

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: RSGP

TA No., Country and Name TA 6196-REG: Implementation of the ADB-OECD Anticorruption Initiative for Asia-Pacific		Amount Approved: \$250,000 Revised Amount: N.A.	
Executing Agency: Asian Development Bank in coordination with Organisation for Economic Co-operation and Development (OECD)	Source of Funding: TASF	Amount Undisbursed: \$7,412	Amount Utilized: \$242,588
TA Approval: 2 November 2004	TA Signing: N.A.	Fielding of First Consultant(s): 3 January 2005	TA Completion Date: Original: 31 December 2006 Actual: 31 March 2008
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Description

The launching of the ADB/OECD Anticorruption Initiative for Asia and the Pacific (the Initiative) in Manila in 1999 helped raise awareness of corruption in the region. The endorsement of an Anti-Corruption Action Plan in 2001 by 17 countries¹ in Asia Pacific signaled their commitment to fight corruption. The Action Plan is the Initiative's main instrument and sets goals and standards for sustainable safeguard against corruption. The Action Plan's endorsement by 28 countries² as of July 2008 is an indication of the region's commitment to combating corruption and enhancing accountability in the public sector. The Action Plan is consistent with ADB's Anticorruption Policy. This regional technical assistance (RETA) was launched to assist developing member countries (DMC) in identifying concrete steps to fight corruption and prepare specific proposals on reform areas for implementation under the second phase of the Action Plan.

Expected Impact, Outcome and Outputs

The expected outcome is more countries in the region endorsing the Action Plan and increased implementation of effective anticorruption initiatives by endorsing countries. The expected outputs are: (1) Second implementation phase progress reports by endorsing countries on their concrete anticorruption reform projects; (2) Joint government/aid agency meetings and bilateral consultations; (3) Regional anticorruption conference, policy dialogues, and steering group meetings; (4) Specifically designed capacity building master training programs to address capacity constraints and difficulties in implementing anticorruption reforms; and (5) Anticorruption publications and workshop proceedings. The expected impact is reduced corruption in the Asia-Pacific region.

Delivery of Inputs and Conduct of Activities

The TA supported logistical expenses for the participation of member countries in the following:

- (1) Capacity building seminars and training workshops: (a) 3rd Master Training Seminar on addressing domestic corruption (Pakistan–February 2005); (b) 4th Master Training Seminar on Denying Safe Haven to the Corrupt and the Proceeds of Corruption (Malaysia–March 2006); and (c) 5th Regional Seminar on Managing Conflict of Interest: A Fundamental Anticorruption Concept (Indonesia–August 2007).
- (2) Expert Meeting on Corruption Prevention in Tsunami Relief (Indonesia–April 2005), for 12 DMC officials involved in tsunami reconstruction efforts from the 6 most affected countries (India, Indonesia, Maldives, Malaysia, Sri Lanka, and Thailand).
- (3) 6th–9th Steering Group Meeting of the Initiative (Hanoi, Vietnam–April 2005; Beijing, People's Republic of China (PRC)–Sept 2005; ADB Headquarters–May 2006; Bangkok, Thailand–Nov 2007).
- (4) 5th Regional Anticorruption Conference (Beijing, PRC–September 2005).

Consultant input included a secretariat officer and various editors to support the preparation of the Initiative's publications. Consultant's performance was rated fully satisfactory in all cases and the ADB-hosted secretariat operates efficiently and effectively. The OECD Secretariat is funded and evaluated through OECD procedures. The collaboration is excellent between the two institutions and their respective secretariats.

Evaluation of Outputs and Achievement of Outcome

Output 1: Endorsing countries have made significant progress in the implementation of reforms under the Action Plan, completed a stocktaking exercise and two thematic reviews. Thirteen endorsing countries have implemented reforms under the Action Plan phase II. For example, anticorruption bodies have been established in PNG and the Kyrgyz Republic; awareness campaigns have been implemented in a number of member countries; anticorruption themes have been incorporated into the school curriculum in Pakistan; legislation has been passed in many countries on combating bribery of foreign public officials in

¹ Bangladesh, Cook Islands, Fiji Islands, India, Indonesia, Japan, Kyrgyz Republic, Malaysia, Mongolia, Nepal, Pakistan, Papua New Guinea, Philippines, Republic of Korea, Samoa, Singapore, and Vanuatu.

² The following countries endorsed the Action Plan after 2001: Kazakhstan (2002); Cambodia (2003); Australia (2004); Hong Kong, China (2004); Palau (2004); Viet Nam (2004); People's Republic of China (2005); Thailand (2005); Sri Lanka (2006); Macao, China (2006); and Bhutan (2007).

international business transactions, anti-money laundering, financial transactions, etc. and anti-corruption officers from the region have received training from the Anti-Corruption Agency of Malaysia; Fifteen countries are implementing reforms under Phase III. A stocktaking exercise of legal and institutional frameworks to fight corruption was completed by 25 countries. Two thematic reports on curbing corruption in public procurement and mutual legal assistance, extradition and recovery of the proceeds of corruption provided an overview of legal and institutional frameworks and identified gaps to be addressed. The thematic reviews and the stocktaking report were presented in various forum and workshops. The Secretariat received favourable feedback from workshop organizers and participants.

Output 2: From April 2005–November 2006, Advisory group members³ attended steering group meetings and consultations with the Secretariat and provided technical advice, outlined their ongoing and planned programs to support endorsing countries, and confirmed their commitment to coordinate similar initiatives and create opportunities for common training events. The Initiative has drawn on partners (e.g. the United Nations Office on Drugs and Crime and the Basel Institute on Governance) to deliver seminars. New anticorruption agencies and international organizations have expressed interest to partner with the Initiative in seminars and training.

Output 3: A regional anticorruption conference in PRC was attended by over 150 high level representatives from governments, the private sector, NGOs, and donor agencies. Workshops and training sessions covering a wide range of anticorruption issues were conducted. The high level participation in the regional conference, steering group meetings, and master training seminars attracted significant media attention and sent a strong signal to the world about the member country's commitment to fight corruption. An additional 5 countries endorsed the Action Plan and joined the steering group—PRC, Thailand, Sri Lanka, Macao, China, and Bhutan. More countries and international organizations attended Initiative meetings and seminars as observers and have expressed interest to endorse the Action Plan and join the Advisory group. Four steering group meetings in 2005–2006 provided a venue for discussions, peer reviews, and sharing of good practices. Partnerships with anticorruption agencies such as Anti-Corruption and Transparency Experts Task Force (ACTTF), Asia-Pacific Group on Anti-Money Laundering (APGML), State Parties of the UN Convention Against Corruption (UNCAC), and Asia Pacific Economic Council (APEC) were strengthened through participation by ADB/OECD Secretariat in anticorruption seminars and conferences.

Output 4: Over 300 country representatives attended the four specifically designed master training seminars. (1) The seminar in Pakistan identified legal loopholes and institutional weaknesses relevant to the implementation of anticorruption instruments. (2) The Expert Meeting on Corruption Prevention in Tsunami Relief in Indonesia brought together over 50 officials involved in tsunami reconstruction efforts from India, Indonesia, Maldives, Malaysia, Sri Lanka, and Thailand, and resulted in an agreement on a set of principles of action and key measures to prevent corruption in service delivery and procurement related to tsunami relief. (3) The seminar in Malaysia was specifically attended by over 70 officials directly involved in the investigation and prosecution of corruption cases. Mutual legal assistance and extradition in the fight against corruption were identified as priority issues. (4) The seminar in Indonesia which was the first collaboration with Indonesia's Corruption Eradication Commission, was opened by the President of Indonesia and was attended by 195 participants, most of whom were from the Indonesian government institutions, private sector and NGOs. The conclusions and key papers were compiled in a CD ROM, *Managing Conflict of Interest* and distributed to participants and Bank staff. The training seminars were found useful and practical by the governments, and the themes and issues were identified as priority and timely.

Output 5: Anticorruption publications and workshop proceedings were completed on time, published in the ADB website, and distributed to participants and ADB staff. The Initiative's website became an important resource for researchers, practitioners and experts all over the world and a knowledge hub. Publications produced include (1) *Anti-Corruption Action Plan for Asia and the Pacific* (Update; July 2005); (2) *Curbing Corruption in Tsunami Relief Operations* (Seminar proceedings, September 2005); (3) *Knowledge Commitment Action Against Corruption in Asia and the Pacific* (Conference proceedings, April 2006); (4) *Anti-Corruption Policies in Asia and the Pacific* (Stocktaking report, July 2006); (5) *Denying Safe Haven to the Corrupt and the Proceeds of Corruption* (Seminar proceedings, November 2006); (6) *Curbing Corruption in Public Procurement in Asia and the Pacific* (Thematic review, December 2006); (7) CD ROM on *Managing Conflict of Interest: A Fundamental Anticorruption Concept* (Seminar proceedings, September 2007); and (8) *Mutual Legal Assistance, Extradition and Recovery of the Proceeds of Corruption in Asia and the Pacific* (Thematic review, September 2007). The Secretariat produced biannual newsletters (2005–2007) publicizing endorsing country's anticorruption efforts and progress. The strategy and work program for 2007–2008 which focused on the need to promote partnership with anticorruption agencies and financial sustainability was finalized.

Overall Assessment and Rating

The TA is rated highly successful. The expected outcome and outputs were fully achieved. An additional 5 countries have endorsed the Action Plan, and 4 more countries have been participating as observers and are actively exploring endorsement. Thirteen countries have implemented reforms in the Action Plan Phase II and 15 countries have identified reforms for implementation under Phase III. The Initiative is ADB's flagship anticorruption activity, and is regularly cited as an example of effective partnership in the fight against corruption. Consideration is being given to establishing similar networks in Africa and Latin America modeled on the Initiative.

³ Members of the Advisory group include the American Bar Association/Rule of Law Initiative, Asia-Pacific Group on Money Laundering, Australian Agency for International Development, German Federal Ministry for Economic Cooperation and Development, German Technical Cooperation, Pacific Basin Economic Council, Swedish International Development Cooperation Agency, Transparency International, United Nations Development Programme, United States Agency for International Development, and World Bank.

Major Lessons

(1) The value of close coordination with a focal point, an alternate focal point in each member country, and coordination with resident mission offices contributed to the efficient communication and successful arrangement of activities and events. This ensured continuity when the inevitable change in country focal points occurred; (2) The importance of collaborating and working closely with anticorruption agencies doing similar work should be further pursued in order to avoid duplication and create a more comprehensive approach to anticorruption; (3) Further progress in the fight against corruption is conditional on close cooperation between governments, the business sector and civil society in the development and implementation of anti-corruption policies; and (4) To ensure that the Initiative can deliver support to member countries in the medium and long term, broadening the financial base of the Initiative remains a high priority.

Recommendations and Follow-Up Actions

RETA 6385 is currently financing the 2007–2008 activities of the ADB/OECD Anti-Corruption Initiative and the implementation of the Action Plan. A follow-up RETA for 2009–2010 is recommended to sustain the anticorruption efforts of DMCs. To sustain an efficient coordination and ensure continuity in the monitoring and review processes of the Action Plan, it is important to maintain a Secretariat. Lessons under the RETA should be continuously assessed to respond to the needs of the growing number of member countries and draw conclusions to further strengthen ADB's mission in the fight against corruption.

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