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The Secretariat

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Improving Governance and Fighting Corruption New Frontiers in Public-Private Partnerships

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The OSCE's involvement in the International Fight against Corruption

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Improving Governance and Fighting Corruption are activities that are close to the OSCE's core mission and working with the private sector on these questions has been part of our approach for a number of years.

This may come as a surprise to some, as the name of the OSCE usually evokes activities such as arms control, disarmament or election monitoring. Yet the OSCE's activities also include a strong Economic and Environmental Dimension, within the framework of which we address issues affecting security and stability such as land degradation, water management, labour migration, international transport, combating money laundering and the financing of terrorism, as well as combating corruption and improving the investment climate in the 56 OSCE participating States. The Organisation's Secretariat in Vienna, and in particular my Office, was given a mandate to address these issues by the Governments of our participating States in the form of Ministerial Council Decisions, for example the Strategy Document for the Economic and Environmental Dimension, which was adopted by OSCE Foreign Ministers at their annual Meeting in Maastricht in December 2003.

Based on this mandate and in close co-operation with partner organisations such as UNODC, the OECD or the Council of Europe, my Office is involved in a growing number of projects aimed at promoting transparency and combating corruption, in that way encouraging investment. The approach of these activities is multi-sectoral and involves not only international organisations and their expertise, but also governments, academia, NGOs and the private sector. Only the co-operation of all of these players can guarantee that efforts aimed both at improving the investment climate and reducing corruption can bear fruit.

But let me get more concrete and highlight with the aid of a few examples how the OSCE operates. First and foremost, the OSCE possesses an important network of field operations, altogether 18 in most of the countries of South-Eastern Europe, Eastern Europe (Belarus, Moldova, Ukraine), the Southern Caucasus and Central Asia, which gives the organisation the unique advantage of being close to the developments on the ground when implementing activities.

Co-operation with the OECD

One of the most important activities in this context is the OSCE's support to the OECD's Anti-corruption Network for Transition Economies. The OSCE has served on the Advisory Board of the Istanbul Action Plan since its inception and closely co-operates with the OECD on activities related to the Action Plan. Among other things, the OSCE has supported the participation of independent anti-corruption experts from NGOs at Action Plan review meetings. There are also a number of joint events with the OECD, such as a workshop on combating corruption in the private sector, which was held in the Kazakhstani capital Astana last October and a seminar on the criminalisation of corruption which will be held in Almaty in two weeks from now.

Co-operation with UNODC

The OSCE is also working very closely with UNODC's Global Programme against Corruption on promoting and implementing the most important international anti-corruption instrument, the UN Convention against Corruption (UNCAC), adopted in 2003. Both organisations have developed joint workshops to help States implement the Convention and create the required legislative and institutional framework. Within this framework, for example, the two organisations organised a joint Seminar in November 2005 on the ratification and implementation of the UNCAC as well as a Training Workshop for Prosecutors on Anti-Corruption Case Work in the Bulgarian capital Sofia.

At present, UNODC and the OSCE are engaged in jointly producing a Practical Implementation Guide of the UN Convention aimed at assisting OSCE participating States in designing and applying the anti-corruption measures required by the Convention. The Guide is expected to be published later this year and will be used as a training tool along the lines of the existing "OSCE Handbook on best international practices in combating corruption", which was published in 2004 and which has since become a reference guide for legislators, government officials, NGOs, business circles and civil society when considering the drafting of anti-corruption legislation, national action plans or strategies. In its three years, the Handbook has been used as a training tool in numerous workshops and has been translated into ten languages (Albanian, Armenian, Azeri, Georgian, Kyrgyz, Russian, Serbian, Tajik, Uzbek etc.). The guide can be downloaded from the OSCE website at www.osce.org/eea

Other partners

Other partners with which the OSCE co-operates closely include the Council of Europe's Group of States against Corruption (GRECO) and the Stability Pact for South-Eastern Europe. At present, my Office, in co-operation with the Stability Pact's Regional Anti-Corruption Initiative, is preparing a regional workshop on the implementation of the UN Convention in South Eastern Europe, which is to be held in Tirana in early April.

Investment promotion

Based on recommendations from the 13th OSCE Economic Forum, my Office has also developed a number of activities aimed at the promotion of investment in the OSCE area. Let me give you a few examples: in 2006, my Office published a "Best-Practice Guide for a Positive Business and Investment Climate" which is a practical document intended for policymakers and practitioners in the OSCE area. The guide is once more the result of close co-operation between the OSCE, the OECD, UNCTAD and a number of other important partners, such as SME agencies and investment promotion agencies. The Guide sets out the main conditions for attracting investment and developing a sound business environment. It contains examples of successful measures and innovative policies drawn from a wide range of OSCE countries. The aim of the publication is to constitute a practical reference document to be used both by policy-makers and business. The guide is available in English, Armenian and Russian from my office and can also be downloaded from the OSCE website at www.osce.org/eea

Another example of a successful OSCE project in the area of investment promotion has been the establishment of an investment promotion agency in the Ukrainian region of Rivne, a project which has won several awards in a competition organised by the Financial Times.

Without going into further detail, our involvement with investment promotion has shown that a positive investment climate consists of, among other things, transparency, stability, predictability, strong institutions and most importantly good governance, i.e. low levels of corruption. Only by reducing corruption can we create conditions that are conducive to economic development – by attracting investment. And only investment can create the conditions that are conducive to further economic development – the two are intrinsically linked.

Combating money laundering and the financing of terrorism

We are also very active in the area of combating money laundering and the financing of terrorism, in close co-operation with UNODC's Global Programme against Money Laundering, the EBRD and other regional institutions, such as the Eurasian Group on Combating Money Laundering (the EAG). Our activities aim at national capacity building, e.g. supporting the adoption of the required legislative framework and assistance in setting up Financial Intelligence Units, as well as at fostering international co-operation, e.g. by organising regional workshops.

Promoting the Åarhus Convention on public access to information

With regard to the Åarhus Convention on public access to information on environmental issues, my Office, in cooperation with the United Nations Economic Commission for Europe (UNECE), has been advocating the ratification and implementation of the Convention by its participating States since 1999, organising awareness raising campaigns, national and regional seminars supporting the establishment, registration and operation of environmental NGOs, as well as the creation of public environmental information centres in a number of OSCE states.

Conclusion

Within the framework of its activities aimed at promoting good governance and combating corruption, the OSCE has been implementing what others have been preaching – that the only way to achieve lasting results lies in close co-operation between all sectors of society. OSCE projects, although modest in size, try to bring together all important players to join forces and work together in order to obtain sustainable economic development based on transparency and low levels of corruption. Through its involvement in investment promotion, the OSCE is making its contribution to the challenge of improving economic conditions on the Eurasian continent. Only if we all work together, we can achieve this important goal and this is why I would like close with an appeal to those institutions and organisations active in the OSCE area to join forces and tackle together the challenges that lie ahead.

For more information on the OSCE's activities in the area of combating corruption and promoting investment please consult the OSCE website at

www.osce.org/eea

or contact the Office of the Co-ordinator of OSCE Economic and Environmental Activities at

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