



3 Ways to Fight Corruption

Mathias Huter

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Vienna University of Economics and Business (WU Wien)

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Overview

- Introduction of the UNCAC Coalition
- Introduction to the UN Convention against Corruption

3 ways to fight corruption and the harm it causes:

- 1) Ending Opaque Company Ownership
- 2) Making Public Contracting Truly Public
- 3) Returning Stolen Assets to Repair Damages Caused by Corruption

About the UNCAC Coalition

- Global civil society network of over [140 CSOs, individual members and an additional 200+ groups in its wider network](#) in more than 100 countries
- Our role:
 - To advance the implementation and monitoring of the [UN Convention against Corruption \(UNCAC\)](#);
 - Facilitate and support civil society participation around UNCAC fora, including national review mechanism
 - Raise the bar of the international anti-corruption framework, address gaps in the legal framework and its implementation
 - Support networking and peer-learning of CSOs to advance anti-corruption efforts

The UNCAC – Introduction

- Only binding, comprehensive global anti-corruption treaty
- Adopted by the UN GA in October 2003
- Entered into force in December 2005
 - UNODC in Vienna serves as Secretariat

UNCAC covers

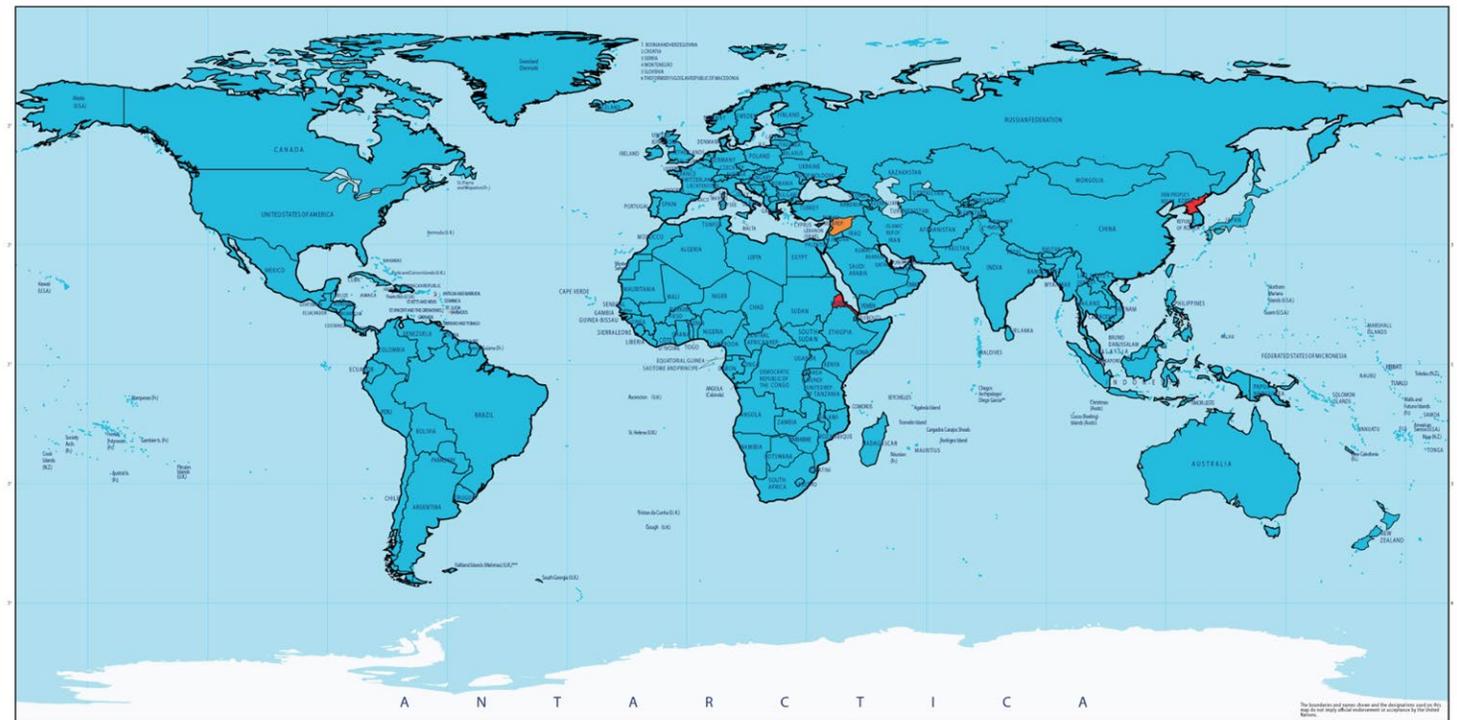
- criminalization of corruption (it defines specific offenses)
- prevention of corruption
- international cooperation
- technical assistance
- asset recovery

Ratification of the UNCAC

Only global anti-corruption instrument

- 189 Parties
 - 188 States & EU
- Missing:
 - Andorra,
 - Barbados (Signatory),
 - Eritrea,
 - Monaco, North Korea,
 - Saint Kitts and Nevis,
 - Saint Vincent and the Grenadines,
 - San Marino,
 - Syria (Signatory)

Signature and Ratification Status



The UNCAC – Introduction

- Some overlap with regional Anti-Corruption Conventions (Council of Europe, Organisation of American States, African Union) and other mechanisms (UNTOC, FATF, OECD Anti-Bribery Convention)
- Other fora where anti-corruption commitments are made:
 - UNGASS against Corruption, G7, G20, Open Government Partnership, Summit for Democracy (U.S., 2021/22)

1) Ending Opaque Company Ownership

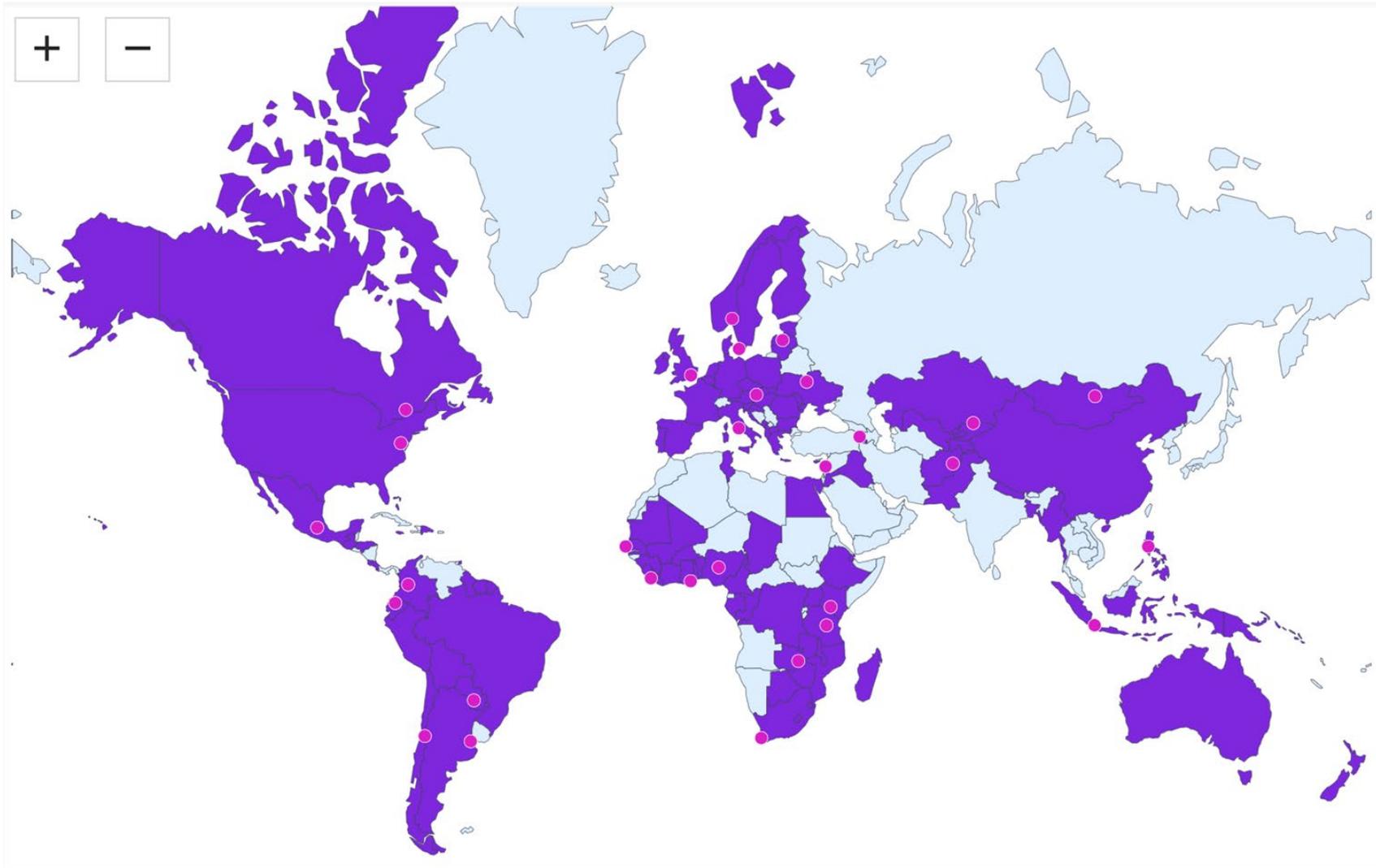
Beneficial Ownership Transparency:

- To ensure that corrupt individuals cannot hide behind anonymous shell companies and complex corporate structures any more
- States establish freely accessible central registries with accurate (verified) and timely BO information
- Enables law enforcement (domestic and foreign), businesses, journalists and civil society to understand who the ultimate owners of a company, trust or foundation are (not the direct owners of a company).

Beneficial Ownership Transparency

- Reduces cost of doing business
- Many countries are fully committed to implementing BO transparency
- UK was first mover in 2016: created a freely accessible public [registry of beneficial owners](#)
 - UK gov estimates GBP 1-3bn estimated total benefit created by freely accessible public register (GBP 2,000 per user)
- EU standard (4th AML Directive: Central registries; 5th AML Directive: Public access)

Beneficial Ownership Transparency

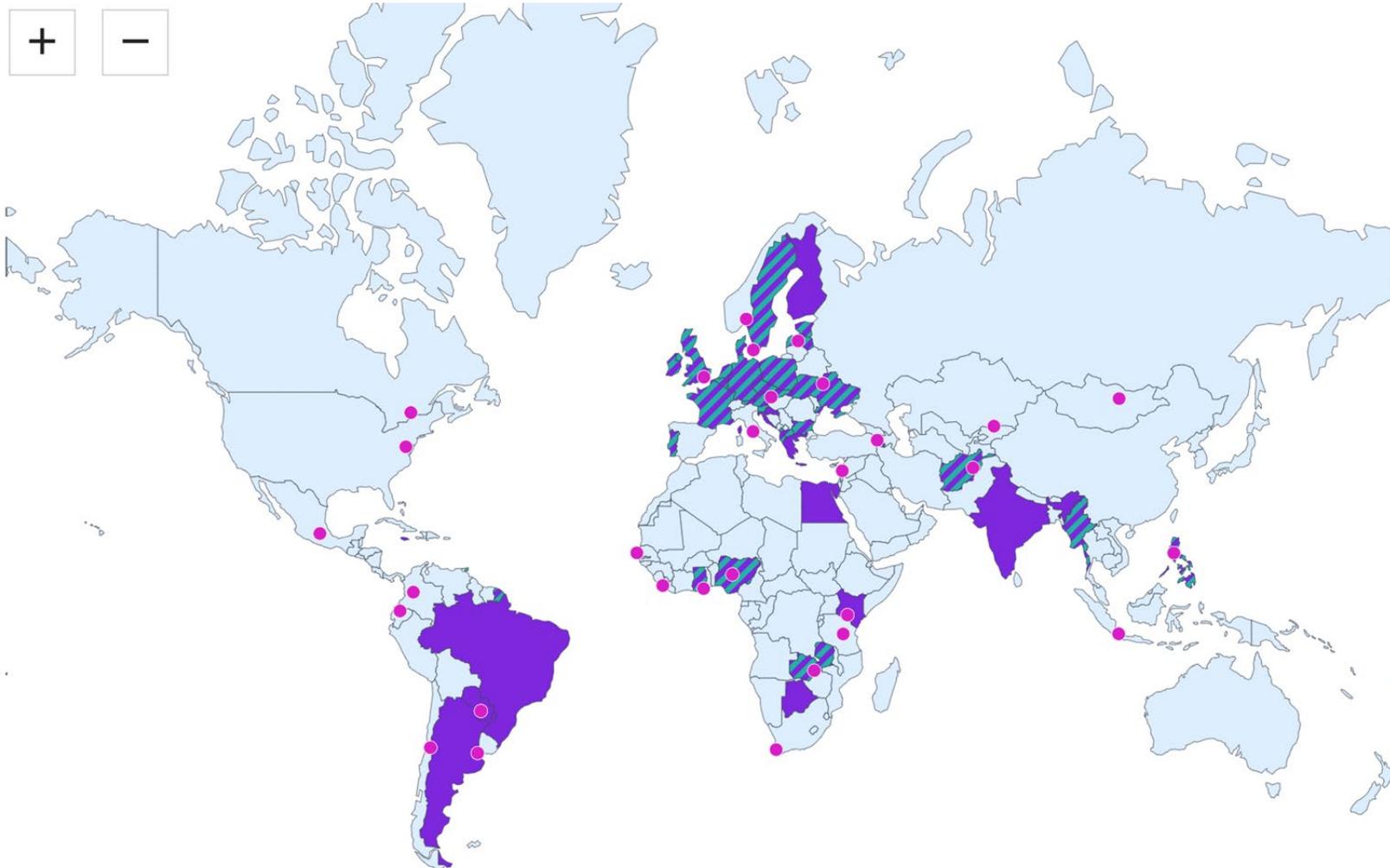


 **Commitment to BOT**

-  Central Register (117)
-  Public Register (105)
-  Countries where Open Ownership is engaged (31)

<https://www.openownership.org/en/map/>

Beneficial Ownership Transparency



 Implementation of BOT

 Central Register (38)

 Public Register (30)

<https://www.openownership.org/en/map/>

2) Making Public Contracting Truly Public

#1 GOVERNMENT
CORRUPTION RISK

57% FOREIGN BRIBERY
CASES
FOR PUBLIC CONTRACTS

40% SPENDING, SIGN OFF &
APPROVAL UNDEFINED
(OECD 2012)

Public Procurement

Entrance hallway of the Georgian State Procurement Agency, 2010

E-procurement reforms using
“Radical transparency” approach



Tender Registration Number
Procuring entities
Supplier
Supplier
Tender proceeding status
Tender type
Procuring category
CPV codes
CPV CPV (ENG)
Date registration date
Estimated value of procurement (from/up to)

SEARCH Reset

Back

SPA130026268 Tender documentation Offers Result

Refresh Technical Documentation

Prime time trading results

Bidder	Offered Amount	Date
Entry Point Notrh AB	1'120'000.00	22.12.2013 23:17
Air Navigation Services of the Czech Republic	1'120'000.00	19.12.2013 19:14
ENAC	1'120'000.00	23.12.2013 14:31
Servicios y Estudios para la Navegación Aérea y la Seguridad Aeronáutica, S.A. (SENASA)	1'050'000.00	23.12.2013 14:55

1st round of trade

Start	End	Bidder	Amount
23/12 15:05	23/12 15:07	ENAC	1'120'000.00
23/12 15:07	23/12 15:09	Entry Point Notrh AB	1'049'000.00
23/12 15:09	23/12 15:11	Air Navigation Services of the Czech Republic	1'048'000.00
23/12 15:11	23/12 15:13	Servicios y Estudios para la Navegación Aérea y la Seguridad Aeronáutica, S.A. (SENASA)	1'040'000.00

2nd round of trade

Start	End	Bidder	Amount
23/12 15:15	23/12 15:17	ENAC	1'120'000.00
23/12 15:17	23/12 15:19	Entry Point Notrh AB	1'027'000.00
23/12 15:19	23/12 15:21	Air Navigation Services of the Czech Republic	1'030'000.00
23/12 15:21	23/12 15:23	Servicios y Estudios para la Navegación Aérea y la Seguridad Aeronáutica, S.A. (SENASA)	1'026'000.00

3rd round of trade

Start	End	Bidder	Amount
23/12 15:25	23/12 15:27	ENAC	1'120'000.00
23/12 15:27	23/12 15:29	Air Navigation Services of the Czech Republic	1'011'000.00
23/12 15:29	23/12 15:31	Entry Point Notrh AB	998'900.00
23/12 15:31	23/12 15:33	Servicios y Estudios para la Navegación Aérea y la Seguridad Aeronáutica, S.A. (SENASA)	998'500.00

Bidder	Last Offer Amount/Date	First Offer Amount/Date	Offers
ENAC	1'120'000.00 23.12.2013 14:31	1'120'000.00 23.12.2013 14:31	[1] 5 აბჯა
Air Navigation Services of the Czech Republic	1'011'000.00	1'120'000.00	[4] 5 აბჯა

Tender Registration Number
 Procuring entities
 Supplier
 დონორი
 Tender proceeding status
 Tender type
 Procuring category
 CPV codes
 CPV CPV (ENG)
 Date
 registration date
 Estimated value of procurement (from/up to)
 SEARCH Reset

SPA130026268_SENASA_DocDocuCarCA_English.pdf	10.01.2014 12:13 :: Antonio Bonilla Delgado
SPA130026268_SENASA_UnitPrice_English.pdf	10.01.2014 12:13 :: Antonio Bonilla Delgado
SPA130026268_SENASA_UnitPrice_Georgian.pdf	10.01.2014 12:14 :: Antonio Bonilla Delgado
SPA130026268_ინტერესტ კონკლუდენტის ხელწერილი.pdf	13.01.2014 16:45 :: gocha nadiradze
SPA130026268_ტქში # 4.pdf	13.01.2014 16:46 :: gocha nadiradze
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SPA130026268_invitation for concluding Contract.pdf	13.01.2014 16:46 :: gocha nadiradze
SPA130026268_ტქში # 5.pdf	27.01.2014 16:24 :: gocha nadiradze
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SPA130026268_prolonging term for Contract concluding.pdf	27.01.2014 16:24 :: gocha nadiradze
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SPA130026268_Annex 2 part I Sakaeronavigatsia+Senasa.pdf	07.02.2014 15:41 :: gocha nadiradze
SPA130026268_Annex 2 part II Sakaeronavigatsia+Senasa.pdf	07.02.2014 15:41 :: gocha nadiradze
SPA130026268_Annex 3 Sakaeronavigatsia+Senasa.pdf	07.02.2014 15:42 :: gocha nadiradze

Agreement

Servicios y Estudios para la Navegación Aérea y la Seguridad Aeronáutica, S.A. (SENASA)
 No./Amount: Nmoms/22/01/14 / 425890.38 GEL
 Contract validity: 29.01.2014 - 31.12.2015
 07.02.2014 15:42

Correction of a mistake in the contract

Update 1
 No./Amount: Nmoms/22/01/14 / 425890.38 EUR
 Contract validity: 29.01.2014 - 31.12.2015
 10.03.2014 11:07

Contract modification

Update 1
 No./Amount: Nmoms/22/01/14 / 425890.38 GEL
 Contract validity: 29.01.2014 - 31.12.2015
 06.03.2014 13:54

Contracts Management R

CMR #

Contract status

Procuring entities
საქართველოს საეკონომიკური განვითარების სამსახური

Supplier (Code)

Supplier (Name)

Procurement Type

Procuring category

CPV codes

CPV

Date (from/up to)

Estimated value of procurement (from/up to)

SEARCH Reset



LA COCINA TRADICIONAL SEGOVIANA DE HOY



José María

RESTAURANTE

Cornista Leona, 11
(junto a Plaza Mayor)
40001 Segovia
Reservar: 921 461 111 ☎ 921 466 017
reservas@restaurantejosemaria.com
www.restaurantejosemaria.com

RESTAURANTE JOSÉ MARÍA, S.L.U. | CIF: B-40129449

(COPIA DE RECIBO)

Bankia

MESON JOSE MARIA
SEGOVIA
COMERCIO: 000966044 TPV: 00021098798
APLIC: A000000001010
BUSINESS
*****8896
POLOLIKASHVILI TURAB
CHIP
Tran 00190 Sec 01

VENTA
Aut: 500763 Op: 000076
Resp: 00
Fecha: 04/02/17 Hora: 17:50

176,13 EUR

De quitamos condiciones
solo con sus ingresos
domiciliados en Bankia
Infórmate en tu oficina
y en bankia.es

Nº Factura 3583

Fecha 04/02/2017

Mesa 01

Uni.	Descripción	Precio	Total
1	PROBADILLA DE MATANZA	14,55	14,55
1	1/2 MOLLEJAS DE CORDERO LECHAL	11,23	11,23
1	CHORIZO DE LA OLLA "IGP CANTIMPALOS" 1/2	4,55	4,55
3	COCHINILLO ASADO	23,63	70,89
6	PAN	1,57	9,42
1	BOTELLA PAGO DE CARRAOVEJAS AUTOR	17,63	17,63
1	ZUMO DE NARANA NATURAL	2,80	2,80
1	REFRESCOS VARIOS	2,36	2,36
1	AGUA BEZOYA 1 LITRO	2,60	2,60
1	JUDIONES DEL REAL SITIO	10,00	10,00
1	NUESTRO BIZCOCHO EN BROWNIE	5,45	5,45
1	NUESTRA TARTA "PONCHE DE SEGOVIA"	6,82	6,82
1	CAFE E INFUSIONES	1,82	1,82

Base imponible 160,12

IVA 10 % 16,01

TOTAL FACTURA 176,13 €

CMR170064

176.13

176.13

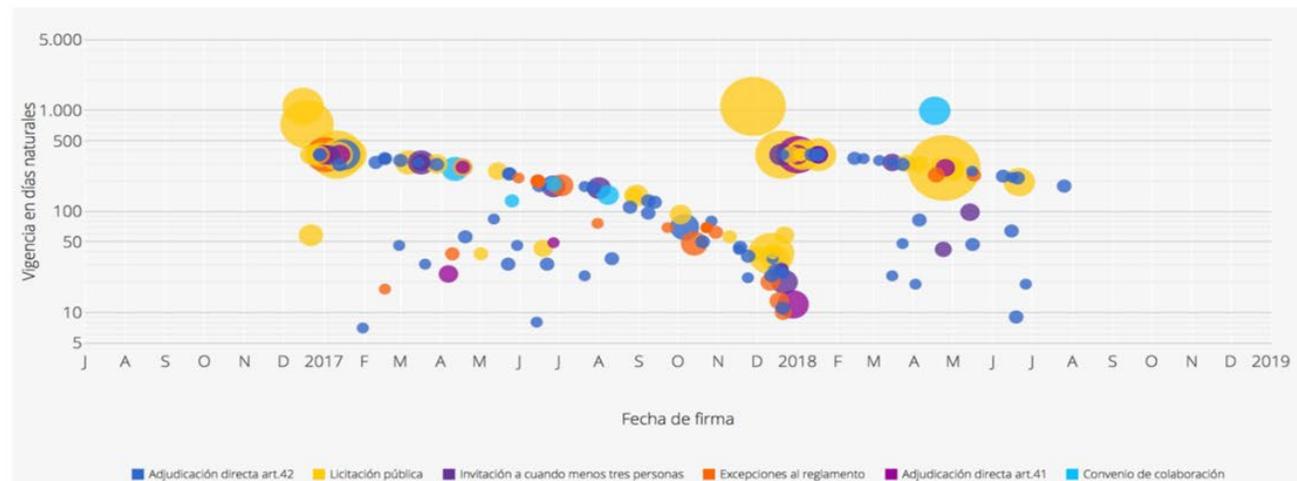
Valid: 04.02.2017 - 04.02.2017

08.03.2017

3. Proactive, timely disclosure creates highly valuable insights for government

Contrataciones en el tiempo (histórico)

Visualiza las contrataciones por procedimiento, vigencia, fecha de firma y monto.



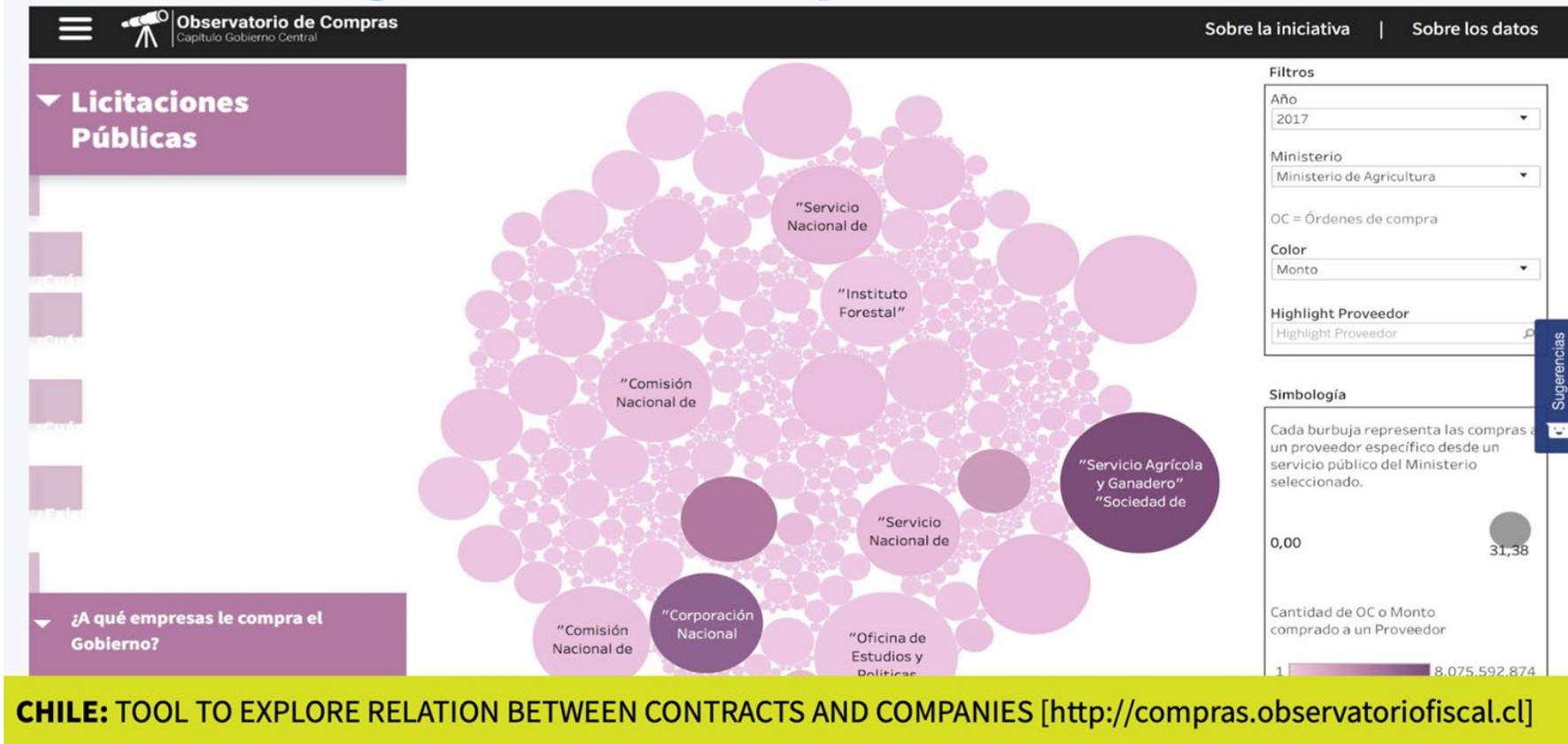
MEXICO

VISUALIZES CONTRACTS BY TYPE, TIME FRAME, DATE SIGNED, AMOUNT

<http://contratacionesabiertas.inai.org.mx/contratacionesabiertas/contratos/>

Open Contracting Partnership – <https://www.open-contracting.org/>

4. Multistakeholder engagement strengthens monitoring & market competition



CHILE: TOOL TO EXPLORE RELATION BETWEEN CONTRACTS AND COMPANIES [http://compras.observatoriodfiscal.cl]

Open Contracting Partnership –
<https://www.open-contracting.org/>

5. Linking open contracting data to other data sources improves broader anticorruption efforts



Beneficial
ownership &
company data



Land registry
data



Natural
resource data

Open Contracting Partnership –
<https://www.open-contracting.org/>

Transparent Public Procurement

Impact when Public Procurement is done right:

- up to 20% savings on the overall procurement value (World Bank)
 - About 30% of government spending (USD 9.5+ trillion/year)
- Georgia: estimated USD 400 millions saved within 5 years
 - Cost of initial procurement system reform was under 1 million USD
- Slovakia: state contracts not in force until published online since 2011: average number of bidders doubled within 3 years; single-bidder tenders plummeted ([TI Slovakia](#))
- Ukraine: CSO-developed procurement portal [ProZorro](#) has saved them 6bn USD so far

3) Returning Stolen Assets to Repair Damages Caused by Corruption



- To ensure stolen assets are returned to the country of origin in an accountable and transparent manner
 - Used to compensate the victims of corruption and benefit the country's development
- Only a tiny percentage of the estimated USD 400 bn of proceeds of corruption has been recovered and returned in the last 10 years
- Need to increase and advance asset recovery
 - Only few States return assets in several cases, incl.: CH, USA, UK; F starting
- Role for civil society (legal standing in court, monitoring of the return process)

Asset Recovery

- Refers to the process by which the proceeds of corruption transferred abroad are recovered and repatriated to the country from which they were taken or to their rightful owners
- UNCAC was the first international instrument to explicitly address recovery and the return of proceeds of crime located in another country
 - Provides the legal basis for international asset recovery
- States shall afford one another the widest measure of cooperation and assistance in the return of assets (UNCAC Art. 51)

Asset Recovery – technical details



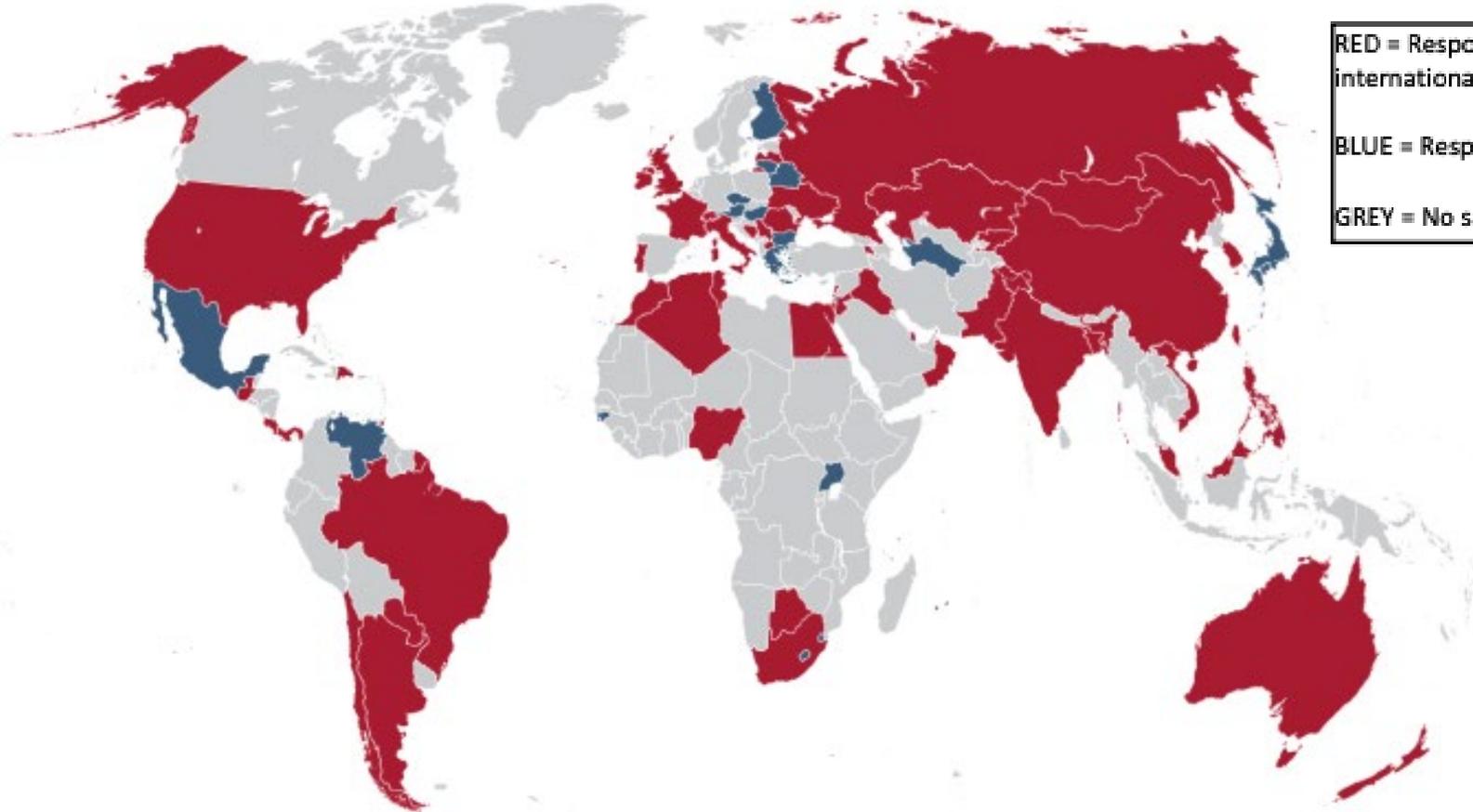
- UNCAC compels states to return proceeds of corruption to a requesting state if certain conditions hold:
 - in the case of embezzlement of public funds, when a final judgment in the state requesting the return exists, return of confiscated assets is obligatory
- For other corruption offenses (incl. bribery): if there is a final judgment in the state requesting the return, confiscated assets shall be returned on the basis of the state requesting the return proving prior ownership or on the basis of recognition of damages caused to a requesting state

Asset Recovery – technical details

- Asset recovery and return process can take many different forms:
 - Depending on the corruption offense
 - Who initiated the return process, and how
 - Criminal conviction or non-conviction (civil process)
 - Available legal mechanisms in destination country to constrain assets
 - Who was harmed by the corruption (State or others)

Slow progress in Asset Recovery

States that have been involved in cross-border asset recovery efforts



RED = Responded & reported involvement in at least one international AR case since 2010 (freeze/confiscation/return)
BLUE = Responded & did not report involvement in any cases
GREY = No survey response received

StAR: Mapping international recoveries and returns of stolen assets under UNCAC

https://www.unodc.org/documents/treaties/UNCAC/COSP/session9/CAC-COSP-2021-CRP.12_E.pdf, p.9<

Slow progress in Asset Recovery

- Cases reported by countries since 2010:

StAR: Mapping international recoveries and returns of stolen assets under UNCAC – https://www.unodc.org/documents/treaties/UNCAC/COSP/session9/CA-C-COSP-2021-CRP.12_E.pdf, p.14

Reporting Country	No of Cases Reported
Nigeria	19
USA	11
Malaysia	6
Latvia Singapore South Africa South Korea Tunisia	5
Russian Federation United Kingdom	4
Australia Bangladesh Brazil India Lebanon Switzerland ²⁵	3

Reporting Country	No of Cases Reported
USA	7
United Kingdom Brunei	5
Italy Latvia China (incl. Hong Kong SAR and Macao SAR)	4
Australia Liechtenstein	3
Nigeria South Africa South Korea	2

Key observations

- Not many international asset recovery cases
- No two asset recovery cases are the same
- Cases take many years to process and resolve – highly complex!
 - Different languages, procedures, judicial systems, capacity challenges in the administration, unclear competences, channels of communication with competent authorities in other countries
- In several prominent cases, there is no final conviction in the country of origin
 - Corrupt individual / leader died (Nigeria – Abacha loots)
 - Corrupt leader and family is still in power (Equatorial Guinea – Obiang)

Key observations

- How to ensure that returned assets are not re-looted
 - GFAR Principles provide important guidance
- Unconditional return vs conditionality
- Limited public information on asset recovery cases
- Role of civil society in the process is crucial
- Compensation of victims of corruption

In case you have any questions, please feel free reach out:

Mathias Huter –
mathias.huter@uncaccoalition.org



Thank you

8th Economic Development Days – May 2022

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