



**Asia-Pacific
Economic Cooperation**

**Independent Assessment of the ECOTECH
Implementation of APEC Working Groups and
SOM Taskforces:
Anti-corruption and Transparency Expert Task Force**

**Report to the APEC SOM Steering Committee on Economic and
Technical Cooperation**

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Executive Summary

The Anti-Corruption and Transparency Experts' Task Force (ACT) was reviewed in 2008 for the APEC SOM Steering Committee on Economic and Technical Co-operation. The review was conducted on the basis of attendance and interviews at the ACT's 7th Meeting (Lima, August, 2008), a survey of APEC member economies, and secondary research.

The ACT is a relatively new institution, created in 2004. Its mandate ends in 2011, when its future is to be reviewed by the SOM. Because it is relatively new, it is still to some extent 'bedding in' in terms of its structure and direction. Despite its newness, it is performing well in an area to which all APEC member economies attach great importance. This successful performance since 2004 has provided a foundation on which a more strategic approach to ACT activities might be established in 2009.

The assessment demonstrates that member economies place great importance in effective responses to the challenges created by corrupt and non-transparent behaviours. As a result, most member economies are active in the ACT's workstreams. Economies particularly value the 'expert' nature of the ACT. Economies view the work of the ACT to be 'very important' in itself, and 'very important' or 'quite important' in terms of its relative importance (for example, in comparison with the UNCAC process). Member economies suggest that the ACT has a good foundation for developing further its external linkages, particularly on the basis of overlapping personnel. This is a priority for some member economies.

The ACT operates well as an institution. Its substantive interests (for example, money laundering, safe havens, anti corruption strategies in both public and private sectors) are supported by member economies. Its meeting format, its leadership structure and succession planning, and associated administrative functions, are generally efficient. Its workplan is well-received and is focused on the priorities established by Leaders and Ministers. The workplan also meets the expectations of member economies. Little evidence of gaps in the ACT

workplan was forthcoming. As shown below, commentaries tended to focus on possible developments in the future, rather the criticism of the existing frameworks and activities.

Member economies face the need to prioritise expenditure across not only the ACT but also the UNCAC and other processes in which they are active. This is another impetus for the work of the ACT to be relevant and non-duplicative. Some economies are also conscious that reporting requirements for the ACT (for example, the annual progress reports, benchmarking and peer review of member economies on ACT-related matters, envisaged in the 2008 workplan) may become onerous.

ACT outputs are generally considered to be of good quality, whilst some unevenness in quality is observed by some economies. There is strong evidence of the positive effect that ACT outputs have directly and/or indirectly on policy formation in member economies. Monitoring and evaluation of ACT outputs are conducted within the established APEC framework.

There is an interest within some member economies to discuss the status of the ACT. One suggestion, for example, is that the ACT becomes a Working Group. Another is to develop ACT activities as a major 'theme' within the Ecotech agenda. The issue of an 'upgrading' of the ACT's work can be addressed appropriately in APEC fora.

Areas in which the ACT should consider change or development include:

- Strategy
Following a year of consolidation in 2008, there is a growing recognition in the ACT that a more strategic focus is now possible. The Act is operating in an important policy area in which there is global interest, and ensuring that APEC's contribution to this global effort is appropriate and does not duplicate other efforts may require a more strategic approach to ACT activities;
- Networks

Existing networks within and beyond APEC are well-developed and provide a platform for significant further opportunities for joint work;

- Leadership

Leadership has been an important feature of the ACT's success so far. A move to a more strategic orientation will require a continuing level of committed, high-quality leadership;

- Gender

There exist significant opportunities for the ACT to explore gender-based work opportunities;

- Communications

The potential for the ACT to build on APEC's dissemination model is open to the Task Force. Equally, some internal communications efficiencies are possible;

- Induction

Induction procedures for new ACT members might usefully be introduced.

A Introduction

In mid 2008, the APEC SOM Steering Committee on Ecotech (SCE) commissioned an independent evaluation of the work of the Anti-Corruption and Transparency Experts' Task Force (ACT). This evaluation reflects standing APEC practice, whereby APEC activities are to be evaluated on a regular basis.

The terms of reference (ToR) for the evaluation are laid out in Appendix 1.

The methodology adopted in this evaluation is laid out in detail in Appendix 2. Briefly, it involved a familiarisation phase (including the gathering of relevant secondary data), an interview phase (at the 7th meeting of the ACT, in Lima in August 2008), a short survey circulated to member economies, and a subsequent analysis of the various bodies of data.

B Background to the ACT

The ToR for the ACT are laid out in detail in Appendix 3. The ACT was created in 2004 as the result of APEC's commitment to transparency standards and a related acknowledgement that corruption threatened good governance, unimpeded flows of investment and shared prosperity in the APEC region. Two important outcomes followed from that commitment. First, APEC Leaders endorsed the *Santiago Commitment to Fight Corruption and Ensure Transparency* and the *APEC Course of Action on Fighting Corruption and Ensuring Transparency*. Second, Senior Officials, at their Santiago SOM III meeting in 2004, approved a recommendation by APEC Anti-Corruption Experts and agreed to establish an Anti-Corruption Experts' Task Force to implement the *APEC Course of Action on Fighting Corruption and Ensuring Transparency*.

It is important here to note a constant theme throughout the interview data gathered from ACT members, reported below. This theme is the 'newness' of the ACT and, therefore, a sense of its coming-to-terms with its focus and responsibilities.

The TOR (as subsequently amended) describe clearly the purpose of the ACT and the manner in which it shall work. Its purpose is to coordinate the implementation of the *Santiago Commitment to Fight Corruption and Ensure Transparency* and the *APEC Course of Action on Fighting Corruption and Ensuring Transparency*. It is also to contribute to the *APEC Conduct Principles for Public Officials* and the *APEC Code of Conduct for Business*, in the fight against bribery and facilitation payments. The ACT is expected to promote the participation of the private sector in the development of anti-corruption practices, and contribute to the development of government efforts to support greater integrity in private sector behaviour. As is frequently the case in APEC fora, the ACT is charged with a responsibility to develop capacity building initiatives and technical assistance measures in support of improved transparency and against corruption. It is also to identify opportunities to cooperate with other multilateral and regional intergovernmental institutions, and provide mechanisms for information exchange between anti-corruption experts around successful practices to fight corruption and improve public and private sector transparency. It is charged with a responsibility to promote cooperation across APEC institutions around anti-corruption and transparency. Finally, the ACT must develop projects and proposals in support of its purpose, particularly in the context of Section VII of the *APEC Course of Action*, and in the context of APEC's TILF agenda.

Membership of the ACT is open to anti-corruption experts from member economies. APEC observers, and Secretariat and ABAC representatives, may also participate. Non-APEC participation falls under the APEC rules about such participation. A 'troika' model of leadership is in place, consisting of a Chair (drawn from the current host economy, and two Vice-Chairs (one from the preceding host economy, the other from following year's host economy). This model has been adopted as it is transparent, provides continuity and ensures linkage to the host economy's agenda in any given year. A 'Friends of the Chair' model – involving five to nine members - has been adopted, providing the ACT with advice and guidance, particularly inter-sessionally. The Friends operate with a Co-ordinator nominated by, and responding to, the Chair.

The ACT is required by the ToR to meet at least annually, on the margins of SOM meetings. The Summary Record of the 1st ACT Meeting (Gyeongju, 2005) refers to 'heated discussion' after which it was decided that the ACT would meet twice a year, on the margins of SOM I and SOM III. This is the meeting mode currently in place. As is usual in APEC, the ACT reports to the SOM Steering Committee on Ecotech, Senior Officials, Ministers and Leaders. It operates on a term basis, with the current term expiring in May 2011, and its future is subject to review by SOM at that point.

The ACT has convened on seven occasions (Box 1).

Box 1: ACT Meetings

1. September, 2005: Gyeongju, Republic of Korea
2. February, 2006: Ha Noi, Viet Nam
3. September, 2006: Da Nang, Viet Nam
4. January, 2007: Canberra, Australia
5. June, 2007: Cairns, Australia
6. February, 2008: Lima, Peru
7. August, 2008: Lima Peru

The ACT has organised a range of seminars, often on the margins of ACT meetings (Box 2).

Box 2: Key ACT Seminars

1. APEC Ant-Corruption and Transparency Symposium, September, 2005, Seoul
2. APEC Workshop on Anti-Corruption Measures for the Development of Small and Medium Enterprises and Micro Enterprises, February, 2006, Ha Noi
3. Public-Private Dialogue on Anti-Corruption and Ensuring Transparency in Business Transactions, September, 2006, Da Nang
4. Workshop: Towards Transparency Principles for the Private Sector, January, 2007, Canberra
5. Workshop on Building Integrity in the Private and Public Sectors – implementing APEC’s anti-bribery principles, June, 2007, Cairns
6. Capacity-Building Workshop on Combating Corruption Related to Money Laundering, August, 2007, Bangkok
7. Seminar: Ending Impunity: Prosecuting and Preventing Corruption, Denying Safe Haven, and Recovering Stolen Assets, October, 2007, Lima

As might be expected, the ACT has produced workplans and deliverables in growing volume as it has settled into its task. As the annual workplan is a cumulative document, reflecting the multi-year dimensions of many of ACT’s initiatives, this report will concentrate on the current workplan, introduced at the 6th meeting in Lima in February 2008 (Appendix 4).

For 2008, the ACT is continuing a number of work streams that have rapidly become central to its activities, and to the fulfilment of its APEC commitment. The first focus is on international co-operation, and, particularly on the United Nations Convention against Corruption (UNCAC). The ACT supports the implementation of UNCAC, and seeks to promote member economy commitment to the Convention’s principles. The ACT supports moves by member economies to include UNCAC’s provisions in domestic legislation, and promotes UNODC’s Implementation Pilot Program. The theme of international agency cooperation reflects a desire to cooperate with the ADB-OECD anti-corruption initiative for the Asia Pacific region, and with other

regional and international agencies, such as the World Bank, Transparency International, and the Global Forum on the Fight against Corruption. In support of this international engagement, the ACT is suggesting that member economies contribute to a charter encompassing member economies' activities in the fight against corruption. At the international level, the ACT is proposing an APEC seminar on cooperation on asset recovery, and also is to work on cooperation on measures to deny safe haven to officials guilty of corruption.

A second focus is on the effective implementation of APEC anti-corruption commitments. Economies are encouraged 'to deliver annual progress reports with respect to their compliance with the Code of Conduct for Business, the Conduct Principles for Public Officials, the Complementary Anti-corruption Principles for the Public and Private Sectors and the Statement of actions for fighting corruption through improved legal cooperation'. A workshop to identify best practice and benchmarks associated with these commitments is mooted, peer review of compliance with these commitments has been considered, as has technical assistance to improve their implementation. The current ACT workplan envisages annual progress reports, benchmarking and peer review of member economies on ACT-related matters¹. As reported below, some economies are concerned about the cost and effort associated with these proposed assessment and reporting procedures.

A third focus is capacity building. Work is proposed to revise the ACT's current capacity building measures, chart the capacity building requirements associated with the Matrix for Strategic Progress of the Santiago Course of Action, and prepare guidelines for capacity building activities related to the implementation of the Anticorruption Principles for the Public and Private Sectors in line with the Code of Conduct for Business and Conduct Principles for Public Officials.

A fourth focus is work to strengthen the ACT, which involves the preparation of a comprehensive Executive Report on ACT documents and of a

¹ The ACT has decided, for now, not to proceed with the peer review process.

comprehensive report of ACT activities since 2005. Each economy is also asked to prepare an evaluation of the ACT as a contribution to its future strengthening. This is currently a one-off proposal, which, if successful, might be repeated on a regular basis (say, three years). This was not addressed specifically in the agenda for the 2008 Lima ACT meeting. The ACT has also developed, and is implementing, a Capacity Building Template, which will, it is hoped, allow better identification of ACT capacity-building opportunities. This is still in development at the time of writing and its impact cannot be assessed

A fifth focus is the promotion of business and civil society participation in the fight against corruption. Activities proposed in this context include improving the levels of civil society participation in ACT activities, extending information flows about ACT activities using various new technologies, and capacity building around codes of conduct for public sector officials and private sector business people. Further collaboration with ABAC is proposed, as is a focus on the sharing of 'best practice' in the fights against corruption and for greater transparency. Commentaries offered at the Lima meeting suggest that the ACT could engage more closely with ABAC and economy-level representative business institutions.

Sixth, ACT has addressed directly in its workplan its engagement with other stakeholders and organisations. The general desire is to build stronger relationships and joint activities (and, therefore, improved knowledge flows and better implementation) around anti corruption and transparency measures. Measures proposed include greater formalisation of links with other relevant, external organisations, and improved co-ordination with other APEC fora (e.g. the Government Procurement Experts' Group of the CTI around transparency. The co-hosting with the World Bank and UNODC of focused training workshops on asset recovery and related anticorruption areas is also proposed.

A seventh area specifically focuses on cross-cutting themes and cross-fora co-ordination. The ACT is looking to understand possible cross-cutting themes

with the Small and Medium Enterprise Working Group (in relation to the Code of Conduct for Business, the Economic Committee (in relation to governance and transparency), and the Gender Focal Point Network (to develop the 'gender factor' in projects and initiatives).

In sum, the ACT's expected deliverables for 2008 are, to quote from the Workplan:

- o '(a).... deliverable paper to be tabled at the Senior Official Level which will include the annual progress report submitted by member economies.
- o APEC expert seminar on special international cooperation on asset recovery.
- o Guidelines for capacity building on APEC principles and codes of conduct.
- o Capacity building framework based on the member economies compilation matrix.
- o Workshop in order to identify best practices and define benchmarks on APEC principles and code of conducts
- o Development of a regular Peer Review Process to evaluate member economies progress in the implementation of the APEC principles and codes of conducts'².

The extent to which 2008 deliverables have been achieved cannot be wholly ascertained within this assessment's timeframe. Interviews suggest that in previous years deliverables have, broadly, been achieved.

C Data Analysis

Data gathered at the Lima 2008 ACT Meeting and in the survey of member economies are reported below. Surveys were returned by 10 economies (47%). Data fall into four broad categories:

C(i): Participation in the ACT

C(ii): The Status of, and Importance attached to, the ACT by Member Economies

C(iii): Structure and Performance Dimensions of the ACT

² As noted above, it has been decided by the ACT that this will not be implemented at this stage.

C(iv): Outputs and Deliverables.

C(i) Participation in the ACT

9 of the 10 economies (90%) attended all or most of the ACT meetings. 1 economy (10%) attended some of the meetings (Table 1). Interview data and information from the APEC Secretariat suggest that many economies, which did not respond to the survey, also attend regularly. Despite the relatively low response rate to the survey, there is a high level of participation by APEC economies in the work of the ACT.

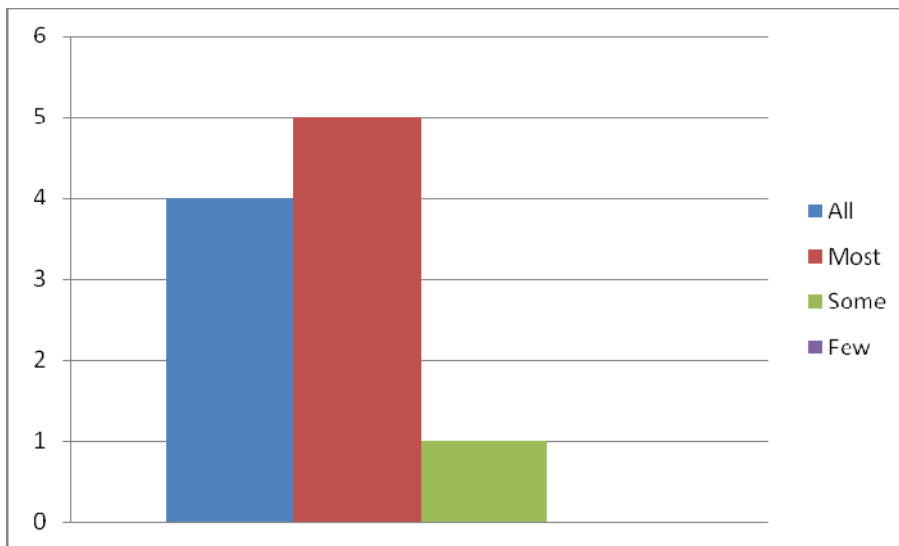


Table 1: ACT Participation by Economy: Number of Responses

As is shown clearly below, the importance attached to the issues addressed by the ACT explains the commitment on the part of all economies interviewed to participation in the ACT. Commentaries acquired at the Lima 2008 ACT meeting reinforce the data. 17 economies attended the opening of the Lima meeting; all were expressly supportive of ACT's focus and activities. The APEC Secretariat reports consistently high attendance by economies at ACT meetings, with between 17 and 20 economies usually present. There were 41 people from member economies at the Lima meeting. 7 women attended, one of whom was at the 'top table'.

In interviews, 3 economies suggested that the 'expert' nature of the ACT is particularly important. They emphasised the view that that economies should, as a matter of course, send specialists to the ACT. Many economies – in interviews and in the survey - referred directly or indirectly to the advantages of joint understanding of anti-corruption and transparency issues, and to similar advantages from mutual exchange of knowledge. A positive note was frequently struck around the potential for the ACT to contribute to an improved political and economic environment in the Asia-Pacific region.

2 economies noted the presence on occasions in ACT meetings of new colleagues, who were not 'up to speed' with the substantive focus and procedures of the ACT. The idea of a brief induction opportunity, similar to that used in other APEC fora for new members, was raised.

Participation measured in terms of project participation is much as elsewhere in APEC. Projects tend to involve a self-selected group of economies with a particular interest in a specific project. Current projects involve 8-10 member economies. Workshops are reported to be well-organised and attended. For example, the project symposium on anti-corruption and administrative reform, held in Vietnam in June 2008, involved '100 delegates, including 40 local and 60 international ones, participated in the Symposium. International delegates include representatives from 13 APEC member economies; 7 international organizations/institutions: Inter-America Development Bank (IADB), TI Chapter in Australia, UNDP Vietnam, UNODC Vietnam, WB (World Bank) Vietnam'.

Active project development can be observed in the ACT. At the Lima 2008 meeting, for example, 3 new projects were under discussion, and project progress reports were tabled for 2 others. Notice was also circulated of the proposed workshop on international co-operation on asset recovery, to be held in Lima in October 2008.

C(ii) Status and Importance of the ACT

The survey data (Table 2) indicate that 100% (10) of the responding economies believe that the work of the ACT is 'very important'. Interview data show unequivocally that the importance attached by economies to the work of the ACT reflects the seriousness with which the challenges associated with anti-corruption and transparency are viewed by member economies.

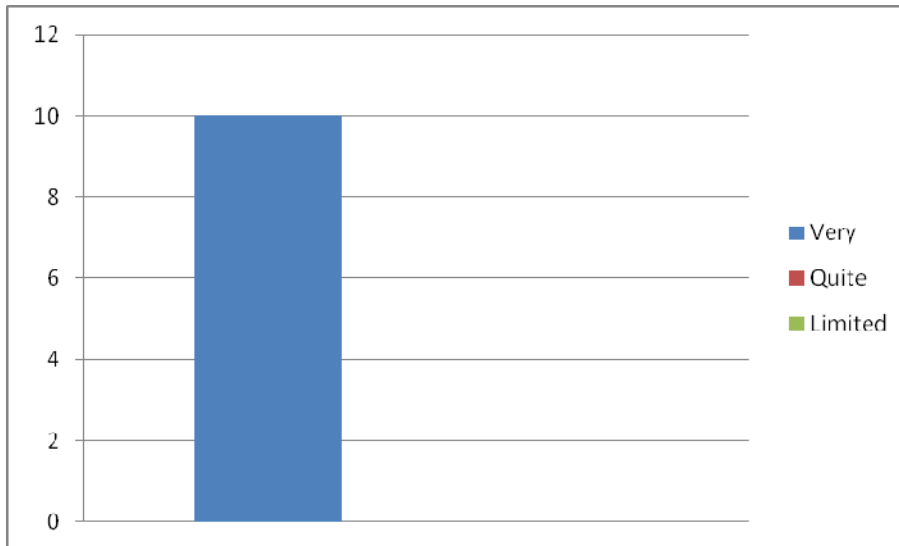


Table 2: Importance of ACT for Member Economies: Number of Responses

Economies were asked about the relative status attributed to the work of the ACT in comparison with other international commitments made by economies to anti-corruption and transparency issues. Table 3 shows that 5 economies (50%) thought that the work of the ACT was 'very important' in relative terms. 5 economies (50%) rated the work of the ACT to be relatively 'quite important'.

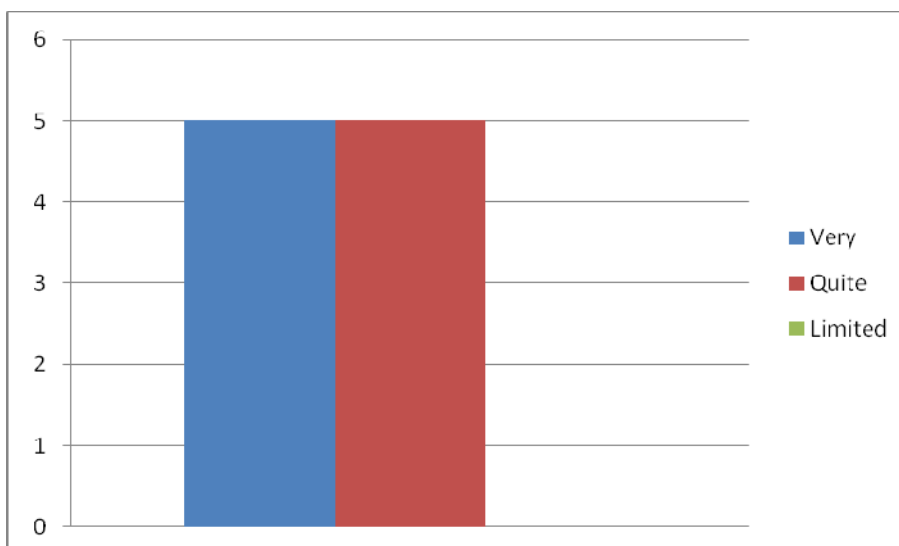


Table 3: Relative Importance of ACT Activities: Number of Responses

Interview and survey responses make it abundantly clear that APEC's commitment to work in the area of anti-corruption and transparency is valued highly. All economies, in survey and interviews, regard this area of work to be important. Such is the certainty with which these views are expressed that they alone might be seen as justification for the ACT, its workplan and its continuing role in APEC's activities. Member economies believe that the work of the ACT contributes significantly to international efforts in the area of anti-corruption and transparency.

Economies are also universally engaged on this front in other multilateral contexts, most notably in the context of the United Nations Convention against Corruption (UNCAC), which was finalised in 2003. This range of activities causes member economies to consider both strategic and operational aspects of their commitment to anti-corruption and transparency. In terms of strategy, a view is expressed by a number of APEC economies (6 in the interviews undertaken in Lima) that the work of the ACT should be integrated in, and support closely, the work of UNCAC. In this view, UNCAC is the global initiative, to which APEC's activities can contribute much. The idea of the ACT's specialised, professional and business-like methods adding value to the UNCAC process was raised by one economy in an interview. In this, economies are reflecting a traditional view of APEC

activities undertaken in support of broader, global initiatives (for example, APEC's support of the WTO process). Operationally, 2 economies (20%) reported in their survey responses a desire to see efficiencies gained by avoiding duplication by the ACT of UNCAC activities and by the use of similar reporting mechanisms across the ACT and UNCAC. Examples of existing duplication of effort were provided by participants in the 2008 Lima meeting. These included similar workshops and seminars held by APEC and the Asian Development Bank (ADB), and duplication across international agencies of evaluation and assessment measures.

C(iii) Structure and Performance of the ACT

The structure and performance of the ACT were explored with member economies in both survey and interviews. In general, interviews and survey data suggest that the ACT has made good progress since its beginnings in 2005. Member economies suggest that, generally, good progress has been made in the organisation of the Task Force (its meeting schedules, meeting structure, communications etc), the substantive issues raised in the activities of the Task Force (for example, money laundering, safe haven issues, guidelines for both public and private sectors) and in terms of the Task Force's involvement with APEC priorities and external agencies.

C(iii)a: The ACT Workplan

Economies were asked about the ACT's workplan. Economies were asked if the workplan met their expectations. In Table 4, survey responses show that all economies (100%) of those returning the survey believe that the ACT's workplan meets their expectations. As is shown below, there are suggestions made by member economies about how the workplan can be operationalised more effectively.

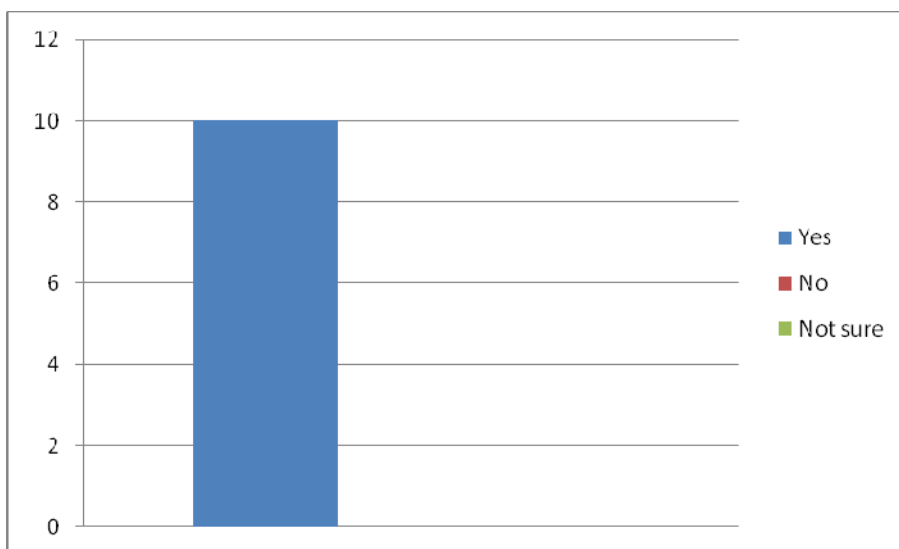


Table 4: Workplan Expectations: Number of Responses

Table 5 shows that only one economy (10%) of those returning surveys wished to identify an issue or area of work, currently not in the ACT workplan, but which should be included. The issue identified was an increased emphasis on networking, information and experience sharing, and on capacity building and training opportunities. As all of these areas of activity are, arguably, to be found in the current workplan (see Appendix 4 below) the focus of the survey comment refers to the level and quality of effort placed in these areas of activity.

In interviews, one economy suggested that the public-private focus that has emerged within the ACT's workplan provides an excellent integrative theme and focus for the workplan. That economy suggests that the public-private axis has become a common feature of the APEC process in general and provides a firm framework for the integration of inter-governmental co-operation with the private sector.

A continuing and desirable focus in the Workplan on implementation was highlighted by 2 economies in interviews. The idea of a Pathfinder Initiative received support from 2 economies, and Australia brought forward such a project in April 2008³.

³ Pathfinder Project: *Implementation of the APEC Code of Conduct for Business*

C (iii)b: Gender Issues

Economies were asked the important question about the extent to which the work of the ACT paid sufficient attention to gender issues. Table 6 shows that 7 (70%) of the economies returning surveys feel that gender issues are paid sufficient attention. One economy (10%) believes that this is not the case and 2 (20%) are not sure. Two specific commentaries on gender issues emerged from the survey. The first suggested that gender issues are irrelevant to the work of the ACT. The second argued for a nuanced approach to the consideration of gender issues, in which a balance is struck by use of appropriate language and liaison with the Gender Focal Point Network (GPFN). The opportunity clearly exists for the ACT to engage explicitly with the GPFN to assess whether there are opportunities to include gender dimensions in Task Force activities

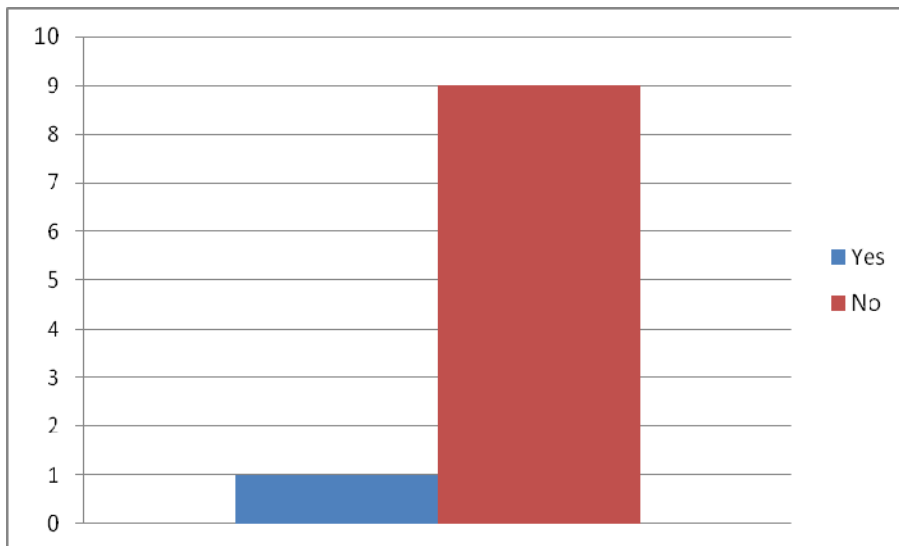


Table 5: Missing Areas of Work: Number of Responses

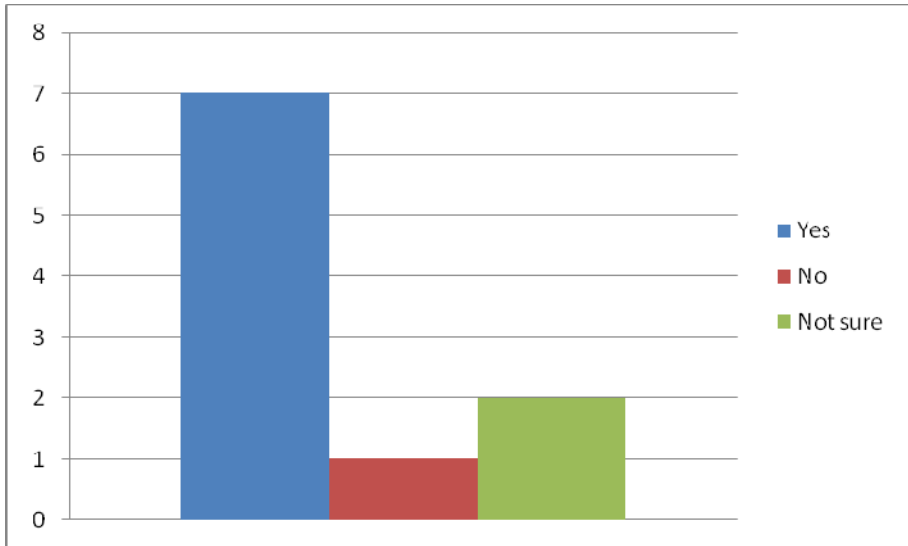


Table 6: Gender Issues: Number of Responses

C(iii)c: Meeting Schedules

Member economies were asked about the acceptability of the ACT’s current, two-meeting-per-year meeting schedule.

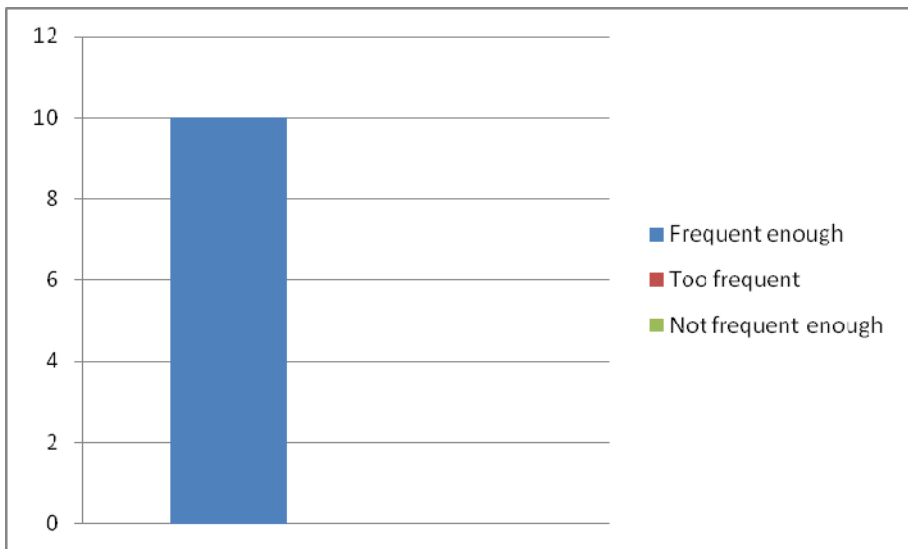


Table 7: Frequency of Meetings: Number of Responses

Table 7 shows that all survey responses (100%) supported the current meeting frequency, a view borne out in the interview data.

C(iii)d: Meeting Format

Economies were asked about the effectiveness of the usual ACT meeting framework (a business meeting accompanied by a seminar or another substantive activity).

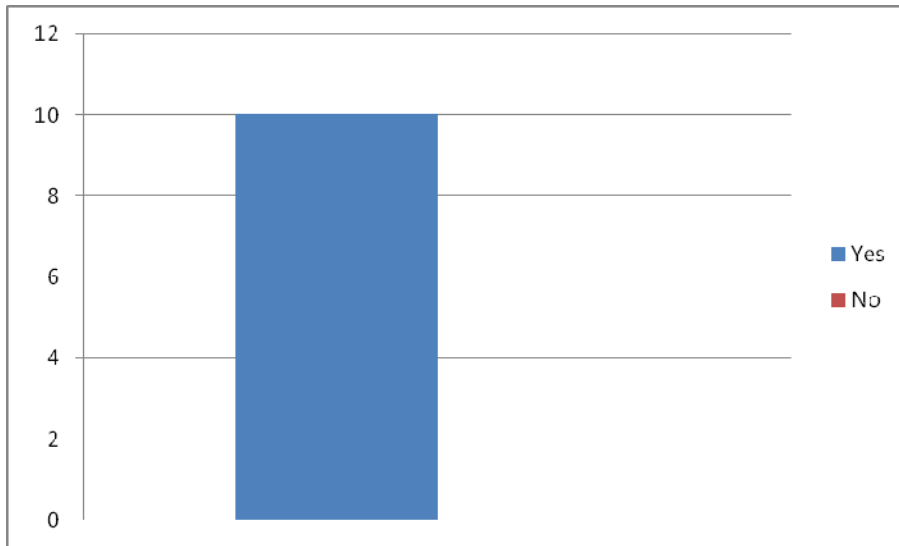


Table 8: Effectiveness of ACT Meeting Format: Number of Responses

Table 8 shows that all survey responses (100%) supported the current meeting format. One commentary attached to the survey suggested that the ACT should bear in mind that travel to ACT meetings often involves long distances and is costly. Given these factors, there is a need to ensure that meeting agendas are not 'light' and that they have substance. Other economies reinforced this point, emphasising the advantages to be gained from well-organised, effective meeting organisation. There is a broad stream of thinking within ACT membership about the need for ACT initiatives to 'add value', particularly within member economies.

It is also clear from the interviews that some economies find it challenging to fund effective participation in the full range of international activities around anti-corruption and transparency. Whilst it was not stated explicitly, it is reasonable to assume that, in cases in which resources for international participation are limited, and in which ACT activities are seen to be supportive of, and, perhaps, secondary to, other 'global' initiatives, member

economies may be forced to prioritise opportunities for international participation.

C(iii)e: ACT Chair Model

Economies were asked about the ACT chairing model (whereby the ACT chair is drawn annually from the APEC host economy. All economies responding to the survey (100%) supported that model (see Table 9).

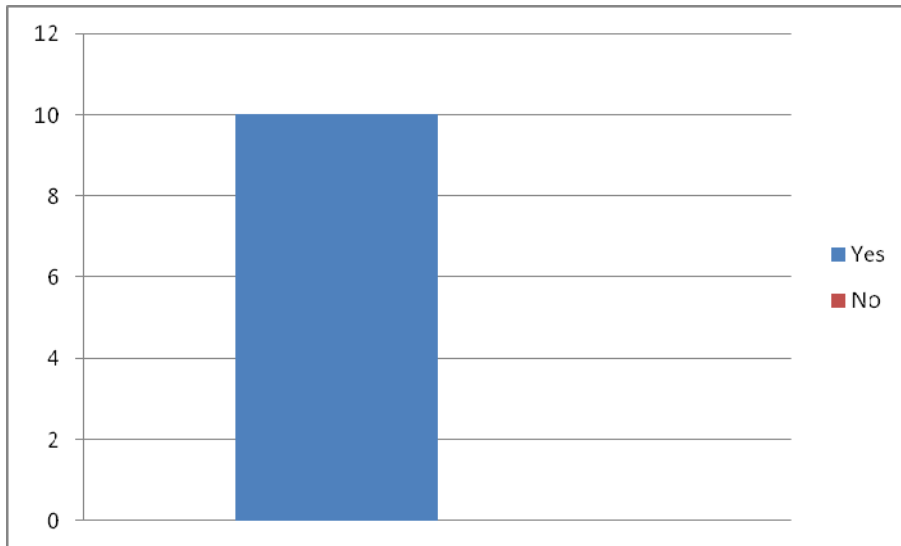


Table 9: Support for ACT Chair Selection Procedure: Number of Responses

Discussion of the chair model raises the question of leadership of the ACT. The ‘troika’ model is generally seen to work well, especially in terms of continuity in ACT activities, but member economies note that the quality of leadership is crucial for the success of the ACT. Memebers feel that they have been fortunate to enjoy good leadership over the past four years and emphasise it future importance.

C(iii)f: Internal Communications

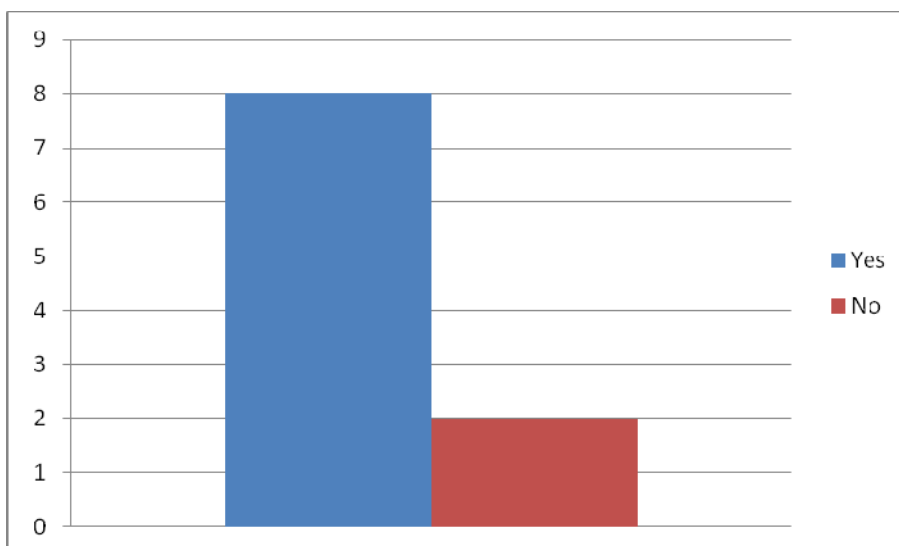


Table 10: Effectiveness of ACT Internal Communications: Number of Responses

The survey asked member economies about the effectiveness of the ACT's internal communications. As Table 10 indicates, 8 of the responding economies (80%) think that the ACT's internal communications are effective. 2 economies (20%) thought communications were not effective. Suggestions from those economies for improved practice focused on the timeliness and the consistency of the distribution of materials for the ACT meetings, and, more generally, inter-sessionally. Earlier distribution of meeting materials would allow better preparation for meetings. Last minute distribution should be avoided and thought might be given to the volume of materials distributed.

C(iii)g: Integration of ACT activities with other APEC Fora

Table 11 shows that 8 economies (80%) responding to the survey had no suggestions about how the work of the ACT might be better integrated with the work of other APEC fora. 2 economies (20%) did. These highlighted, first, the potential for better integration with the work of ABAC and with the broader TILF agenda. Second, building on the first point, more developed joint activities with, for example, the CTI and Economic Committee, perhaps based on joint, co-hosted activities and communiqués, are desirable. There is a sub-text here to the effect that existing integration is under-developed.

Whilst integration into the core APEC agendas is generally seen as necessary and desirable within the ACT, one economy pointed out that there was also an inevitable pressure on the ACT to move beyond that traditional APEC agenda. The work undertaken by the ACT has ramifications beyond APEC’s TILF agenda, and these broader benefits should not be discounted.

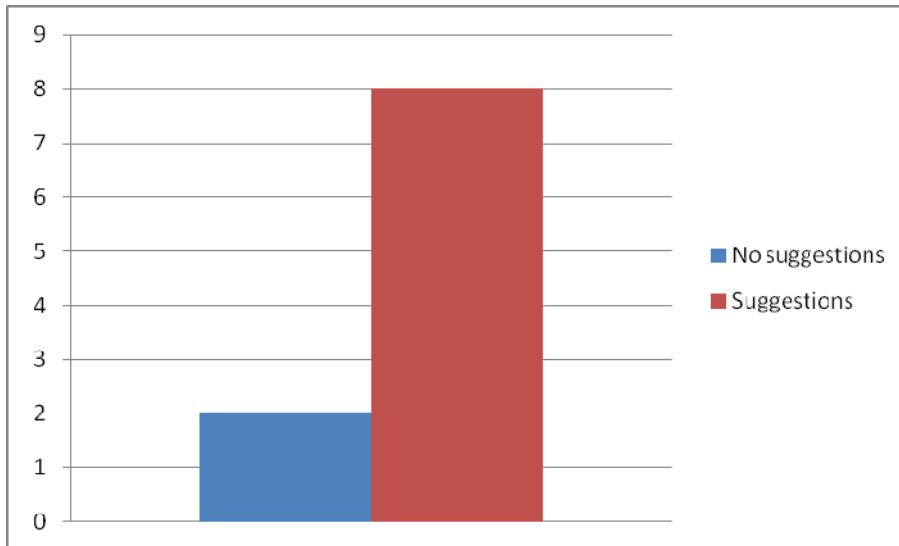


Table 11: Suggestions for Further Integration with Other APEC Fora: Number of Responses

C(iii)h: Networking with Non-APEC International Agencies

Table 12 shows that economies responding to the survey believe that the ACT makes good use of external networks ‘often’ (5 economies – 50%) or ‘sometimes’ (5 economies – 50%). These networks include international agencies with a focus on ACT-type issues (intergovernmental and private sector), and NGOs.

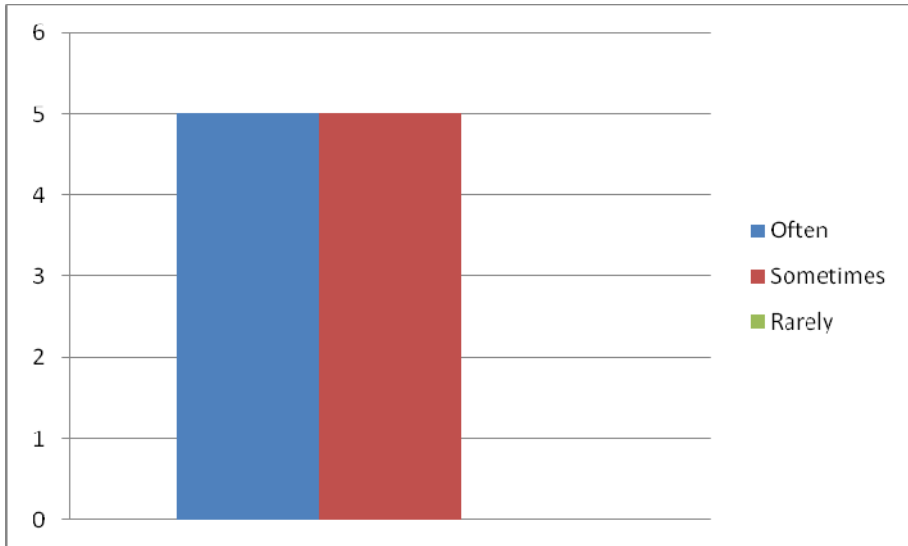


Table 12: Links to External Networks: Number of Responses

Economies were also asked if they had any suggestions about how these networks could be improved. In Table 13, we see that 5 economies offered suggestions (50%). 4 did not (40%) and one (10%) did not answer.

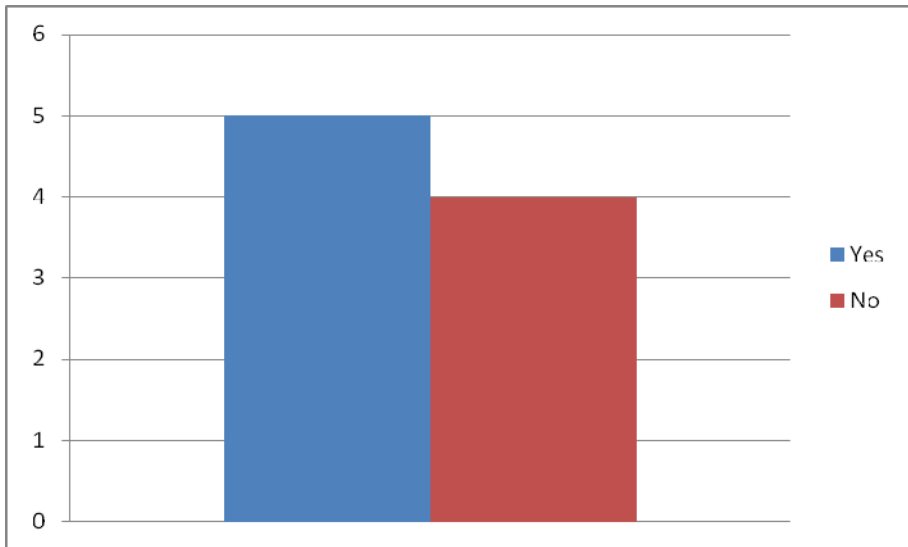


Table 13: Suggestions of Ways to Improve Network Linkages: Number of responses

Before discussing these data, it should be pointed out that the ACT regularly involves non-APEC agencies in its activities, including its workshops, projects and regular meetings. Moreover, ACT participants are, generally, active and

experienced in the broader anti-corruption networks such as UNCAC. Hence, the question of greater development of external linkages is primarily about building further activities, information flows and impact on an existing base.

The positive answers emphasised a number of points. A basic point was that the ACT could do more to develop its two-way exchanges with other networks. One suggestion to help to build up effective links with other networks was to invite more frequently experts from other networks to ACT events. Private sector networks in member economies were particularly mentioned. Another suggestion was to distribute inter-network information more actively. Work with external agencies such as the UN (UNCAC) and the ADB can be given a higher priority and its effects maximised. One suggestion was that the ACT should consider hosting a 'summit' of the international agencies working in the field of anti-corruption and transparency. This suggestion should be taken back into the ACT for further elaboration. It is likely that considerable preparation would be needed for such a summit, particularly if it were to maximise its impact. The feasibility of a summit would be an important first assessment to be made.

One economy questioned the inclusion of representatives from non-APEC organisations in ACT meetings, not constitutionally, but in terms of its 'value add'.

Networking also raises a related issue. APEC has in place requirements in relation to dissemination of outputs from its array of activities. The ACT conforms to these requirements. However, given the importance given to the substance of ACT activities by member economies, the ACT might consider a more pro-active communication and dissemination strategy, designed to achieve two ends - closer links with other APEC fora with which joint work might be carried forward, and with non-APEC international, business and NGO agencies

C (iii)i: General comments on Structure and Performance

A general sense that the ACT has performed well since its inception was noted at the beginning of this section. One interesting observation mentioned the 'professionalism' of the ACT and, consequently, its lack of 'politicisation'. ACT meetings are considered by many participants to be small, friendly and welcoming, and also effective.

There is widespread support across the ACT for the adoption of a strategic, integrated approach to its work. There is a sense here that the ACT has reached a stage in its development in which a more strategic approach might be adopted. A recommendation to this effect is made below. One issue to be considered in a discussion of a possible medium term strategy is Thailand's suggestion that the work of the ACT might become a new thematic activity within the ECOTECH agenda. This suggestion also might be considered in the light of arguments made within the ACT for the Task Force to be 'upgraded' institutionally within APEC (see the relevant discussion in section C (iv) d below).

One economy highlighted the importance of capacity-building within the ACT as, on occasions, new and perhaps less experienced participants might benefit from the knowledge of others within the group. The possibility of an induction process was raised above.

A further point raised by one economy suggests that the involvement of specialist agencies from member economies in the ACT has been an important factor in its early successful development. ACT participants point to the expert government agencies from many economies, which participate in ACT meetings.

Interviews suggest that there are some economies (perhaps 4 or 5), which have taken strong leadership roles in the development of the ACT. This is recognised and welcomed. Equally, it is clear that other economies are encouraged to take a more active role in the direction of the ACT.

Interview data indicate that, not unsurprisingly, the pace and focus of ACT's work has varied over its four years of existence. The energy and focus of the lead economy in a given year is generally cited as the explanation of that variance. Clearly, 2008 is seen by many members as a year of consolidation after three very active years of development, especially in 2007. 2008 has allowed reflection on where the ACT may direct its efforts in the future, and member economies are looking forward to discussion around such a 'refocusing' in 2009. The creation of a medium term strategy (see recommendation below) would allow a 'refocusing'.

Internal and external networking is an area to which much thought is given within the ACT. In general, networking within the ACT is seen to operate well, but as pointed out above, there is a sense that the ACT can do more within and beyond the APEC process. This is posed as an issue, not so much as a criticism, but as a challenge to be faced by the ACT. Members suggest that better outcomes will follow from improved networks. This reflects the seriousness with which member economies view this area of work.

C(iv) Outputs and Deliverables

C(iv)a: Quality of ACT Outputs

Economies were asked in the survey whether the quality of ACT outputs met their expectations. Table 14 shows that no reporting economy felt that quality outputs were 'always' achieved. 8 economies (80%) reported that such outputs were 'often' achieved. 2 economies (20%) thought that outputs met quality expectations 'sometimes'. Reasons offered for the 'often' rather than 'always' preference were primarily associated with variability in the design quality of the project or activity, and variability in the delivery process.

The established APEC project evaluation process is in place within the ACT. Discussions at the Lima meeting suggest that it is being taken seriously. There was, for example, a discussion in Lima about the establishment of a permanent QAF team. Hence, concerns about project variability in the work of the ACT may reflect generic issues associated with APEC project

evaluation. One approach from the ACT in this context is to 'own' the APEC evaluation process by explicitly recognising it in the ACT's strategic statement. Such a statement may empower economies to apply consistent, rigorous evaluation to projects.

Table 15 indicates that 7 economies (70%) could identify high quality outputs. 2 economies (20%) could not, and one (10%) did not answer. Box 3 highlights the variety of outputs identified by reporting economies as achieving high quality.

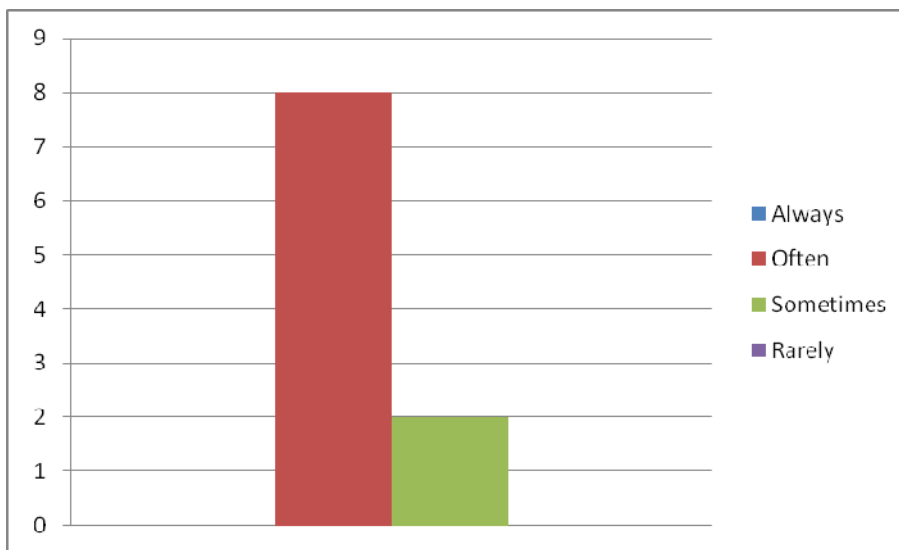


Table 14: Quality of ACT Outputs: Number of Responses

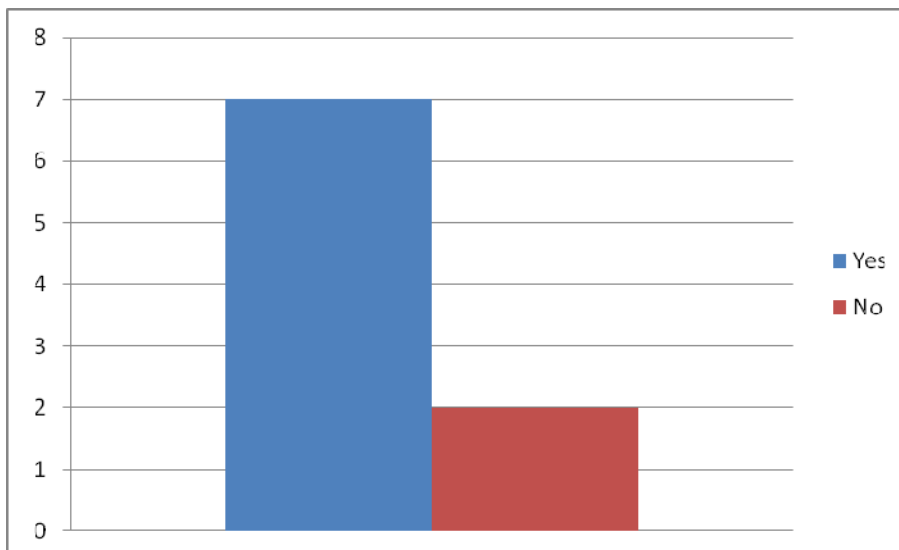


Table 15: Able to Identify High Quality Outputs: Number of Responses

Box 3: Identified High Quality Outputs

- Code of Conduct for Business (x2)
- Code of Conduct for Public Officials (x2)
- Public Private Co-operation against Corruption
- Lima Anti-Corruption Declaration
- Complementary Anti-Corruption Principles for the Public and Private Sectors
- Statement on Fighting Corruption through Improved International Legal Co-operation
- Anti-Corruption and Transparency Seminar, Korea, 2005
- Public-Private Dialogue on Anti-Corruption and Ensuring Transparency in Business Transactions, Vietnam, 2006
- Workshop on Denial of Safe Havens: Asset Recovery and Extradition, China, 2006
- Act Symposium, Seoul, 2005
- ACT Workshop, Cairns, 2007
- Deliverables of 5th ACT Meeting, Cairns, 2007

Table 16 indicates that, in answer to a question asking economies if they could identify ACT outputs which did not meet high quality standards, 9 economies (90%) could not identify such outputs. One economy (10%) did not answer this question.



Table 16: Able to Identify Outputs of less than High Quality: Number of Responses

C(iv)b: New Activities in Member Economies

Economies were asked if they could identify new measures introduced, or activities undertaken, or existing measures subject to revision, in their economies as a result of ACT outputs. Table 17 shows that 5 economies (50%) could identify such effects; 5 economies (50%) could not. Box 4 provides a list of the examples offered by the 5 economies.

Box 4: Examples of Measures reflecting ACT Outputs

- Movement towards ratification of UNCAC
- Introduction domestically of the Code of Conduct for Business
- Increased capacity building with public officials about international co-operation around anti-corruption
- Development of inter-agency co-operation around money laundering
- Pursuit of a public-private sector partnership against corruption, including specific institutions to guard against corruption on both public and private sectors

Several (3) economies noted that, whilst 'direct' effects of the ACT might be difficult to discern within member economies, the 'indirect' effects (of knowledge and experience sharing, for example) are very important.

These are significant findings. It is clear that for some member economies, the work of the ACT has been a direct and valuable contribution to their domestic policy making. Others note the importance of 'indirect' effects (for example, the availability of knowledge that otherwise might not be available). Taken in conjunction with the overwhelming belief by member economies that the focus of ACT activity is vital, these findings confirm the importance of the ACT's activities.

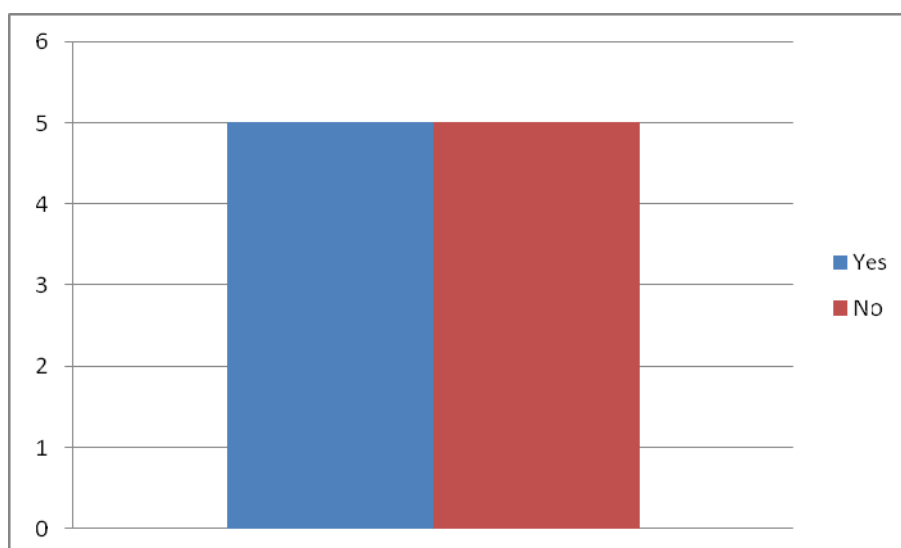


Table 17: New Initiatives at Economy Level: Number of Responses

C(iv)c: Alignment of ACT Outputs with Leaders and Ministers

Table 18 shows that the 10 responding economies (100%) agree that the ACT's outputs align with the priorities laid down by APEC Leaders and Ministers, thus ensuring that the ACT contributes to the achievement of APEC's goals and

objectives. Economies note that the workplan is specifically designed to achieve successfully that alignment. ACT meetings address this alignment regularly. One economy notes in relation to this survey question that greater emphasis might be given in the work of the ACT to how to curb domestic corruption, understood to be a serious barrier to free trade and growth.

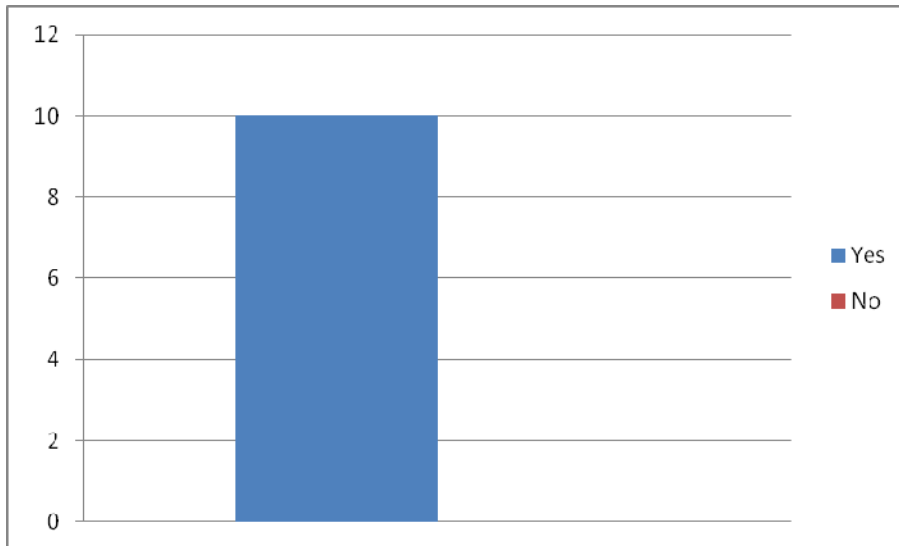


Table 18: Alignment of ACT Outputs; Number of Responses

C(iv)d: ACT Project Implementation

Economies were asked if ACT projects are successfully implemented and reported. Table 19 indicates that 9 of the responding economies (90%) think that success in this context is 'usual'. One economy (10%) believes success in implementation and monitoring is achieved 'always'.

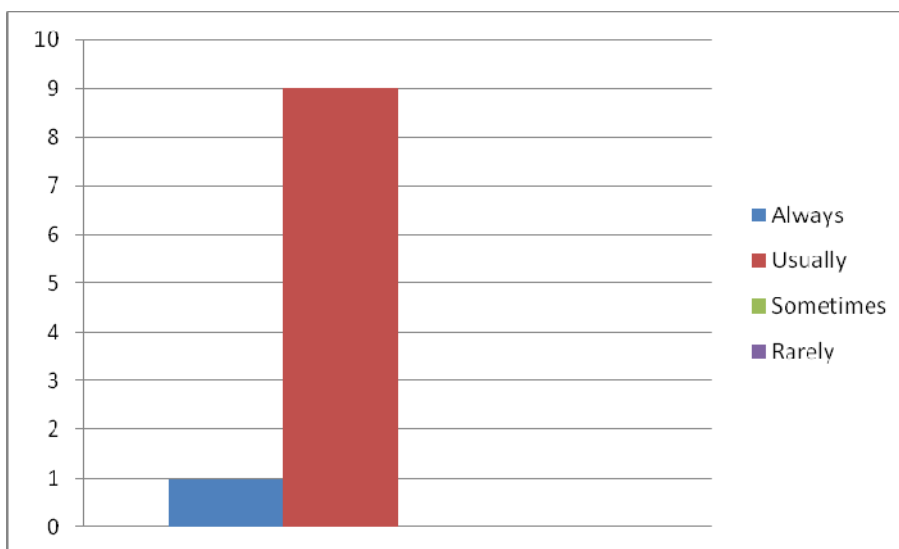


Table 19: ACT Implementation and Monitoring: Number of Responses

Commentaries attached to this survey question emphasise the importance of projects as a means to further ACT’s work. Stronger inter-sessional practices, designed to improve efficiency and continuity of work within the ACT, were seen as desirable by one economy. That same economy also took the opportunity in its commentary on this question to make strong plea for the upgrading of the ACT to a Working Group with a strategic vision and both medium and long-term goals. 2 other economies provided support for an upgrading of the status of the ACT, arguing that it should be more directly integrated into the work of the SOM. These are serious questions that require further discussion, within the Task Force, and within the APEC leadership. APEC has sought to control the growth in numbers of institutions under its umbrella. New Working Groups are not created lightly. It is clear that any change of status of the ACT must, first, derive from a clear case that emerges from the ACT, supported by a strong consensus amongst member economies. This case has still to be developed. The ACT may wish to address this issue directly.

3 economies suggested that the projects undertaken by the ACT were not uniform in terms of quality and coherence. The sub-text here is the concern to impose universal high expectations on projects proposals. Previous comments have addressed this issue.

In the case of a small number of economies (2 specifically mentioned this issue), peer review of ACT achievements at member economy level received mixed support. Costs (in terms of time and expertise) and effectiveness are the reasons given for this response. This may be important as the current ACT workplan envisages annual progress reports, benchmarking and peer review of member economies on ACT-related matters⁴.

⁴ As noted above, the ACT has decided not move forward at this stage with the peer review of member economies on ACT-related matters.

D Conclusions

There are some clear conclusions to be drawn from this review of the ACT:

1. The area in which the ACT is operating (anti-corruption and transparency) is universally regarded as highly important by member economies;
2. The creation of the ACT in the APEC process has been fully justified by the relevance of the issues addressed, and the progress made, by the ACT since 2004;
3. The ACT's engagement with other, important multilateral activities in the anti-corruption field (especially UNCAC) is seen to be positive by member economies, but can be developed further;
4. The ACT has performed well in its first four years. Participants are, generally, happy about its overall performance. As might be expected, the pace of activity within the ACT has varied over the four years of its existence;
5. The organisational structure of the ACT (meeting frequencies, chairing arrangements etc) generally works well;
6. The ACT's workplan broadly reflects member economies' priorities and concerns;
7. Member economies are clear that the the work of the ACT meets the goals and objectives laid down by Leaders and Ministers;
8. The ACT's key emphases (e.g. the public-private nexus) are strongly supported by many member economies;
9. ACT projects and activities are generally well run, apposite and seen to 'add value', either directly or indirectly;
10. Outputs are generally of high quality and there is important evidence that they are being incorporated in measures within member economies;
11. Networking (within and beyond APEC) is generally seen to be taken seriously, but can be taken further, fo r example, by means of closer alignment with APEC bodies such as the CTI, and with external agencies, such as the ADB;
12. The 'expert' nature of the ACT is an important factor in its success;

13. The informal networking activities within the ACT are valued highly by many participants;
14. Member economies believe that the ACT takes into account gender issues appropriately, though little evidence for this was provided. A recommendation addresses this issue;
15. The ACT is a new organisation, still bedding in in terms of its work programme and emphases. It may be at the point where a more strategic approach to its activities might be considered.

E List of Recommendations

The following are recommendations to be considered by the ACT and the wider APEC process:

1. That the ACT , building on the current assessment of ACT activities since 2005, should consider commissioning from within its membership for its next meeting a draft medium term strategy document, which lays out for a 3-5 year period the ACT's direction and deliverables. This document would include, inter alia:
 - a. A core, integrated work programme
 - b. An explicit statement of the actions to be undertaken to integrate ACT activities with those of other APEC fora, and with, in particular, the TILF agenda;
 - c. An explicit statement of the actions to be taken to integrate ACT activities with non-APEC agencies working in the same field, and, in particular, with the UNCAC process;
 - d. A commentary and recommendations on the appropriate institutional location and status of anti-corruption and transparency activities within the APEC process;
 - e. A quality management framework for the evaluation of ACT projects, reflecting the current APEC project evaluation requirements ;
 - f. A communication and dissemination strategy for ACT deliverables, over and above the established requirements laid down by APEC;
 - g. Any required revision of the ToR of the ACT which might follow from the adoption of a medium-term strategy;
2. That, notwithstanding the outcome of Recommendation 1, the ACT should:
 - a. Explore with other APEC fora, especially the CTI, Economic Committee and ABAC, the opportunity for joint projects and activities with the intention of grounding ACT expertise in important areas of APEC work such as regional and corporate governance, management capacity building in both public

and private sectors, and in Corporate Social Responsibility activities;

- b. Consider the idea of a joint workshop on collaborative work, to be attended by non-APEC agencies involved in anti-corruption and transparency activities. One aspect of this activity would be exploration of joint financing of projects and programmes. In doing this, the ACT may consider the feasibility of the ACT hosting, or facilitating, a summit of international agencies engaged in anti-corruption and transparency activities
3. That the ACT develops a communication and dissemination strategy, which brings its work to the attention of other interested parties with and beyond the APEC process. To this end, electronic means (for example, a wiki) might be considered;
4. That the ACT introduces and manages effectively deadlines for the circulation of documents before ACT meetings. These deadlines should, at a minimum, meet established APEC requirements for document circulation;
5. That the ACT continues with its structure of two annual meetings with associated activities, but ensures that the meeting agendas are orientated to substantive issues and discussion;
6. That the ACT continues with the 'troika' model of leadership, and that continuing emphasis is placed by the ACT's leadership on strategic direction and substantive deliverables;
7. That the ACT leadership sounds out member economies' views about the current status of the Task Force, with a view to assessing whether there is a considered consensus for an 'upgrading' of the status of ACT activities within the APEC process;
8. That the ACT considers the introduction of an induction programme for new members, immediately prior to each ACT meeting;
9. That the ACT considers the development of a project, seminar or other activity which explores the gender dimensions of anti-corruption and transparency. This may be undertaken in conjunction with the GFPN and/or other international agencies. The ACT should consider inviting a

GPFN representative to attend an ACT meeting to begin a dialogue around possible gender-based activities by the ACT.

APPENDIX 1

Terms of Reference for the Independent Evaluation of the Anti-Corruption and Transparency Experts' Task Force (ACT)

1. Review of ACT activities and assessment of their outcomes;
2. Evaluate how foras' activities can support the objectives of the Working Group and APEC;
3. Explore how fora can better take into account the APEC commitment to give gender greater consideration;
4. Assess the impact of the work program "on the ground" in APEC member economies;
5. Identify ways to develop synergies among the work of various fora;
6. Identify opportunities for greater collaboration with non-APEC parties, including the private sector, civil society and other international organizations.
7. Identify ways to tap resources for programs; opportunities to profile and share programs or projects;
8. Identify ways to strengthen the foras' strategic priorities and direction for future works.
9. Evaluate whether these fora are operating effectively and whether they should be merged with other fora or whether the ToR of various fora should be changed.
10. Finalize an array of recommendations on the above-mentioned areas.
11. Provide a draft report on initial findings, of no more than 30 pages, written clearly and containing robust analysis to be conveyed to the Project Overseer and the APEC Secretariat; the SCE and ACT members.
12. Analyse member economies' responses to the draft report on initial findings;
13. Present the final report employing a clear and diplomatic style of presentation;

14. To produce, present and distribute a final report on the independent assessment in a CD-ROM Format, after approval from the project overseer (the CD burning should be coordinated with the Project Overseer)."

The required process included:

- The submission of a detailed work plan to be agreed with the Project overseer;
- Consultation with the SCE chair, the Lead Shepherd(s) and members of the relevant fora, including any other fora that will be directly affected by the outcome of the review;
- Maintenance of contact with the chair and lead shepherd throughout the conduct of the study;
- Familiarity with other official and non-official assessments of APEC sectoral work;
- Close involvement with the APEC Secretariat staff
- The Review and evaluation of previous and current goals, objectives, and relevant work programs
- Attendance at relevant fora meetings and activities to gain a deeper understanding of APEC procedures and objectives
- Visits to, when it is possible, APEC member economies to meet with officials and other stakeholders involved in relevant fora programs;
- The conduct of a survey, if required, across APEC member economies for an extensive consultations with members;
- Quantification of the number of people affected, directly and indirectly, by relevant APEC programs;
- Evaluation of the cost effectiveness of select programs;
- Estimation of the sustainability and replicability of relevant programs; and
- Recommendations, as appropriate, in relation to best practices to assist the fora in improving the management and coordination of programs to effectively meet APEC's goals and objectives.

The intended audience for the assessment was:

- APEC Fora: Delegates to the SCE, BMC, ACT and other APEC fora
- High level decision makers: SOM, APEC's Foreign Affairs and Trade Ministers

The expectation was that the report would contain:

- Background information on the study;
- Detailed methodology;
- Quantitative assessment of the impact of ECOTECH activities in the sector of member economies;
- Identification of best practices in ECOTECH in the relevant area;
- Recommendations for improving the implementation of its project formulation, management and coordination in order to ensure APEC's ECOTECH programs have the greatest impact possible; and
- Recommendations for improving strategic priorities and direction, including the improvement in coordination with other APEC fora.

APPENDIX 2

Methodology

1. A Scoping Phase

- a. Initial contact with Project Overseer and lead Secretariat official
- b. Review of APEC webpage data on functions and outputs of the ACT⁵
- c. Consultation with SCE chair
- d. Consultation with ACT Chair
- e. Familiarisation with goals, objectives and implementation of ACT, placing such activities within the Leaders-Ministers-Senior Official framework and within the work of the SCE. The relevance of ACT to other APEC fora (for example, ABAC) was assessed in terms of subsequent data-gathering activities.
- f. Subsequent development and finalization of draft workplan in consultation with Project Overseer.

2. Data Gathering

- a. The anticipated primary data-gathering approach was based initially on an open-ended, semi-formal interview approach, applied in the August 2008 meeting of the ACT (the 6th meeting of the ACT).
- b. The interview schedule included inter alia the following issues:
 - i. Status and relevance of goals and objectives
 - ii. Relevance and usefulness of ACT outputs for member economies (including sustainability and replicability, and assessment of the 'reach' of such outputs

⁵ I have already reviewed the substance of APEC webpage: (http://aimp.apec.org/Documents/2008/ACT/ACT1/08_act1_011.doc)

- iii. The functioning of the ACT (for example, frequency and quality of meetings, information flows within the ACT, issues associated with leadership and direction, value involved in ACT networks, the extent of gender awareness and centrality within ACT activities)
 - iv. Quality of current evaluation procedures for ACT programmes and activities, including cost-effectiveness
 - v. Assessment of the extent to which 'best practice' is already in place in the ACT activities
- c. Subsequently, a short survey was circulated to member economies.

3. A Reporting Phase

- a. Preparation of a draft report, including:
 - i. Background information on the study;
 - ii. Detailed methodology;
 - iii. Quantitative assessment of the impact of ECOTECH activities in the sector of member economies;
 - iv. Identification of best practices in ECOTECH in the relevant area;
 - v. Recommendations for improving the implementation of its project formulation, management and coordination in order to ensure APEC's ECOTECH programs have the greatest impact possible; and
 - vi. Recommendations for improving strategic priorities and direction, including the improvement in coordination with other APEC fora.
- b. Subsequent to ACT and SCE commentaries, completion of a final report, fulfilling the prescribed contents requirements, presented at the February 2009 SCE...



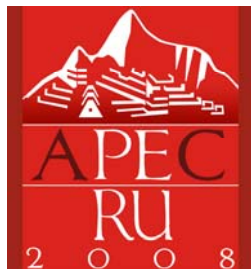
2005/SOM3/008

Agenda Item: 6

**Anti-Corruption and Transparency Experts Task Force Terms of Reference
(Revised)**

Purpose: Consideration

Submitted by: Chile, Korea, United States



Anti-Corruption and Transparency Task

Force

Lima, Peru

13-14 August 2008

APEC Anti-Corruption and Transparency Experts Task Force

Terms of Reference

1. Introduction

In Los Cabos in 2002 and in Bangkok in 2003, APEC Leaders committed to implement general and area-specific APEC Transparency Standards. In November 2004, APEC Leaders met in Santiago, Chile, and further acknowledged that corruption was a serious threat to good governance and deterred investment. They also agreed that APEC can make a difference by working together to fight corruption and ensure transparency, cutting the cost of corruption to their economies and create a culture of integrity and shared prosperity.

Accordingly, Leaders endorsed the *Santiago Commitment to Fight Corruption and Ensure Transparency* and the *APEC Course of Action on Fighting Corruption and Ensuring Transparency*, including the APEC anti-corruption initiative *From Santiago to Seoul*.

At SOM III in Santiago, Chile, Senior Officials approved a recommendation by APEC Anti-Corruption Experts and agreed to establish an Anti-Corruption Experts' Task Force to implement the *APEC Course of Action on Fighting Corruption and Ensuring Transparency* which was endorsed by Leaders.

Given the crosscutting nature of activities related to combating corruption and ensuring transparency there is a need for a procedural structure to promote and coordinate these activities within APEC. Furthermore, the global nature of corruption and the implementation of the punitive and preventive anticorruption policies and practices consistent with the United Nations Convention against Corruption require that APEC coordinate closely with other international activities, for which the Task Force would provide the single point of contact to promote and facilitate such interaction.

In line with APEC's key areas, the Task Force will concentrate, through enhanced public-private cooperation, on anti-corruption programs and initiatives more relevant for trade and investment liberalization and business facilitation in the APEC region.

2. Purpose

The purpose of the Task Force is to:

- Coordinate the implementation of the *Santiago Commitment to Fight Corruption and Ensure Transparency*, the *APEC Course of Action on Fighting Corruption and Ensuring Transparency* and the *APEC Transparency Standards*; including promoting cooperation in areas such as extraditions, legal assistance and judicial and law enforcement, especially asset forfeiture and recovery.
- *Pursue the implementation of the APEC Conduct Principles for Public Officials and the APEC Code of Conduct for Business, in the fight against bribery and facilitation payments.*
- *Promote programs and initiatives to increase the participation of the private sector in the development of anti-corruption policies within the State, as well as to enhance the support by governments of efforts for greater integrity within the private sector.*
- Develop innovative training, targeted capacity building and results oriented technical assistance to fight corruption and ensure transparency, in conjunction with the APEC Anticorruption and Transparency (ACT) capacity-building program;
- Intensify individual and joint actions to fight corruption and ensure transparency, including cooperation with other multilateral and regional intergovernmental institutions;
- Exchange information between anti-corruption experts on the implementation of domestic anti-corruption commitments and successful practices to fight corruption and enhance the transparency of public and private sectors.
- Cooperate with the international organizations, as appropriate, to implement the *APEC Course of Action on Fighting Corruption and Ensuring Transparency*;
- Facilitate cooperation between APEC fora, including the Finance Minister's Process and Committee on Trade and Investment and its

- relevant sub-fora on corruption issues and assist in making recommendations on proposals/projects to Senior Officials;
- Elaborate more specifically on actions outlined in Section VII of the APEC Course of Action

3. Structure

The Task Force will be open to anti corruption experts or their representatives from all interested APEC member economies, APEC Observers, and representatives from the APEC Secretariat and ABAC. The Task Force will be managed by a Chair and a Vice Chair, with support from the APEC Secretariat. The host APEC economy each year will become the Chair of the Task Force. The Task Force will have two Vice Chairs, one of whom will be from the following year's host economy [and the other from preceding host economy](#).

[This announcement of the chair designation will take place before the end of the calendar year to ensure the appropriate handover of the relevant information as well as a joint work plan proposal for the coming chairmanship.](#)

[The nomination of the vice chairs will relay on the Economy and this title won't necessary be attached to the person that the Economy will nominate or it nominated as ACT Chair in each host year.](#)

The Task Force will be supported at the working level by the 'Friends of the Chair'. Facilitating the work of the Task Force, the "Friends of the Chair" will provide recommendations to the Chair of the Task Force and help develop the work program intersessionally including the schedule of meetings, preparing the agenda for the meetings, [give frank advice on the discussion of issues](#) and the elaboration on the APEC Anticorruption Course of Action. The "Friends of the Chair", comprising of five to nine member economies, is represented by the Coordinator who will be nominated and respond at the request of the Chair of Task Force. ~~[The Coordinator for the Friends of the](#)~~

~~Chair group will serve for a two-year term to ensure stability and continuity of the work program.~~

The Friends of the Chair (FOTC) forum is composed by the outgoing and incoming chairs. The others FOTC shall be invited by the Chair.

An informal mechanism that provides a channel of communication between the outgoing and incoming chair at the end of the year including issues such as the drafting of the incoming work plan, determination of calendar of meetings and instruction for intersessional work.

4. Administration

The Task Force will meet, at least annually, in the margins of Senior Officials' Meetings. The first meeting will be held in the margins of the Third Senior Officials' Meeting in Gyeongju, Korea. The work of the Task Force will be reported to Senior Officials, and where appropriate, to Ministers and Leaders. The Task Force ~~will~~ have a ~~initial~~ term of three years. After the ~~initial~~ term (that expires in **May 2011**), SOM shall review the work of the Task Force and decide whether to extend its mandate.

APPENDIX 4

Proposed Work Plan and Concrete Deliverables for 2008 in response to Leaders/ Ministers/SOM Decisions and SCE Priorities

1.1. IMPLEMENTATION OF THE UNCAC IN RELATION WITH THE ANTICORRUPTION FIGHT AND TRANSPARENCY ISSUES

- o Encourage APEC member economies to implement the principles and dispositions of the UNCAC within the framework of their specific legislation. For this purpose, it is suggested that economies support the expansion of the Implementation Pilot Program developed by UNODC and consider participating in its activities.
- o Prepare a chart on the participation of the economies in different events, fora, conventions, etc., which contain commitments in the fight against corruption.
- o Cooperate with the ADB-OECD anticorruption initiative for the Asia Pacific Region, UNODC, the World Bank, Transparency International, the Global Forum on the Fight Against Corruption, and other regional and international organizations and initiatives dealing with anticorruption and transparency issues, in order to avoid interference in the roles and to create global anticorruption efforts.
- o Organize an APEC expert seminar on measures, practices and technical assistance needed to facilitate special international cooperation on asset recovery.
- o Develop means to promote the collaboration with APEC activities to strengthen regional cooperation on mutual legal assistance and to deny safe haven to officials guilty of corruption and illegally obtained assets

1.2. IMPROVING THE EFFECTIVENESS IN THE IMPLEMENTATION OF APEC ANTICORRUPTION COMMITMENTS

- o Encourage member economies to deliver annual progress reports with respect to their compliance with the Code of Conduct for Business, the Conduct Principles for Public Officials, the Complementary Anti-corruption Principles for the Public and Private Sectors and the Statement of actions for fighting corruption through improved legal cooperation.
- o In line with the Santiago Course of Action, organize an APEC Workshop in order to identify best practices and define benchmarks on the compliance with the above-mentioned APEC commitments.
- o Prompt a Peer Review mechanism to analyze the compliance with the contents of the Code of Conduct for Business, the Conduct Principles for Public Officials, the Complementary Anti-corruption Principles for the Public and Private Sectors and the Statement of actions for fighting corruption through improved legal cooperation.
- o Promote technical assistance mechanisms to improve the implementation of APEC anticorruption commitments.

1.3. CAPACITY BUILDING

- o Revise all capacity building efforts carried out by the Leaders with respect to anticorruption and transparency issues.
- o Prepare guidelines for capacity building activities related to the implementation of the Anticorruption Principles for the Public and Private Sectors in line with the “Code of Conduct for Business and Conduct Principles for Public Officials”
- o Prepare a chart containing the needs for Capacity Building based on the Matrix for Strategic Progress of the Santiago Course of Action prepared by the economies in 2007.

1.4. STRENGTHENING THE ANTICORRUPTION AND TRANSPARENCY TASK FORCE

- o Prepare an Executive Report of all documents (referring to meetings and workshop procedures)
- o Prepare and provide a consolidated report on the labor of the ACT Group since its formation and learnt lessons from 2005-2007 on.
- o Prepare an evaluation report on the progress of the ACT Group, prepared by each member economy in order to present an integral proposal strengthening the ACT Group.

2. ANTICIPATED ACTIVITIES AND/OR PROPOSED WORK PLAN WITH OUTSIDE ORGANIZATIONS IN RESPONSE TO MINISTERS' CALL FOR GREATER ENGAGEMENT WITH:

2.1. PROMOTING THE PARTICIPATION OF THE BUSINESS SECTOR AND CIVIL SOCIETY IN THE EFFORTS OF THE FIGHT AGAINST CORRUPTION

- o Promote access and participation of civil society organizations to the meetings of the ACT Group and other APEC efforts.
- o Divulge a report on the ACT group exchange and other materials in hard drive format, CD and web site.
- o Carry out divulgation and socialization campaigns on the codes of conduct for businessmen and public officials.
- o Collaborate with the ABAC and other stakeholders to promote efforts in the fight against corruption.
- o Share best practices in the fight against corruption and the promotion of transparency of society among private and public sectors in the fight against corruption and ensure transparency.

2.2. OTHER ORGANIZATIONS / STAKEHOLDERS

- o Further consider requests to formalize the Status of Guests of organizations that are not members of APEC and international NGO's, consistent with pertaining APEC rules and precedents.

- o Coordinate the work inside all APEC fora (i.e. the Commerce and Investment Committees, the Group of Acquisition Experts, to promote the implementation of APEC standards of transparency.
- o Explore joint partnerships, seminars and workshops with regional and other anticorruption follow-up mechanisms (OAS, Greco, OECD, etc).
- o Consider the co-hosting with the World Bank and UNODC of focused training workshops on asset recovery and related anticorruption areas.

3. IDENTIFY CROSS CUTTING ISSUES AND EXPLAIN HOW THEY WILL BE COORDINATED ACROSS FORA

- o Examine the cross cutting issues with the Small and Medium Enterprise Working Group in implementing the code of conduct of business.
- o Exchange ideas and information with the Economic Committee regarding administrative reform and other structural reform issues addressed by member economies. In relation with their transparency initiatives.
- o Explore areas a mutual interest between the ACT and the Gender Focal Point Network in order to address the gender factor in developing new projects and initiatives.

4. EXPECTED OUTCOMES/DELIVERABLES FOR 2008

- o 2008 deliverable paper to be tabled at the Senior Official Level which will include the annual progress report submitted by member economies.
- o APEC expert seminar on special international cooperation on asset recovery.
- o Guidelines for capacity building on APEC principles and codes of conduct.
- o Capacity building framework based on the member economies compilation matrix.

- o Workshop in order to identify best practices and define benchmarks on APEC principles and code of conducts
- o Development of a regular Peer Review Process to evaluate member economies progress in the implementation of the APEC principles and codes of conducts.

Independent Assessment of the Anti-Corruption and Transparency Expert Task Force

Survey

An independent assessment of APEC's Anti-Corruption and Transparency Expert Task Force (ACT) has been commissioned by the SOM Steering Committee on Ecotech (SCE). The assessment was begun at the August 2008 ACT meeting in Lima. This survey has been designed on the basis of material gathered at that meeting. The outcome of the assessment will be reported to the SCE in February, 2009.

The survey has been distributed to the lead agency and contact person for ACT in each member economy. Government agencies and personnel are busy, but please take time to complete and return this survey. It has been designed to be brief and should require no more than 30 minutes to complete, and in many cases, less time will be needed.

INFORMATION GATHERED IN THIS SURVEY WILL NOT BE REPORTED BY NAMED ECONOMY.

When completed it should be returned, by **Friday September 26th**, preferably as an e-mail attachment, to the assessor:

Professor Nigel Haworth
Department of Management and International Business
The University of Auckland
PO Box 92019,
Auckland, New Zealand

E-mail: n.haworth@auckland.ac.nz
Fax: (64 9) 373 7477

If you have any queries about this survey and its completion, they should be addressed to Professor Haworth at the e-mail address given above. Any queries about the Independent Assessment should be addressed to Luis Romero at the APEC Secretariat (E-mail: LR@apcc.org)

Survey

Question 1: Participation in ACT

- a) Does your economy participate in (tick appropriate box in table):

All activities of ACT	
Most activities	
Some activities	
Few or No activities	

Question 2: The Status of Anti-Corruption and Transparency Activities

- a) In general, how important are anti-corruption and transparency issues for your economy?:

Very important	
Quite important	
Of limited importance	

- b) Considering your economy's international activities in the anti-corruption and transparency area, how important is your work in ACT for these activities?:

Very important	
Quite important	
Of limited importance	

c) Assessing the **Workplan** of ACT, does the general focus of ACT's activities meet your expectations?:

Yes	
No	
Not sure	

d) Has your economy identified areas of work **NOT** currently in the ACT Workplan, which should be included in the future?:

Yes	
No	

If you answered **Yes** to the previous question, please provide details of possible new areas for ACT activity:

e) Does the Workplan of ACT pay sufficient attention to gender issues?:

:

Yes	
No	
Not sure	

Comments

Question 3: Task Force Dynamics

- a) Thinking about ACT's current meeting schedule (two meetings annually), are meetings:

Frequent enough	
Too frequent	
Not frequent enough	

If your economy believes that ACT meetings are **TOO FREQUENT**, please explain why:

- b) Is the usual ACT meeting structure (a business meeting accompanied by a seminar or other substantive activity) effective?:

Yes	
No	

If you answered **NO** to the previous question, please suggest what alternative structure is desirable:

c) Does your economy support the current ACT arrangements for chairing its activities (the model of the chair appointed annually from the lead APEC economy)?

Yes	
No	

If you answered **NO** to the previous question, please suggest what alternative arrangement is desirable:

d) Do the ACT's internal communications (for example, circulation of meeting documents, project proposals and required documentation) work effectively?:

Yes	
No	

If you answered **NO** to the previous question, please provide examples to illustrate your view:

e) Do you think that ACT makes good use of its networks with external (non-APEC) agencies working in similar areas:

Often	
Sometimes	
Rarely	

Question 4: Outputs and Deliverables

a) Does the **quality** of ACT outputs meet your expectations?:

Always	
Often	
Sometimes	
Rarely	

Can you identify **up to 3** ACT outputs, which you believe meet high quality standards?

Yes	
No	

If you answered **YES** to the previous question, please provide details:

Can you identify **up to 3** ACT outputs, which you believe **DO NOT** meet high quality standards?:

Yes	
No	

If you answered **YES** to the previous question, please provide examples:

b) Can you identify new measures or activities undertaken in your economy as a result of ACT outputs, or examples of existing measures or activities amended or developed as a result of ACT outputs?:

Yes	
No	

If you answered **YES** to the previous question, please provide examples, including any available **financial** implications of such changes:

Thank you.

When completed, this survey should be returned, preferably as an e-mail attachment, to the assessor:

Professor Nigel Haworth
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The University of Auckland
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Auckland, New Zealand

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