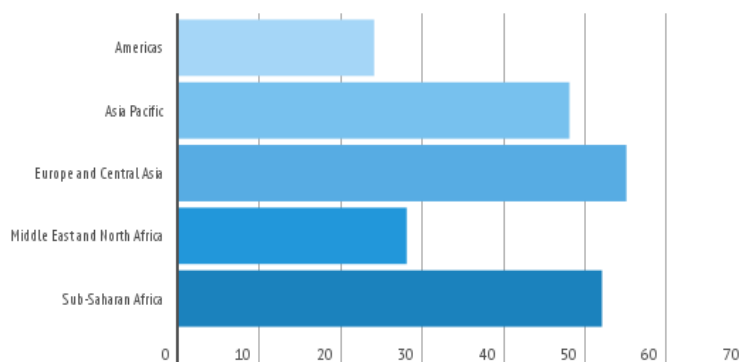
Thirty-nine per cent of these commitments were new, and 61 per cent were ambitious.

HOW AMBITIOUS WAS THE SUMMIT?

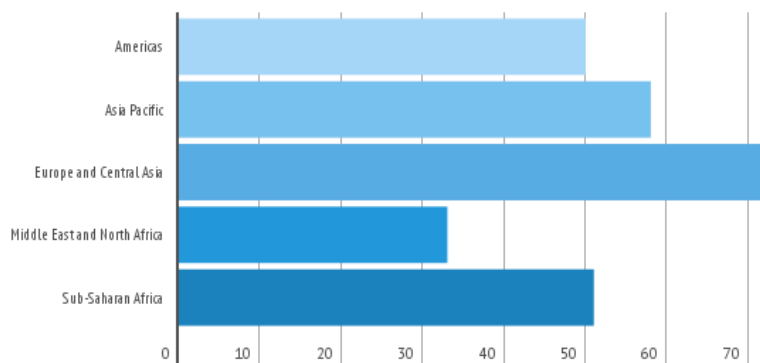
REGIONAL RESULTS

Table description: Commitments made at London Anti-Corruption Summit 2016 by Region

New/somewhat new (%)



Ambitious/somewhat ambitious (%)



Overall, Europe and Central Asia made the strongest commitments. More than half the commitments made by countries in the region were assessed as 'new' or 'somewhat new' and more than two-thirds were perceived to be 'ambitious' or 'somewhat ambitious'.

Georgia, Switzerland, the Ukraine and the UK made mostly 'new' commitments, and the **Ukraine, France and Spain** made mostly 'ambitious' commitments.

The majority of commitments made by **Argentina, Brazil, Canada, Colombia, Trinidad and Tobago** and **Mexico** from the Americas were considered 'not new'.

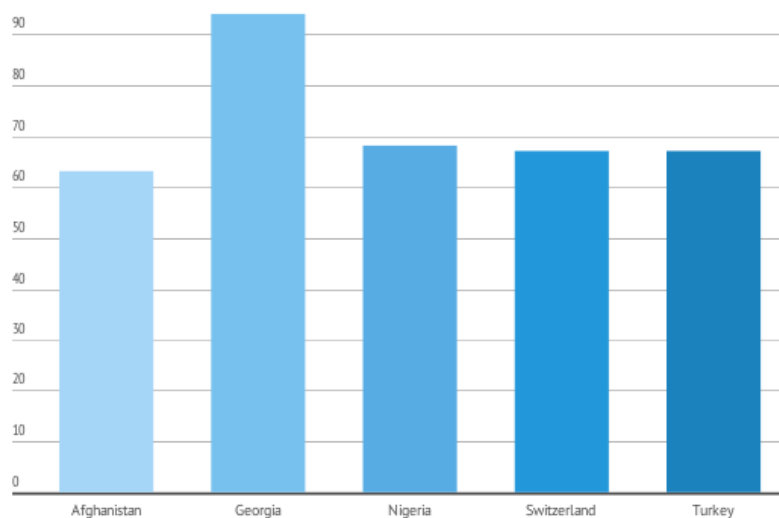
The highest percentage of commitments that were 'not ambitious' came from Asia Pacific, led by **Japan, New Zealand and Australia** who made the highest number of 'not ambitious' commitments than any other country in the region. **China, India and Sri Lanka** made mostly ambitious commitments.

CHAMPIONS

Fantastically corrupt, or fantastically ambitious?

Afghanistan and Nigeria, two countries labelled as 'fantastically corrupt'¹⁰ just days before the Summit, exceeded the expectations of many. Both fall in the group of top five countries making the most new commitments. In addition, 80 per cent of **Afghanistan's** commitments and 72 per cent of **Nigeria's** commitments were judged 'ambitious' or 'somewhat ambitious'.

Table description: Top countries for % of new commitments made at the Summit



¹⁰ BBC, "David Cameron calls Nigeria and Afghanistan 'fantastically corrupt'" <http://www.bbc.co.uk/news/uk-politics-36260193>

DISAPPOINTMENTS

Little effort from big players

In contrast, some of the world's major and emerging economies fell short. The majority of Brazil's commitments were judged 'not new' (78 per cent) and 'not ambitious' (67 per cent). Although all of China's commitments were assessed as ambitious, none were new. While 38 per cent of Russia's commitments were ambitious, 60 per cent were judged 'not new'.

South Africa

South Africa's four page country statement¹¹ yielded only one commitment stating that the country was 'working towards the redrafting of a National Anti-Corruption Strategy'. But according to South Africa's Corruption Watch, this is nothing new¹². The project to redraft the Strategy has been in progress for years. South Africa's country statement was generally considered the weakest by civil society representatives.

¹¹ South Africa Country Statement

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522729/South_Africa.pdf

¹² Sunday Times, May 2016, "SA Blows Feeble Whistle at UK Graft Meeting"

<http://www.timeslive.co.za/sundaytimes/opinion/2016/05/29/SA-blows-a-feeble-whistle-at-UK-graft-meeting>

WHAT NEXT?

Governments did not adopt any formal mechanism for implementation of Summit commitments. However, there are a number of opportunities for follow-up on the individual and collective commitments made at the Summit within the next twelve months.

COLLECTIVE INITIATIVES

Global Asset Recovery Forum

The Global Asset Recovery Forum will bring together governments and law enforcement agencies to work together to recover stolen assets. The Forum will focus on asset recovery assistance to Nigeria, Ukraine, Tunisia and Sri Lanka, and will be co-hosted by the UK and USA. The inaugural meeting will take place in 2017, with support from the joint World Bank and UNODC Stolen Asset Recovery Initiative (StAR).

Innovation Hub

The Innovation Hub is designed to connect social innovators, technology experts and data scientists with law enforcement, business and civil society to collaborate on innovative approaches to anti-corruption. Good practice will be shared amongst partners. The Hub will be run by the UK Government, and is set to be fully operational by December 2016.

International Sports Integrity Partnership

The International Sport Integrity Partnership will bring together members of the Olympic Movement and wider sporting family to enhance transparency and encourage a global culture of good governance. The Partnership will be launched at an International Forum for Sport Integrity in Lausanne in early 2017.

International Anti-Corruption Coordination Centre

The IACCC will work closely with relevant international and national organisations, including Financial Intelligence Units, and support countries that have suffered from Grand Corruption. Experts will provide international coordination and support to help law enforcement agencies and prosecutors work together across borders to investigate and punish corrupt elites, and recover stolen assets. The IACCC will be established by April 2017.

INTERNATIONAL EVENTS

‘Leading by example: implementing Anti-Corruption Summit commitments on transparency in public procurement’, Wilton Park, 14 – 16 September 2016

This workshop will bring together government and civil society representatives from countries that made specific Anti-Corruption Summit commitments to fight corruption through increased transparency in procurement, open contracting, and beneficial ownership. The following countries are participating in the workshop: **Afghanistan, Argentina, Colombia, France, Italy, Kenya, Mexico, Nigeria, Ukraine, and the United Kingdom.**

These representatives will be joined by global experts, anti-corruption practitioners, business representatives, international civil society, and representatives from institutions such as the World Bank and the OECD, which are involved in increasing integrity in public procurement.

Open Government Partnership Global Summit, Paris, 7 - 9 December 2016

The 32 OGP countries that attended the Anti-Corruption Summit were encouraged to embed the commitments made at the Summit in their individual National Action Plans. The OGP Global Summit will have anti-corruption as a central theme, and will be an opportunity for governments and civil society to come together and discuss the implementation of their commitments.

United Nations General Assembly, September 2017

The United Nations pledged to co-host a high-level follow up meeting, with the UK and relevant partners, on the global anti-corruption agenda in the margins of the 2017 UN General Assembly. This meeting is to ensure that anti-corruption work is enduring and countries are held to account for their commitments.

In summary, Transparency International welcomes that the Summit drew attention to the devastating impact of corruption but equally proposed new, ambitious and comprehensive solutions that are both country-specific and collaborative. Now the commitments must be translated into concrete action on the ground. It is only when governments follow through and adopt the reforms that prevent corruption, prosecute corruption when it happens and protect the individuals brave enough to report corruption that we will be able to judge the Summit fully successful.

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