

Discussion Paper - Reducing corruption and bribery in all their forms and developing effective, accountable and transparent organizations at all levels of Government

“A case for collaboration between supreme audit institutions (SAIs) and anti-corruption agencies”

Context:

The Government of the United Arab Emirates (UAE) will act as host to the 8th Conference of the States Parties (CoSP) to the United Nations Convention against Corruption (UNCAC). The 8th CoSP will take place in Abu Dhabi from 16 to 20 December 2019.

Prior to the start of the CoSP, on 14 and 15 December 2019, a meeting that shall bring together representatives of the International Organization of Supreme Audit Institutions (INTOSAI) and anti-corruption authorities (ACA), will be convened in Abu Dhabi under the auspices of the UAE State Audit Institution (SAI). This meeting will be part of a broader initiative spearheaded by the UAE SAI, with the objective of **enhancing the effectiveness of cooperation between anti-corruption bodies and supreme audit institutions for the detection and prevention of corruption offences**, in the framework of the UNCAC.

Agreements and Objectives of the Collaboration

To facilitate the process a memorandum of understanding attached at appendix 1 has been signed between the UNODC and INTOSAI. The possibility of creating a framework for operating between the SAIs and the ACA has been enabled. Furthermore, an intention is to set forth a resolution at the 8th CoSP for UNCAC to provide authority for ongoing collaboration. This will be formulated during the period leading up to the Conference. As a result of the collaboration a session will be held before the CoSP 14-15 December where SAIs and ACA will consider this discussion document and formulate a letter of intent as envisaged in the memorandum of understanding to secure the way forward. Preliminary areas for collaboration are outlined in this document.

Role of SAIs in preventing corruption:

Article 1 (2) of INTOSAI's Statutes states that: *“INTOSAI aims to promote good governance by enabling SAIs to help their respective governments improve performance, enhance transparency, ensure accountability, maintain credibility, fight corruption [...]”*. Article 1 (3) adds that: *“INTOSAI shall maintain its constructive links with the United Nations and its subsidiary organs and specialized agencies, [...] global anti-corruption agencies [...]”*. These aims under the name and purpose of INTOSAI, demonstrate the commitment of the organization to elements included in the UNCAC.

SAIs emphasize preventive measures such as promotion of accountability through annual financial reports and evaluation of internal control structures. These measures are important in the prevention of corruption. Evaluating systems of internal control, recommending improvements, and following up on recommendations are the main components of a control environment designed to prevent fraud and corruption. Many SAIs

therefore see their main contribution to be improving overall transparency and accountability, supporting an environment that limits the opportunity for acts of corruption, and creating a climate of good governance.

Role of Anti-Corruption Agencies in preventing corruption:

Models of specific structures and processes for managing prevention within the anti-corruption community will be outlined and considered.

Proposed initiative:

Article 1 (C) of UNCAC states a purpose of the Convention is to “promote integrity, accountability and proper management of public affairs and public property. Furthermore Article 5 (1 and 2) takes this concept further to anticipate the policies and practices are put in place by the State Party to achieve the stated purpose. This requires the accountability and responsibility for such policies and practices to be identified within the anti-corruption landscape (Article 6). The specific person(s) or entity(s) responsible are the bodies to whom this initiative is related.

The SAIs have in turn taken their responsibility for SDG 16 into their strategic planning process. In particular specifically contribute to reducing corruption and bribery in all their forms (SDG 16.5) and to the development of effective, accountable and transparent organizations at all levels of Government (SDG 16.6).

Through article 9 and 10 of the UNCAC the synergy between the role of SAIs and those of ACA in terms of SDG 16 can be discussed. The opportunity to explore the practices, capacities and gaps is an area for discussion. Preliminary research has suggested that the area of procurement as envisaged by Article 9 (2) is a clear area of potential overlap.

Proposed Discussion Questions:

1. Clarify the roles and responsibilities of the ACA and the SAIs in terms of Article 5,9 and 10 of the UNCAC, and potential future relationships;
2. Consider SAIs undertaking the assessment of the capacity of ACA to undertake their functions as part of the future 2nd review cycle (on a pilot basis);
3. Examine the audit scopes, reports to assess how they can be utilized more effectively by ACAs;
4. Identify examples of best practices, potential international or national standards that can be applied in particular in the case of procurement (article 9); and
5. Assess future risks through, for example, technological disruption on the procurement corruption landscape.
6. Consideration of potential joint professional training initiatives

Roadmap:

To guide the process, a roadmap has been drawn leading to the 8th CoSP in December 2019, as follows:

- June-August 2019: consultations led by the UAE SAI with SAIs and ACA.
- 23-29 September 2019: the next Congress of INTOSAI (INCOSAI XXIII) will be hosted by the Russian Federation; the UAE SAI is planning to hold a side event with SAIs to present the initiative.
- Dates and venue to be confirmed: the UAE SAI with support of UNODC and GIZ may host a preliminary meeting of experts to consolidate and finalize the document and explore modality for formalizing a longer-term partnership to support this initiative in the framework of the UNCAC (in this regard, an invite may be extended to the Working Group on Prevention of the CoSP).
- 14-15 December 2019: the meeting prior to the 8th CoSP will be convened under the auspices of the UAE SAI with the objectives of:
 - identifying needs for capacity development among both communities (anti-corruption bodies on one hand and SAIs on the other hand) to maximize the benefits that may be drawn from such collaboration, and
 - announcing/launching a longer-term collaboration between SAIs and anti-corruption agencies at national, regional and global levels to support this initiative within the framework of the UNCAC.