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2009 Anti-Corruption and Transparency Experts' Task Force Deliverables Report

Purpose: Consideration
Submitted by: ACT Chair



**Concluding Senior Officials' Meeting – Plenary
Session
Singapore
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2009 APEC ANTI-CORRUPTION AND TRANSPARENCY EXPERTS' TASK FORCE DELIVERABLES REPORT

SUMMARY OF WORK-YEAR 2009

The ACT held two plenary meetings during the 1st and 2nd SOM meeting periods in Singapore for this work-year. The first meeting was held on 24th ~ 25th February 2009 and the second on 4th~5th August 2009.

Key Deliverables - Governance & Anti-corruption Initiative

2 The key focus for the work-year was on governance and anti-corruption. ACT members recognize the importance of governance and its impact on anti-corruption and noted the importance of putting in place measures in both the public and private sectors to enhance good governance. ACT members also noted the threat of transnational illicit criminal networks and its linkages with corruption nodes. The ACT members recognize the importance of public-private dialogue and partnership as well as collaboration and cooperation between economies as well as International Organisations, ABAC and various APEC fora. To this end, ACT members agreed on the following documents, which are recommended for endorsement by APEC economies and adoption by their various sectors, where possible:

- APEC Guidelines On Enhancing Governance and Anti-Corruption (Annex A); and
- Singapore Declaration on Combating Corruption, Strengthening Governance and Enhancing Institutional Integrity (Annex B).

3 The main recommendations of the APEC Guidelines touch on the following areas broadly:-

- establishing legal, enforcement and regulatory frameworks;
- cultivating culture of governance and anti-corruption across all sectors;
- implementing measures, processes and standards that promote transparency and accountability;
- enhancing of public-private sector cooperation and dialogue.

4 The Singapore Declaration reaffirms the commitment of APEC economies towards creating a framework of transparency and accountability to strengthen governance and institutional integrity.

Capacity Building Measures

5 A total of 4 capacity building workshops/symposiums were conducted by ACT member economies in 2009. The outcomes of these workshops are as listed below:

- Governance in Public & Private Sectors & Its Impact on Anti-Corruption
The 1½ day workshop conducted by Singapore, from 24 to 25 February 2009 was attended by government officials, business leaders and academics from APEC economies and beyond. The workshop discussed issues on governance and its impact on anti-corruption (*See Annex C for detailed report*). The findings of this workshop were further discussed at the 2 ACT plenary meetings and these culminated in the drafting of APEC Guidelines on Governance and Anti-Corruption (*See Annex B*), which was adopted by the ACT;
- Systemic Approach for Anti-Corruption Capacity Building
The 2-day symposium held in Seoul, Korea from 16 to 17 September 2009 was hosted by the Anti-Corruption and Civil Rights Commission (ACRC) of Korea. It was attended by 280 participants from both APEC and non-APEC Members. The symposium participants agreed that priority should be accorded to capacity building measures in anti-corruption areas and reiterated the importance of sharing successful corruption prevention practices and policies and aftermath measures as a means to enhance, promote, and foster transparency in the APEC region (*see Annex D for detailed report*).
- Applying Anti-Corruption Principles, Preventing Conflicts of Interest
The 2 day workshop held in Beijing, China was co-organized by the People's Republic of China and the United States of America. Speakers from APEC economies shared their Code of Conduct for public officials. While workshop participants noted that different economies have different Code of Conducts, it is important to enforce the Code of Conduct for its public officials as this would enhance and safe-guard the integrity of government and will strengthen and enhance the public's confidence. (*see Annex E for detailed report*).

- Formulating Strategies for Strengthening Inter-Agency Mechanisms on Combating Corruption Related to Money Laundering

The 2-day Workshop was conducted in Thailand from 21 to 23 October 2009. The workshop, a follow-up of an earlier ACT workshop conducted by Thailand in 2008, discussed issues relating to assets recovery, money laundering and inter-agencies cooperation matters.

6 Indonesia also completed its ACT Project on “Stocktaking of Bilateral and Regional Arrangements on Anti-corruption Matters Between/Among APEC Member Economies” which it had undertaken in 2007. The project is complementary to the Thematic Review by ADB/OECD Anti-Corruption Initiative for the Asia and the Pacific on Mutual Legal Assistance, Extradition and Recovery of Corrupt Proceeds in Asia and the Pacific. The ACT Project aimed to cover APEC economies that are not covered in the ADB-OECD review.

Fostering Public-Private Partnership

7 APEC ACT continues to recognise the need for public-private action to effectively combat corruption in all its forms, whether public sector or private sector bribery. In this regard, the ACT has undertaken the following initiatives to enhance public-private collaboration in the fight against corruption.

- Implementing the APEC Code of Conduct for Business in SMEs

APEC economies recognise the need to improve corruption control in the private sector. In 2007, APEC Leaders endorsed the Code of Conduct for Business. Following this, Australia proposed a Pathfinder Project to implement the APEC Code of Conduct in small and medium sized enterprises (SMEs) within a targeted sector in select APEC economies. Working with Vietnam, Thailand, and Chile, Australia conducted seminars on the implementation of the APEC Code of Conduct for Business in 2009. The seminars have been held in Hanoi and Ho Chi Minh City in Vietnam, in Bangkok in Thailand, and will be held in Santiago in Chile later in 2009. The seminars in Vietnam and Thailand raised awareness among SMEs that corruption is an unacceptable practice according to law and best practice standards. They also informed participants on using the APEC Code of Conduct for Business as a tool for tackling corruption and promoting good governance within their organisation. Similar outcomes are planned for the seminars to be held in Chile.

The ACT will evaluate the outcome of the project and continue to deliberate further on ways to promote the Code of Conduct for Business across APEC economies.

- ABAC involvement in ACT in 2009

The ABAC Chair was invited to brief the 8th ACT meeting. ABAC expressed support for work undertaken by the ACT in reducing corruption and improving transparency. ABAC welcomed the “APEC Guidelines On Enhancing Governance and Anti-Corruption” (Annex A) and the “Singapore Declaration on Strengthening Governance, Enhancing Institutional Integrity & Combating Corruption” (Annex B) noted that such initiatives promotes the ease of doing business across the APEC regions. ABAC encouraged the implementation of the measures in the Guidelines.

Involvement and Engagement of International Organisations

8 The 2 ACT plenary meetings were attended by representatives from the World Bank, ADB/OECD Anti-Corruption Initiative for Asia Pacific; Transparency International and European Commission Anti-Fraud Office. These international organizations shared with ACT member economies the work towards capacity building undertaken by them in the area of governance and anti-corruption.

Independent Assessment of the ACT

9 Following directions from the SCE, the ACT considered the recommendations of the independent assessment of the ACT (2009/SOM1/SCE/002). The report concluded that ACT remained relevant to APEC and noted and its expert nature had contributed to APEC. It also recommended that ACT continues with its current leadership model, meeting arrangements and improves its communication strategy as well as cooperation with other APEC sub-fora. For the mid to long term perspective, the report recommended developing a mid-term strategy document and consider upgrading the ACT’s status from a Task Force to a Working Group. Generally, ACT agreed

with and adopted the recommendations in the report and some of them were addressed and implemented in this work year. However, recommendations with long term implication and those that required sanctions from SOM will be deliberated upon at future ACT meetings and in line with overall APEC directions.

Capacity Building Survey & Directory

10 To further enhance its capacity building effort, ACT conducted a capacity building survey to determine the capacity building needs of APEC economies. The survey will be used to chart ACT capacity building needs and capabilities and provide valuable input for ACT to evaluate future ACT projects.

DECISIONS SOUGHT FROM SOM

- 11 In summary the ACT would like to seek Senior Officials' endorsement on the following:
- a) APEC Guidelines On Enhancing Governance and Anti-Corruption (Annex A); and
 - b) Singapore Declaration on Combating Corruption, Strengthening Governance and Enhancing Institutional Integrity (Annex B).
- 12 At the same time, ACT would like SOM to note the following:
- a) The outcome and recommendations of the APEC ACT Workshops (See Annex C to Annex E); and
 - b) The report on the ACT project "Stocktake of Bilateral and Regional Arrangements on Anti-corruption Matters Between/Among APEC Member Economies".
- 13 The APEC Anti-corruption and Transparency Experts Task Force also seeks SOM's recommendation that the work undertaken by ACT be reflected in the APEC Ministers' and Economic Leader's Declaration.



APEC Guidelines on Enhancing Governance and Anti-Corruption

Introduction

The global financial crisis underscores the importance of governance, institutional integrity to trade and economic development. It also highlights that good governance, transparency and accountability have a critical impact on the proper functioning of various segments of society, in both the public and private sectors, and can deter malpractice, crime and corruption. When governance is enhanced, corruption vulnerabilities are reduced. Conversely, as combating corruption is intensified, there will be enhancements to the system of governance and institutional integrity.

The ACT Workshop on “Governance in Public and Private Sectors and Its Impact on Anti-Corruption” held in Singapore from 24 – 25 February 2009 explored the crucial linkages between Governance and Anti-Corruption. The following key observations were made in the workshop:

1. High ethical standards and culture especially the ‘Tone from the Top’ is necessary for good governance to take root. Leadership is key in both public and private sectors.
2. The role of government to promote and implement corporate governance is paramount since it has the laws and tools to do the job. Government’s role is complemented by public – private partnership which can yield results for governance and anti-corruption
3. Bribery in business comes at great economic cost to businesses and to the economy at large. Companies recognize the important need for a comprehensive anti-corruption programme as part of their overall corporate governance. In multinationals, elements of the programme can be similar across economies.
4. Good governance in public and private sectors in member economies can provide conditions conducive for domestic anti-corruption efforts as it makes corruption a low gain high risk activity. It also provides a firm foundation for international co-operation based on sound institutions and transparent processes.

Drawing upon the discussions in the workshop and building on work done in past ACT meetings, the APEC Guidelines on Governance and Anti-Corruption are promulgated to encourage member economies’ public and private sectors to work towards improving their framework on governance and anti-corruption as well as transparency and accountability.

Guidelines

ACT recommends member economies implement measures to enhance governance and anti-corruption, bearing in mind the following guidelines:

1. Rigorous application of the rule of law as well as legal and democratic safeguards in accordance with each economy’s domestic law and policies, to provide a strong legal framework to support governance and anti-corruption measures. Ensure effective enforcement of anti-corruption legislation. There must be willingness and ability to take action against corruption in the public and private sectors.
2. Promote measures to cultivate a culture of good governance, anti-corruption and ethical behaviour within public and private sectors, including implementation of strategies and programmes to encourage the setting of tone on integrity and ethical behaviour at the leadership level.
3. Encourage the establishment of regulatory frameworks to promote transparency and accountability. These could include requirements on administrative checks and balances, finance and accounting standards and procedures, proper record-keeping and documentation as well as disclosure of information, where appropriate.
4. Promote implementation of administrative measures to increase transparency and accountability. This could include the setting up of transparent procurement and licensing

systems, streamlining of processes, introduction of on-line services, improving access to information and reducing barriers to competition.

5. Encourage effective self-regulation of industries and professions incorporating control mechanisms on governance, transparency and accountability.
6. Encourage the implementation of Code of Governance or Code of Conduct in respect of charities, non-profit organizations, public officials and industry professionals, setting out compliance standards, auditing procedures and oversight mechanisms.
7. Develop strong institutions and transparent processes for management of public procurement and public finances. Consider establishing an auditing or inspectorate system to improve transparency and accountability on spending of public funds.
8. Consider establishing a system of selection, recruitment and promotion of public officials based on meritocracy and competitive remuneration. This will go towards developing high calibre leadership as well as staff with high integrity.
9. Support the development and usage of measurement and indicators of the state of governance in the public and private sectors.
10. Encourage the public and private sectors to enact governance and anti-corruption programmes, including channels for citizen feedback and participation, where appropriate. Promote development of specific guidelines in public and corporate governance that can assist organizations to shape their policies and culture on anti-corruption. Encourage regional and cross-border cooperation among the economies and collaboration with international organizations to strengthen good governance and to share knowledge and best practices.
11. Enhance public-private sector dialogue on issues pertaining to governance, transparency and accountability. The private sector knows best how business is transacted and how best to combat corruption in business. Public – private dialogue can facilitate the exchange of such ideas.
12. Improving regulatory quality and oversight mechanism for the private sector

**SINGAPORE DECLARATION ON COMBATING CORRUPTION, STRENGTHENING
GOVERNANCE AND ENHANCING INSTITUTIONAL INTEGRITY**

Navigating Risks, Vulnerabilities, and Threats Across APEC Markets by Promoting Good Governance, Combating Corruption, Improving Transparency and Accountability and Dismantling Illicit Networks

The global financial crisis of 2008 arose in part from the collapse of some of the most established financial institutions. As history has demonstrated, global financial crises cause not only a loss of confidence in markets, but result in economic devastation and suffering in many communities. In today's global economy, the failure and distress of major corporate and financial institutions has destabilizing consequences across the Asia-Pacific region, and around the world. Issues of poor governance as well as institutional weakness were brought to the forefront as the financial crisis worsened. Some corporations and individuals deemed culpable in the crisis were swiftly charged with fraud, corruption and other economic crimes. Questions on the adequacy of regulatory frameworks were raised and Governments around the world were prompted into reviewing their policies on governance, regulation, transparency and accountability.

In light of the crisis, we recognize that strong governance, institutional integrity in both public and private entities, access to information and transparency are important to trade and economic development. We also recognize that governance in the public and private sector, as well as public-private sector cooperation and shared responsibilities are key to combating corruption and improving accountability. This would improve confidence in governments and investment conditions.

We re-affirm the Santiago Commitment to Fight Corruption and Ensure Transparency and the APEC Course of Action on Fighting Corruption and Ensuring Transparency, which guide work in this important area. In this regard, APEC Leaders commend the efforts undertaken by the APEC Anti-Corruption and Transparency Experts Task Force (ACT) in implementing measures in line with the Course of Action on Fighting Corruption and Ensuring Transparency, in areas such as Code of Conduct for Business, Conduct Principles for Public Officials, Private-Public Action against Corruption and International Legal Co-operation.

The Lima Anticorruption Declaration endorsed in 2008 affirmed the strong commitment by APEC economies to combat corruption and related illicit financial crimes and to promote clean government and market integrity. The 8th ACT meeting held in 2009 noted the threat of cross-border illicit criminal networks and its linkages with corruption nodes. Illicit activities across the borders and communities of APEC economies adversely impact our joint security and economic health. When criminal entities collude with corrupt public and private sector officials the result is a culture of impunity and financial exploitation of the legitimate economy. We support vibrant synergies to deal more effectively with today's converging threats and the links between corruption and criminal activities, through coordinated multilateral strategies. These strategies involve not only inter-regional law enforcement efforts, but also other measures such as building up governance capacity, investigating and prosecuting corrupt officials and criminal organizations, strengthening the transparency and accountability of public functions, implementation of international conventions and standards, international cooperation through technical assistance and strengthening of public-private partnerships with business and civil society organizations.

We encourage member economies, where applicable, to ratify the UN Convention Against Corruption and Transnational Organized Crime and take measures to implement its provisions within their legal frameworks, recognizing that the provisions promote the growth of strong governance, institutional integrity and transparency through stipulation of preventive measures and criminalization measures. We support the collaborative efforts underway to confront the cross-border threats in the region and to develop inter-regional responses across the Asia-Pacific to dismantle illicit networks.

We recognise that strong institutions, sound structural reforms, robust anti-corruption and anti-crime initiatives, and effective governance pursued in public and private sectors provide a firm foundation for more secure communities and prosperous markets. We further acknowledge that there is a strong inter-dependence between governance and anti-corruption with one influencing the other and vice

versa, and an impact on our joint security. When governance and institutional integrity is strengthened, corruption and crime vulnerabilities are reduced. Conversely, when efforts in combating corruption and illicit threats are enhanced, there is heightened emphasis on measures to strengthen governance and institutional integrity.

We commend the efforts of the ACT Task Force in enhancing capacity building in regard to enforcement of laws and regulations, setting of strategies, systems of compliance and promoting standards of governance and ethical behaviour. These efforts have taken place through workshops on issues such as "Governance in Public and Private Sectors and its Impact on Anti-Corruption", "Formulating Strategies for Strengthening Inter-Agency Mechanisms on Combating Corruption Related to Money Laundering", "Systemic Approach for Anti-Corruption Capacity Building" and "Applying Anti-Corruption Principles, Preventing Conflicts of Interest".

We recognise the crucial contributions of capacity building to sustain and enhance the fight against corruption and welcome the development of the matrix on capacity building directory for combating corruption in the ACT.

We also commend ACT Task Force's active engagement of the public and private sector on issues of combating corruption, strengthening governance and enhancing institutional integrity – particularly, the resultant work to promulgate the APEC Guidelines on Governance and Anti-Corruption. We encourage the implementation of measures giving practical effect to these Guidelines.

We welcome the contributions of ABAC in this important area of enhancing governance and fighting corruption, and recognise the crucial effect of public-private partnership, the important role of corporations in promoting code of conduct in private sector and measures to fight corruption, with emphasis on measures that support the corruption-free operations of multinationals as well as small and medium enterprises.

International Organisations that provide development assistance in APEC member economies are interested in issues of governance and anti-corruption as it impacts on outcomes on the ground. We welcome their inputs, where appropriate, in this aspect and encourage ACT to have mutually beneficial co-operation with them.

We encourage member economies to strengthen enforcement through domestic implementation efforts and inter-agency engagement on actions to fight corruption and ensuring transparency and accountability.

Summary Record of APEC ACT Workshop
“Governance in Public and Private Sectors and its Impact on Anti-Corruption”
24th to 25th February 2009, Singapore

Introduction

On 24th and 25th February 2009, Singapore organized a workshop on “Governance in Public and Private Sectors and its Impact on Anti-Corruption”. The 1½ day workshop was organized as part of ACT capacity building initiatives. The workshop explored the relationship between governance in both the public and private sectors and how this contributes to an effective anti-corruption regime.

Workshop

2 The workshop featured 17 speakers and over 100 participants from 19 economies. The participants were from government departments, private entities, professional bodies and academics. Amongst others, the presenters came from Singapore, Australia, Brunei, China, Hong Kong, Indonesia, Thailand, United States, World Bank and private entities such as Accenture, PriceWaterhouseCoopers, Siemens, Daiwa Institute. As part of APEC ACT’s efforts to work with other APEC sub-fora, invitations were extended to other groups and representatives from the Small and Medium Enterprises Working Group (SMEWG) and APEC Business Advisory Council (ABAC) attended the Workshop. In furtherance of the efforts of APEC ACT to collaborate with other international organizations dealing with anti-corruption, the workshop was also attended by organizations such as ADB-OECD Anti Corruption Initiative for the Asia-Pacific, TI and OLAF, who had been guest participants at ACT meetings.

3 The workshop comprised presentations and Q&A sessions based on five thematic areas as follows:

- anti-corruption policies in public and private sectors
- good governance and its impact on anti-corruption effort;
- building organizational culture of good governance;
- role of government in promoting corporate governance; and
- business cost vs corporate governance.

4 Participants heard from several government representatives on the underlying principles and measures put in place within government as part of the larger anti-corruption framework. Matters such as codes of conduct, governance structure, public sector reform, oversight and supervision and enforcement mechanisms in government were raised in the discussions. The synergistic relationship amongst government bodies such as between government audit institutions and anti corruption agencies was also highlighted as helpful in the fight against corruption. The role of ethical standards and moral courage to ensure the functionality of corporate governance was also emphasised. Several presenters touched on the “Tone from the Top” – the crucial role played by the leadership in the public and private sector to mould the organisation culture and take steps to enforce measures against corruption and abuse.

5 The link between good governance and anti-corruption was discussed through the discussion of indicators of good governance and case studies. Several anti-corruption agencies shared their experience on how to go about building an organisational culture of good governance and promoting corporate governance. Of much value to private sector participants are the various presentations by private sector companies and professional bodies on the balance between business costs and corporate governance. Major corporations can set the tone in anti corruption and can contribute in public-private partnership to fight corruption. Findings of international surveys on anti corruption in the private sector and their recommendations were shared with participants. Participants heard presentation by Siemens on how they had responded to corruption problems and the global compliance programme implemented in their businesses worldwide, covering aspects such as leadership, compliance training and review mechanism. On the issue of ‘facilitation’ payment in business practices, majority of the participants rejected it as an unacceptable practice.

Recommendations from workshop

6 The following key observations were made in the workshop:

- a. High ethical standards and culture especially the 'Tone from the Top' is necessary for governance to take root. Leadership is key in both public and private sectors so that enforcement and compliance with laws and standards can follow;
- b. The role of government to promote and implement corporate governance is paramount since it has the laws and tools to do the job. Structures and guidelines alone will not do. The government must take an active lead in enforcement against the set standards. Government's role is complemented by public – private partnership which can yield results for governance and anti corruption;
- c. Bribery in business comes at great economic costs to businesses and to the economy at large. Companies recognize the important need for a comprehensive anti-corruption programme as part of their overall corporate governance. In multinationals, elements of the programme can be similar across economies. Large companies can set the model for small and medium enterprises to follow; and
- d. Governance is crucial for anti corruption. Good governance in public and private sectors in member economies can provide conditions conducive for domestic anti corruption efforts as it makes corruption a low gain high risk activity. It also provides a good foundation for international co-operation based on sound institutions and transparent processes.

Conclusion

7 The workshop provided an opportunity for all the stakeholders ranging from government, private sectors and international organizations to share information, network and explore mechanisms for co-operation. The learning points and suggestions would provide guidance towards the drafting of a set of guidelines on governance and anti-corruption which will be tabled at the 9th ACT meeting.

KEY OUTCOMES OF THE 2009 APEC ACT SYMPOSIUM IN SEOUL

1. “Systematic Approach for Anti-Corruption Capacity Building”, a symposium conducted by Korea from 16th to 17th September 2009. The 2day symposium was hosted by the Anti-Corruption and Civil Rights Commission of Korea (ACRC) and was attended by over 280 delegates and experts from APEC member economies and international organizations.
2. The purpose of the symposium was to share ideas and experiences of global and APEC anti-corruption capacity building strategies and measures to assist developing economies in order to support successful implementation of anti-corruption policies.
3. The plenary session allowed for a frank and open exchange of views and contributed to capacity building amongst our delegates. In particular, speakers stressed that anti-corruption capacity building must be tailored to the specific needs of a given economy. Participants also agreed that there is no one solution that can be applied to every economy, every culture, and every situation. Yet, it was duly noted that learning from each other’s experience is crucial to strengthen anti-corruption capacity. And the delegations shared efficacious strategies to apply successful anti-corruption measures as appropriate on their own settings.
4. The delegations highlighted the importance of increasing reliability and validity of corruption measuring indices. Concerns were expressed about the methodological biases of the existing corruption indices. Therefore policy makers should be cautious with shortcomings of existing corruption indices.
5. The symposium participants also reached the consensus to give the priority to the anti-corruption capacity building and reiterated the importance of sharing the successful corruption prevention practices and policies and aftermath measures as a means to enhance, promote, and foster transparency in the APEC region.
6. Throughout the symposium, there was a high level of female participation. A large number of women were involved in the organization of the opening and the closing ceremony and also actively participated not only as presenters but also as moderator.

Key Outcomes of China-U.S. APEC Anti-Corruption (ACT) Workshop on Applying APEC Anti-Corruption Principles and Preventing Conflicts of Interest

The ACT anti-corruption workshop, “*Applying APEC Anti-Corruption Principles and Preventing Conflicts of Interest*” was held in Beijing, China on 14-16, 2009. The workshop was jointly organized by the People’s Republic of China and the United States to prevent and combat corruption and, consistent to the call of APEC leaders, to make integrity an integral part of the overall APEC work program. The workshop was attended by all 21 APEC member economies. Member economies demonstrated their commitment to the themes of the workshop by sending high level delegation and participating actively in the workshop.

The workshop began with a comprehensive overview of the Anti Corruption and Transparency Task Force (ACT), which has its genesis in the APEC Leaders’ deliverable in Bangkok and Santiago in 2003 and 2004 respectively. As for the APEC Conduct Principles, it was developed when Australia hosted APEC in 2007. This overview was followed by a discussion on the current codes of conduct in various APEC economies. The discussion focus on the various aspect of the code of conduct relating to the topics of the workshop. This overview showed the diversity of the range of approaches taken by the various economies in meeting these Principles.

The second session, legislation and regulations on codes of conduct, featured four economies representing a range of approaches—from a purely aspirational code to a highly rule-based code. Key messages from this session included the fact that laws and regulations can mold official conduct but they need to be living documents, adapting to changing circumstances. Economies not only can learn from their own experiences as to what will or will not work over time but they can also learn from the positive and negative experiences of others. Economies should also take into consideration public sentiment when developing or adapting their codes to changing circumstances. While rules and regulations can set basic standards, they do not meet every need for establishing appropriate expectations of integrity, nor can economies simply rely on officials’ purely voluntary adherence to general values. There needs to be a balance of the two. That balance needs to be struck in each economy in a way that is most appropriate to its circumstances.

The third session focused on an issue most public officials face at some time—that of gifts. When is a gift a mere token which does not raise any reasonable appearance of impropriety in its acceptance or undermine public confidence? Or, when does that gift move into the realm of a possible facilitation payment or bribe? Following an excellent presentation on the differences between gifts, facilitation payments and bribes as seen through the lens of international legal instruments, presentations in this session explored a range of ways to address the acceptance of gifts—from setting specific monetary values for those gifts that are or are not acceptable, to setting a more situational standard that takes into account the appearance and the effect of the acceptance of the gift as well as the intent of the donor. Some attention was given to methods for dealing with reporting and the possible subsequent disposal of gifts that should not be kept by individual public servants. However, there was a general understanding and appreciation of the importance of setting standards for gifts and not simply relying on a bribery statute as the only restriction.

The fourth session had two parts, together dealing with the concept of conflicts of interest and various methods to review the implementation of existing norms or the management of conflicts. In general, the presentations indicated a convergence within economies of basic principles and provisions for conflicts of interest. However, individual economy’s experience underlined the importance of context in the implementation of these principles. In particular, the structure of a system designed to manage conflicts will depend on the economy’s administrative context, for example the level of its decentralization. Participants agreed that conflict of interest is a moving target, using examples from the recent financial crisis. In addition, evolving public expectations regarding conflicts are being driven by increasing transparency in public life. Emerging concerns included post employment, revolving door and lobbying. The session also discussed methods to help manage conflicts, such as financial or wealth disclosure systems and blind trusts.

Session five featured very interesting presentations on providing ethics advice as well as effective methods of educating and training employees on the standards that are expected of them. The session included a practical example of a decision-making model for advice and various training and education tools. The session engendered an active discussion that lasted into the coffee break—a

testament to the desire to share and to learn good practices in using pro-active tools to help support integrity.

The final session focused on promoting compliance and enforcement. It included a discussion of positive reinforcement as a way of promoting compliance, as well as the importance of having a range of punishments when standards have not been met. Enforcing standards with a range of penalties from discipline to monetary fines to imprisonment, depending upon the severity of the violation, provides for more opportunities to effectively address misconduct without waiting for it to become corrupt conduct.

While these were the specific topics covered, in each session one or more speakers took the opportunity to describe in more detail the broader anti-corruption program being undertaken within their economies.

The Beijing workshop is one of ACT's continuous efforts to implement APEC Leaders' political will made last year that "we agreed to leverage our collective will to combat corruption and related transnational illicit networks by promoting clean government, supporting public-private partnerships, fostering market integrity, and transparent financial systems. We recognize that the criminalization of corruption can facilitate greater regional cooperation." APEC economies and experts attending the Beijing workshop agreed to encourage their Ministers and Leaders to continue to make anticorruption a priority area of cooperation to advance regional development, prosperity and security. Heads of delegation applauded the senior leadership of the Chinese government at a special session in the Great Hall of China hosted by Wu Bangguo and for hosting the Beijing ACT workshop and finally applauded the leadership of Minister of Supervision Ma Wen and OGE Director Robert I. Cusick for co-chairing this important initiative.