

**Seventh Session of the  
Assembly of Parties  
of the  
International Anti-Corruption Academy**

Vienna, Austria  
27 - 28 September 2018

Report of the Chairperson of the Board of Governors  
**Dr. Eduardo Vetere**

27 September 2018

CHECK AGAINST DELIVERY

Mr. President,  
Your Excellencies,  
Ladies and Gentlemen,

It is a pleasure to be here with you in Vienna today and to address this seventh session of the Assembly of Parties of the International Anti-Corruption Academy (IACA). As Chairperson of IACA's Board of Governors, and in keeping with a long-standing tradition, I have the privilege of presenting the Board's report.

Let me begin by congratulating the President and members of the new Bureau, and by extending a very warm welcome to all the distinguished delegates who have travelled from around the world to be here, in particular the Ministers and high-level officials of so many national anti-corruption bodies, who are attending this session.

In addition, I would like once again to thank my colleagues on the Board for their constant and highly valuable engagement, support, and confidence. It is truly an honour to serve with them.

I also remain very grateful for the expertise and constructive input from all our friends and colleagues on IACA's International Senior Advisory Board (ISAB) and International Academic Advisory Board (IAAB).

Last and certainly not least, let me express my continued admiration and gratitude for the leadership of the Dean and Executive Secretary, Martin Kreutner, and for the dedication and hard work of his team, including in the preparation of this session.

Ladies and Gentlemen,

I just mentioned *commitment* to IACA, and this is the focus of my remarks today.

Commitment is what turns aspirations into reality, and potential into results.

The commitment of many stakeholders has enabled IACA to post some superb achievements to date — as the Dean noted in his opening statement earlier today, and as you can see in the impressive Record of Accomplishments booklet in your folders.

IACA has been able to deliver a wide range of innovative master's programmes, open and tailor-made trainings, seminars, and other relevant events. All of these have inclusive and geographically diverse participation from across the globe, and all receive excellent feedback. The Organization now has an alumni network of more than 1700 anti-corruption and compliance professionals in 159 countries and jurisdictions — that's right, 159. IACA is also building up its research capabilities, including through the new Research Fellowship programme that began in 2017.

In just seven and a half years, IACA has become an established global brand in anti-corruption and compliance education and has received explicit tribute in numerous United Nations resolutions.

And, as I can see in front of me, the Academy has a constantly growing global constituency and an increasing number of partner institutions.

IACA has done all this with *extremely limited* human and financial resources. Despite these impressive and remarkable achievements, therefore, its previous Work Programme could not be fully implemented.

The current Work Programme, for 2017 – 2020, was unanimously adopted by this Assembly almost exactly one year ago in Sharm El Sheikh, Egypt. As many of you will recall, it was the product of intensive and sustained effort by the Board of Governors and extensive consultations with IACA's constituency.

This Work Programme is ambitious but fact-based. Its successful implementation will enable IACA to maintain and expand its activities, meet ever-growing demands for its services, and empower many more anti-corruption and compliance professionals around the world.

So, to make this aspiration a reality, I am calling today for renewed and reinforced commitments to IACA:

- First of all, from its *constituency*, in order to put the Academy on a more stable and sustainable financial footing,
- And, secondly, from the *Board of Governors*, in order to continue to guide IACA through the next phase of its development.

Just imagine what more IACA could do, ladies and gentlemen, with such renewed commitment.

Let me address the issue of financial resources first, because this has been a central theme in all three Board meetings this year: in March, June, and just yesterday, immediately before this session of the Assembly.

And, since it's my duty to report facts to this forum, let me be very frank with you.

This new Work Programme cannot — and *will* not — be fully implemented with IACA's current level of human and financial resources, and in particular the enormous and persistent shortfall in its general budget allocations.

IACA's Dean and staff work as efficiently as they can with the resources at their disposal, but they cannot perform miracles in the current financial context.

In particular, the share of IACA's overall income coming from Member States' contributions to the general budget is low *and continues to decrease*. In fact in 2017 these contributions amounted to less than 19% of the Organization's income.

This means that IACA has to attract more than 80% of its funds from external sources.

I have said it at previous sessions of this Assembly, and I emphasize it even more strongly today: this state of affairs is unacceptable and, if it continues, will seriously threaten IACA's future.

Improving IACA's financial situation requires wholehearted support from its constituency. By "support", I do not mean discussions and nice words. I mean concrete resource commitments.

In this regard, I would like to thank those Member States that *have* contributed to IACA's general budget since the last session of the Assembly in October 2017. They are Argentina, Azerbaijan, China, Hungary, Kuwait, Lichtenstein, Malaysia, Mongolia, Pakistan, Romania, Russian Federation, and Slovakia. I would also like to express my gratitude to the Republic of Korea for supporting IACA with seconded staff.

Furthermore, IACA has this year begun receiving contributions under some of the many alternative ways of fundraising previously proposed by the Board and the Secretariat and discussed with Member States.

Here let me thank Liechtenstein for making the first ever financial contribution to IACA in accordance with the “let crime pay” principle laid out in previous Assembly resolutions and also in the United Nations Convention against Corruption (UNCAC).

Let me also express my gratitude to Pakistan, which earlier this year made a generous contribution specifically to help upgrade IACA’s library.

Please remember that small, recurring financial contributions from all Parties — not one-off donations, but regular *annual contributions* from a growing number of States Parties — would make IACA’s finances much more stable and predictable.

Last but not least, the Board of Governors wishes to express its utmost gratitude to the people and the Government of Austria, the Host Country of IACA, not only for its laudable initiative leading to the establishment of IACA, but also for its generous and continued financial support to IACA through the years. In this connection, we should stress also the urgency for renewed action, as well as our strong appeal to IACA’s Host Country to continue to play a leadership role in preserving its existence.

In this context let me recall that Resolution 5, adopted by this Assembly at its sixth session in Sharm El Sheikh last year, stressed the importance of establishing an open-ended intergovernmental working group on financial matters. Let me emphasize, however, that the working group should *not* duplicate or triplicate functions that are already in place, nor overburden IACA with additional workload, but simply try to explore ways and means to increase the ownership of States Parties, encouraging them to become more involved in IACA, as well as to be more generous in providing additional resources.

Ladies and Gentlemen, every single contribution your countries and organizations make will enable IACA to serve its constituency and other stakeholders even more effectively. And every penny, every cent, will be managed with the highest standards of integrity.

Here let me share with you the positive findings of IACA's Independent External Auditors for the budget year 2017, following the approval of their report by the Board at its meeting in June this year.

As you are aware, the independent external auditors are appointed by the Board from senior members of national supreme audit institutions of Member States. In the form of a collegial body, three auditors from Pakistan, the Russian Federation, and Thailand conducted the audit from April to June 2018.

I am happy to report that in their result and findings they concluded that "IACA's Financial Statements for 2017 were prepared in accordance with the Organization's Accounting Policy and supported with sufficient documentation, figures were presented in line with the numbers in the ledger sheet, Revenues and Expenses were supported by evidence that they were administered adequately, and expenses were obliged in accordance with the applied IACA internal rules". At the same time, let me also recall that the Independent External Auditors stated that "The use of deferred income in 2017 poses the Academy under the risk of insolvency unless a necessary amount of voluntary contributions is accumulated in 2018."

Unfortunately, the amount of such voluntary contributions received in 2018 did not sufficiently materialize and therefore "the risk of insolvency" could become a *threatening reality* in just a few weeks.

Once again, let me express our most sincere gratitude and appreciation to those still very few countries that contributed to the funding of the general budget of IACA, urging at the same time all the remaining 61 Parties to multiply their efforts in order to avoid the threatening scenario that I just mentioned.

Distinguished delegates,

Having urged all of you to renew and reinforce your commitment to IACA, let me now call on the Board of Governors to do the same.

Since elections to the Board are on the agenda here, I think this is an appropriate time to emphasize the nature and importance of membership of this body.

Membership of IACA's Board of Governors is an honour and a privilege for personalities with gravitas and, often, decades of achievements behind them. At the

same time, membership requires sustained professional and personal commitment. It calls for constant engagement, not only during meetings but also in members' national capitals and regions.

Rather like fighting corruption itself, the work of a Board member is not about looking for easy options or quick fixes. It is demanding, patient, and often unglamorous.

But, as I can testify, it is also extremely stimulating and rewarding. As Chairperson of the Board, it is a pleasure to work with my colleagues in such a constructive and positive atmosphere, and to enjoy such an excellent working relationship with the Dean and Executive Secretary.

So I would urge the new members who are elected to the Board at this Assembly, as well as those who continue their existing mandates, to ask themselves how they can strengthen their commitment to IACA.

And for those members whose service on the Board ends at these elections, thank you for all your commitment and valuable contributions to IACA over many years. You will always be friends of the organization, and I very much hope you will continue to participate in its future development.

In concluding my report, I repeat what I said at the start: commitment is what turns aspirations into reality, and potential into results.

Let us not forget, as the UN Secretary-General reminded us just a few weeks ago in the Security Council, that "corruption is linked to many forms of instability and violence, such as illicit trafficking in arms, drugs, and people. The connections among corruption, terrorism, and violent extremism have been repeatedly recognized by the Security Council and the General Assembly. Assets stolen through corruption can be used to finance further crimes including violent extremist and terrorist acts."

Accordingly, by curbing corruption we would also contribute to curbing other forms of really serious and dangerous crimes.

In addition, our shared commitment to preventing and fighting corruption more effectively — including through higher education and specialized training as provided by IACA — is essential to realizing the UN 2030 Agenda for Sustainable Development,

in particular through the implementation of its Goal 16, and building a better future for the world.

And our shared — *and strengthened* — commitment to IACA will not only contribute to increasing the sense of ownership and joint responsibility of all its States Parties, but will also enable the Academy to play an even greater role in this process.

On that note, and on behalf of the Board of Governors, I pledge my wholehearted involvement as well as that of all other Board Members in this session, wishing you every success in your deliberations.

Thank you for your attention.