

Plenary short report

Title of Plenary Session:

Strengthening Global Action for an Accountable Corporate World

Panellists:

Mary Boakye, Africa Financial Markets group head, SNR Denton

Richard Boucher, Deputy Secretary General, Organisation for Economic Co-operation and Development

Minister Idris Jala, Minister in the Malaysian Prime Minister's Office and CEO of the Performance Management and Delivery Unit

Mark F. Mendelsohn, former Deputy Chief, Fraud Section, Criminal Division, U.S. Department of Justice

Homer Moyer, Chair, International Bar Association Anti-Corruption Group

Moderator:

Timothy Large, Editor, Thompson Reuters Foundation

Rapporteur:

Farzana Nawaz, Programme Coordinator, Transparency International

Summary (300 words)

Experts agree that corruption had a vital role to play in exacerbating the financial crisis and this was recognised in the strong commitment made by the G20 leaders in their 9 point Anti-Corruption Action Plan at the Seoul summit on November 12. This very timely plenary on strengthening corporate governance and increasing accountability in the corporate world brought together some of the leading figures from a diverse array of perspectives – from lawyers and business leaders to government ministers and representatives of intergovernmental organizations. The session was moderated by journalist Timothy Large of the Thompson Reuters Foundation.

Summary of presentations (300 words per panellist)

Richard Boucher, Deputy Secretary General of the Organisation for Economic Cooperation and Development kicked off the session by highlighting two vital components to developing a strong corporate governance regime to combat corruption – the need to include stakeholders from different sectors and the need to focus on specific actions that corporations can take.

Minister Idris Jala from the Malaysian Prime Minister’s Office detailed his experience from heading the Malaysian Anti-Corruption Commission which has been one of the models in the region in implementing anti-corruption measures such as sound whistleblower protection legislation, establishing 18 new corruption courts and creation of a web portal to name and shame offenders.

Mark Mendelsohn, former deputy chief of the fraud section in the criminal division of the U.S. department of justice, stressed the importance of looking at enforcement and compliance as two sides of the same coin.

Homer Moyer, Chair of the Anti-Corruption Group at the International Bar Association charted out the various incentives that businesses have to resist corruption. These can include: commitment to ethical business practices, compliance with laws, reduction of risks (e.g. potential linkages with international organised crime), pro-actively avoiding costs of independent investigations and expensive remediation, fear of debarment and avoiding loss of shareholder value. New trends such as extraterritorial reach of anti-corruption laws and individual liability of corporate leaders are also powerful deterrents.

Mary Boakye stressed the fact that Africa is a diverse continent with many differences between the countries and there is still plenty of opportunity to bring in anti-corruption measures that have a high chance of success.

The presentations from the panellists were followed by a spirited **question and answer period**. Audience members raised a wide range of questions, which included the best measures to protect the independence of anti-corruption agencies, protecting agencies against state capture and tackling cases of transnational corruption.

Main Outputs / Quotes

“Corruption can be an overwhelming word, therefore, we need to focus on specific actions that companies can take.” – Richard Boucher

“Rome was not built in one day, it is essential that we stay absolutely focussed in the fight against corruption”. - Minister Idris Jala

“If most companies are complying [with anti-corruption norms and laws] then we have reached the tipping point where compliance will be the norm and not the exception.” – Homer Moyer

“Having specialised resources devoted to the fight against corruption pays significant dividends.” - Mark Mendelsson

“You cannot create laws in a vacuum. There is a great need for [developed country governments to work with developing country governments] in drafting these laws.” - Mary Boakye

Recommendations, follow-up Actions (200 words narrative form)

The panellists highlighted the need to involve different stakeholders, such as public officials, civil society and the media, in addition to businesses, to ensure effective corporate action to combat corruption. They recommended that the private sector should be consulted in formulating corporate compliance mechanisms.

A multitude of different measures need to work in conjunction to ensure corporate compliance. It was recommended that voluntary and enforced compliance mechanisms be applied simultaneously to incentivise the development of good corporate culture against corruption. Corporate standards should also be extended to third parties that companies do business with.

It was recommended that awareness and enforcement of international conventions such as the UNCAC and the OECD convention against bribery be increased. The panellists pointed out that international cooperation between officials is also of crucial importance in transnational bribery cases.

Finally, the panellists stressed that in corporations the tone needs to be set from the top and be backed by enforcement, for example, by disciplining errant directors and managers if necessary.

Highlights (200 words please include interesting quotes)

Signed, date:

Farzana Nawaz
