

# 16<sup>th</sup> Meeting of the UNGC Working Group on the 10<sup>th</sup> Principle against Corruption

UN Delegates Dining Room (Private Rooms 1, 2 and 3), Secretariat Building, UN Headquarters

New York

24 June, 2015

Session 3

14:30 – 18:00

## Overview

Corruption has often been quoted as a two-way street, with the demand side of corruption being fuelled by government and the supply side by the private sector. The role of governments in the fight against corruption and in promoting transparency and ethical business cannot be disputed. At the same time, the private sector is a key stakeholder for building a sustainable, inclusive and transparent global economy.

The 16th working group meeting will convene the private sector, government representatives, international organizations and civil society organizations to discuss areas of mutual cooperation for promoting transparency and creating a corruption-free society. The meeting will also serve to launch the UN Global Compact's publications on Collective Action in the fight against Corruption.

# Session 3: Making Public Procurement Public: Public-Private cooperation to promote Integrity and Transparency in the Public Procurement system

Session organized in collaboration with Transparency International

14:30 - 17:15

Public procurement accounts for one of the largest components of an economy – on average 15-30% of GDP of many countries. Every year, an estimated average of US\$ 9.5 trillion of public money is spent by governments through public procurement (Source: UNODC, Transparency International). Public Procurement is one of the key areas of interface between government and the private sector and also one of the most vulnerable to corruption owing to the large volume of financial transaction involved. Corruption in public procurement can reduce competition and innovation, lead to waste and inefficiency as well as also impede socio-economic development. A number of key sectors like health, infrastructure, education, extractives, etc. involve large public contracts.

Article 9 of the UN Convention against Corruption calls upon state parties to establish systems of procurement that are transparent, competitive and objective, so as to avoid corruption in allocation of public contracts. International regulations such as the 2011 UNCITRAL Model Law on Public Procurement as well as national legislations in many countries aim to promote transparency and integrity in the public procurement system. Appeal 3 of the UN Global Compact's Anti-Corruption Call to Action also appeals to governments on behalf of the private sector to "commit to engaging in competitive and transparent procurement processes through public advertising of all government procurement cases".

Problematically, recent research reveals that on an average 15-20% of a public contracts' total value may be lost due to corruption (Source: TI).

This session will explore the following key questions:

- What exactly do we mean by "transparent procurement processes" and what are the challenges and opportunities faced by both the government and the private sector in being more transparent?
- How can the private sector and government work together to "make public procurement public" and what role is there for independent monitoring?
- How can better and more innovative use of technology, through for example, eprocurement systems, or by improving access to procurement information through the use of open data, reduce corruption in public procurement?
- What are some good practice examples from within the public and the private sector that have led to elimination of corruption in public contracts?

 To what extent have governments implemented recommendations regarding transparent procurement processes, for example, UNCAC, OECD, TI and B20 recommendations?

#### Format:

- Intro, panellist presentations and interactive discussion with the moderator 50 minutes
- Q&A 30 minutes
- Roundtable discussion 60 minutes
- Report back 20 minutes
- Concluding remarks 5 minutes

#### **Speakers:**

- Moderator: Cobus de Swardt, Managing Director, Transparency International
- Emmanuel Akomaye, Former Secretary, Economic and Financial Crimes Commission,
   Nigeria
- Georg Neumann, Senior Communications Manager, Open Contracting Partnership
- Dominique Lamoureux, VP, Ethics & Corporate Responsibility, Thales Group
- Anil Kumar Sachan, Executive Director, Chief Material Management, Oil and Natural Gas Corporation Ltd.

# **Brief Updates & Closing Remarks**

#### 17:15 - 18:00

#### Speakers:

- Gretchen Jonker, Associate Director, WEF Partnering Against Corruption Initiative
- Hong-Jae Im, Vice-President and Secretary General, Global Compact Network Korea
- Denys Glagoliev, Company Secretary, PLASKE JSC (Ukraine)
- Marcos Muniz Rossa, Corporate Sustainability and Safety Manager, Grupo Libra/ Global Compact Network Brazil
- Diana Chavez, Executive Director, Regional Center for the Support of the Global Compact in Latin America and the Caribbean
- Closing Remarks: Huguette Labelle, Member of the Board, UN Global Compact
- Vote of Thanks: Olajobi Makinwa, Chief, Anti-Corruption & Transparency & Africa, UN Global Compact

### Reception

18:00 - 20:00

Cocktail reception – UN Delegates Dining Room

<sup>\*</sup>The Working Group meeting will be held under the Chatham House Rules (CHR). Under the CHR, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.