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Improving the OECD's Istanbul Anti-Corruption Action Plan

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Background

- The Anti-Corruption Network
  - Steering Committee of 9 International Orgs and 24 countries covered.
  - “The Network focuses on strategies to reduce public sector corruption through support for the implementation of appropriate political, institutional, and economic reforms”

- The Action plan covers Armenia, Azerbaijan, Georgia, Kyrgyzstan, Russia, Tajikistan and Ukraine
How It Works

OECD

Provides support for

Steering Group

Action Plan

Evaluation
The Plan

- UN-like Preamble
- **Pillar 1: Developing effective and transparent systems for public service**
  - Integrity in the Public Service
  - Accountability and Transparency
- **Pillar 2: Strengthening Anti-Bribery Actions and Promoting Integrity in Business Operations**
  - Effective Prevention, Investigation and Prosecution
  - Corporate Responsibility and Accountability
- **Pillar 3: Supporting Active Public Involvement in Reform**
  - Public discussion and participation
  - Access to information
Legitimacy Issues OECD must Confront

- Does OECD have right to oversee the review non-member states? (Sovereignty?)
- Participants not official State spokespeople
- Undemocratic: not of the (Central Asian) people
- Non-participants not invited
  - And role of IFIs and others unclear
- One month passes between establishment and country reports
- Funded by SECO: Swiss State Secretariat for Economic Affairs
  - Markets for Swiss firms?
Clarity of the Plan and Evaluations

“Identifying Country Mechanisms”

Unfunded

- Funding…will be solicited from international organisations, governments and other parties from inside and outside the region.
Effectiveness

- Will legislation be enforceable? (No)
- Overlap with National Action Plans?
  - Georgia, Ukraine, and Russia have donor-supported national anti-corruption progs.
- “Cannibalising own work?”
  - ADB-OECD Action Plan includes Kyrgyzstan. Why new initiative without ADB?
- Why have one corrupt country evaluate another?
Political Power is Corrupt

- Armenia: Electoral fraud and crack-downs?
- Azerbaijan: Aliyev *fils* and the centralisation of petroleum-focused corruption
- Georgia: Problems of post Shevardnadze transition?
- Kyrgyzstan: Death to Chynybek Aliyev!
- Russia: Weak on Implementation
- Tajikistan: Post-War Fragility
- Ukraine: Would YOU work with Kushma?
## Resource Use? (Back of Envelope calculation)

<table>
<thead>
<tr>
<th>Category</th>
<th>Per unit Cost</th>
<th>Number of Units</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses per participant (travel, hotel, etc.)</td>
<td>$700</td>
<td>100 participants*</td>
<td>$100,000</td>
</tr>
<tr>
<td>Staff preparation time (at minimum wage)</td>
<td>8 dollars an hour for 8 hours a day</td>
<td>30 days</td>
<td>$2000</td>
</tr>
<tr>
<td>Opportunity Costs (cost of diverting these resources, valued at their internationally competitive salary rate)</td>
<td>$800</td>
<td>100</td>
<td>$80,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$180,000</strong></td>
</tr>
</tbody>
</table>

Can pay for roughly 1800 doctor hours at local prices.

Based on OECD data
Addressing these issues at the OECD

- **My Position:** OECD should be **strengthened** to do more
- **Legitimacy**
  - Work in these countries
  - Work on binding comments through Parliaments
  - Restore “missing” civil society
  - Work on OECD members relations with region
- **Effectiveness**
  - Capacity building: Role of PUMA and “hard sides of co-operation”
  - “Name and shame”
  - Provide RESOURCES for work, not just monitoring
  - Work on OECD members relations with region
- **Clarity**
  - Make specific and concrete actions
  - Focus on some elements and leave others

Devolve to others  OECD’s uncomfortable position  More capacity building
Why Should the OECD Listen?

- “Niche player” avoiding controversy
  - IFI watch and Bretton Woods Project
- Failure will be highly politicised
- OECD Convention coming under scrutiny
- Anti-Globalisation (Don’t forget MAI)
- “Reputation contagion” to all Steering Group members.
Sources and More Information

- The Anti-Corruption Action Plan
- Agenda
  - [http://www.anticorruptionnet.org/](http://www.anticorruptionnet.org/)