

The UNGASS 2021: Advancing the global anti-corruption agenda

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The UNCAC Coalition is a global network of more than 300 civil society organizations committed to advancing the monitoring and implementation of the UN Convention against Corruption (UNCAC), the sole global binding anti-corruption mechanism. The Coalition is based in Vienna, Austria, and works to facilitate civil society involvement in UNCAC fora and support CSOs that are contributing to the UNCAC implementation review in their country.

A concerted effort of governments with a strong involvement of civil society is needed to advance anti-corruption efforts on the global as well as on the regional and national level. The first-ever UN General Assembly Special Session (UNGASS) against corruption, which will take place in New York in June 2021, provides an important window of opportunity for the international community to make substantive progress in efforts to prevent corruption, investigate and hold those accountable responsible for corruption, and in recovering and returning assets stolen through corruption. Effectively tackling corruption is essential to reaching the targets of the Sustainable Development Goals.

Member States now need to commit to bold actions in order to tackle the corruption challenges we face around the world, which are further exacerbated by corruption risks linked to the Covid-19 response.

We have identified the following priorities where we expect governments to make substantive progress at the UNGASS 2021:¹

- **Transparency of company ownership:** The direct and ultimate owners of companies and other legal entities need to be recorded in national registries that are freely accessible to the public online. This public access would not only facilitate domestic and international investigations – it would only take an investigator minutes to establish who is behind a specific company or entity, rather than it taking several months through a mutual legal assistance request. It would also empower government bodies and the private sector to conduct effective due diligence and easily establish whom they are doing business with. Furthermore, it would allow the public, including journalists and non-governmental organizations, to establish, for example, who controls legal entities that benefit from State contracts. The global standards we currently have through the Financial Action Task Force (FATF) are insufficient to ensure adequate transparency. EU Member States have recently introduced such public beneficial ownership registries through the implementation of the 5th EU Anti-Money Laundering Directive²; the UK has found that up to three billion GBP in public benefit are created by public access to the beneficial ownership information each year.³

¹ Detailed written contributions of the UNCAC Coalition and numerous other civil society organizations to the UNGASS are available at <https://ungass2021.unodc.org/ungass2021/en/contributionsStakeholders.html>.

² See: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018L0843&from=EN>.

³ Gov.uk (2019): New report estimates value of Companies House data at up to £3 billion per year, <https://www.gov.uk/government/news/new-report-estimates-value-of-companies-house-data-at-up-to-3-billion-per-year>.

- **Public procurement transparency:** Ensuring a high level of transparency throughout all stages will deliver large economic and social benefits: the World Bank estimates that up to 20 per cent of the overall procurement volume can be saved when countries move from a paper-based procurement system to a digital and transparent one.⁴ Many countries have been piloting efforts to make information on public contracting easily accessible to the public, including by applying the Open Contracting Data Standard. Now, as countries around the world are facing an economic crisis and scarce resources due to the Covid-19 pandemic, it is more important than ever to scale good practices, including mechanisms facilitating monitoring by civil society, and by implementing mandatory online transparency of contracting information in easily accessible formats. There are numerous good practise cases to learn from that have demonstrated the impact of transparency against waste, fraud and corruption, such as Georgia's and Ukraine's procurement portals, and Slovakia's model of requiring the full publication of a government contract online for it to be enforceable.⁵
- **Access to information:** Effective and timely citizen access to information held by state bodies is essential to prevent and detect corruption. States should thus commit to establishing or improving comprehensive access to information frameworks, recognizing the right to information, and set up independent authorities to facilitate and oversee the implementation of access to information provisions. There is also a need to advance the active publication of information to improve the transparency of government decisions and actions. This includes information on the budgeting process and the use of public funds and resources, to the award of grants, contracts and other State aid, as well as access to declarations of assets and interests of public officials. Tailored transparency and accountability provisions are also needed to tackle corruption risks around the financing of political parties and electoral campaigns and ensure the integrity of electoral processes.
- **Whistleblower protection:** Too often, those working to uncover corruption end up being persecuted, prosecuted and attacked, including journalists, government investigators, civil society activists as well as witnesses of corruption and whistleblowers. Comprehensive and effective frameworks to protect witnesses of corruption and whistleblowers are urgently needed to effectively uncover and investigate corruption and wrongdoing in the public sector, the private sector and within international organizations.
- **Advancing asset recovery:** The UN Convention against Corruption (UNCAC) contains the principle that countries are entitled to have stolen assets returned to them. In practice, only a small fraction of the many billions of dollars stolen each year through corruption and moved abroad is recovered by other States and returned the country of origin. Only a few countries of the global North so far are returning assets on a substantive scale. In order to meet the Sustainable Development Goals, we need to see a strong increase in asset recovery – and a return of those assets in a transparent and accountable manner, based on the GFAR principles.⁶ Civil society should be involved in the various stages of the process

⁴ World Bank (2017): Benchmarking Public Procurement, p. 28, <http://documents1.worldbank.org/curated/en/121001523554026106/Benchmarking-Public-Procurement-2017-Assessing-Public-Procurement-Regulatory-Systems-in-180-Economies.pdf>.

⁵ See: Ukraine's public procurement platform Prozorro: <https://prozorro.gov.ua/en>; TI Slovakia (2015): Not in Force Until Published Online – What the Radical Transparency Regime of Public Contracted Achieved in Slovakia, <https://www.transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf>.

⁶ See: GFAR Principles for Disposition and Transfer of Confiscated Stolen Assets in Corruption Cases, <https://star.worldbank.org/sites/star/files/the-gfar-principles.pdf>.

to help ensure that the funds are used to the benefit of the people, in particular, to repair the damage caused by corruption and to support its victims.

- **UNCAC review process:** To advance the implementation of the UN Convention against Corruption and the commitments the 187 States Parties to the Convention have made, we need an effective, transparent and inclusive process to review its implementation on the national level. The current review mechanism does not ensure adequate openness: the key documents of the review – the self-assessment filled out by the government under review, and the full country report – do not have to be made public and too often remain secret. Furthermore, governments are not obliged to involve non-governmental stakeholders, including civil society in the review process – even though many countries do so voluntarily. Also, there is no mandatory follow-up process that revisits the findings and recommendations made in previous cycles of the review process. 27 countries have already voluntarily committed to higher standards of transparency and openness in the UNCAC implementation review by signing the UNCAC Coalition's Transparency Pledge.⁷

It is evident that we need to advance discussions about how we can close gaps in the current international anti-corruption framework, establish or strengthen the mechanisms necessary to ensure effective international cooperation, including to end the impunity of powerful individuals in large-scale corruption cases and remove roadblocks that slow down asset recovery.

In all those discussions, civil society should have a seat on the table alongside other stakeholders, be able to contribute its expertise and share good practice. The Friends of Governance for Sustainable Development demonstrate what effective and constructive cooperation between governmental and non-governmental stakeholders can look like, that we need to see more of this inclusive spirit in anti-corruption fora such as the UNCAC and the UNGASS 2021. Only with a truly concerted effort and bold new approaches, we will be able to jointly make progress in tackling corruption and the disastrous impact it has on people and societies.

⁷ For more information on the Transparency Pledge and a list of signatories, as well as a guide on good practice approaches to ensure transparency and inclusiveness in the UNCAC review process, see: <https://uncaccoalition.org/uncac-review/transparency-pledge/>.