

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

Vienna, Austria  
28 November 2022

Report of the Chairperson of the Board of  
Governors **Ms. Patricia Arriagada Villouta**

President,

Your Excellencies,

Ladies and Gentlemen,

It is a pleasure to be here with you in Vienna today and to address this eleventh session of the Assembly of Parties (AoP) of the International Anti-Corruption Academy (IACA). As Chairperson of IACA's Board of Governors, and in keeping with long-standing practice, I have the privilege of presenting the Board's report. The Board is very glad that this year's session is taking place in person. This is a very welcomed sign of the return to normalcy in our activities.

Let me begin by congratulating the President of the Assembly and the members of the newly elected Bureau of the eleventh session of the AoP, as well as extending a very warm welcome to all the distinguished delegates, including high-level officials, participating in this session, including those coming from various ministries and national anti-corruption bodies. I also wish to thank the outgoing Bureau for its efforts and support provided to IACA over the last year.

I am grateful to my colleagues on the Board for their constant and highly valuable engagement, support, and confidence. It is an honour to serve with them.

I am also 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).

Finally, let me express the Board's gratitude for the dedication and hard work of the Dean and the entire staff of IACA, including for the preparation of this session.

Ladies and Gentlemen,

It would be amiss to present this report without mentioning the COVID-19 pandemic. As we stressed in our report to the last session of the Assembly, while a lot of things had to change because of the pandemic, the related difficulties the Academy faced offered new opportunities to innovate. If the period 2020-2021 was a time of transition, then the last year saw continued stabilization of the Academy's activities and the consolidation of the introduced innovations. The Academy managed to "turn problems into opportunities".

IACA has been able to deliver a wide range of innovative activities. Master's programmes are implemented as planned. In addition, two new academic programmes have been launched. The demand for open and tailor-made trainings at the Academy continues to grow. And IACA strengthens its research department which started to implement several ambitious projects. Overall, IACA is moving forward steadily in developing its programmes and partnerships.

Programmes are delivered online, in-person, and in hybrid formats. They are based on the principles of inclusive and geographically diverse participation from around the globe, and all receive excellent feedback.

In this respect, the Board wishes to highlight the necessity to strike a balance between online and in-person education. As the experience indicated, online delivery is more suitable for basic trainings than for in-depth programmes.

We also wish to refer to the new IACA initiative to launch the Anti-Corruption Collective Action Certificate (ACA) program in the framework of the newly established Anti Corruption Collective Action Impact Centre. Its purpose is to train professionals from various countries, as they work in the implementation of anti-corruption projects.

Dear Colleagues,

Against the background of the IACA's Work Programme, I would like to focus more on some of the activities I have just referred to. The 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.

Regarding IACA's tailor-made and open training programs, I am glad to inform you that over 500 anti-corruption and compliance professionals from diverse regions have been trained by IACA since the last session of the Assembly:-

Furthermore, IACA is currently implementing a six-month-long online Executive Diploma in Anti-Corruption and Diplomacy course for a total of 22 participants from around the globe. The next module is expected to start in March 2023.

The first master's program realized in cooperation with the United Nations Institute for Training and Research (UNITAR), the Master in Anti-Corruption and Diplomacy (MACD), is successfully progressing. The class has already finished five modules by this time, and the second cohort has started the first module this month. Such partnerships allow IACA to amplify its impact, and the Board is looking forward to increasing this type of cooperative framework, including through developing new joint projects with IACA Parties and other international organizations, in particular institutions within the UN system.

The Organization now has an alumni network of almost 4500 anti-corruption and compliance professionals in over 170 countries and jurisdictions.

Ladies and Gentlemen,

Regarding the research pillar, IACA analyzed existing anti-corruption portals and started the implementation of a Repository of Research on Anti-Corruption, Compliance and Collective Action. This Repository aims to provide anti-corruption professionals and all those who are interested in preventing and combating corruption with access to the latest in anti-corruption thinking from around the world. The platform will be publicly accessible and contribute to developing new ideas and the debate on the future of global efforts in the field of anti-corruption and compliance.

IACA's research activities aim to support anti-corruption efforts in the public, private and non-profit sectors.

Furthermore, to promote international research collaboration, IACA established the Global Research Network. The initiative was supported by leading scholars and researchers from various continents. The network will support the initiation, design, and implementation of global, regional, and interdisciplinary research projects, and make results and innovative ideas available for policymakers and anti-corruption practitioners from the public and private sectors.

The other major research project refers to the measurement of corruption. The project was launched this year with the financial support of Nazaha/Saudi Arabia. This initiative, which aims to design a reliable global corruption measurement framework, will span over five years and is expected to be financed through extrabudgetary funds, provided particularly by the members of G20. In this connection, the Board encourages the Parties to also support this project financially.

Mr. President,

Indeed, it is not possible to ignore the difficult financial situation of the Academy and the need for the Parties to contribute both fiscal resources and assigned personnel to IACA. This has been a central theme in all three Board meetings this year: in May,

September, and last Friday. There are some positive developments in this respect. The latest one is IACA's request for secondment to coordinate the transition to International Public Sector Accounting Standards (IPSAS). The Board has been informed that the Academy received secondment offers and the recruitment is ongoing. We hope that more secondments will be offered by the Parties shortly.

Improving IACA's financial situation requires active support from its constituency. By "support", as we said in several Assemblies of Parties, we do not mean discussions and nice words. We mean concrete resource commitments.

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.

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 2021. These are Armenia, Azerbaijan, Austria, Chile, China, Cyprus, Finland, Hungary, Kazakhstan, the Republic of Korea, Malaysia, Mongolia, the Philippines, the Russian Federation, the Kingdom of Saudi Arabia, and Thailand. I would also like to express my gratitude to the Republic of Korea for supporting IACA with seconded staff. My special thanks go to IACA's host country Austria, whose multi-annual contributions to the Academy allow for more vigorous work.

Ladies and Gentlemen, now let me share with you the positive findings of IACA's Independent External Auditors for the budget year 2021, following the approval of their report by the Board at its meeting in September 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. They form a collegial body of three. Due to the Covid-19 pandemic, the last audit was implemented in the hybrid format from 25 to 27 April 2022.

In their results and findings, they concluded that *“the financial statements present fairly, in all material respects, the financial position of IACA as at December 31, 2021, and its financial performance and cash flow for the year then ended, in accordance with the Austrian Commercial Code”*. They also draw attention to the Regulation 15 “Bookkeeping” of the IACA Financial Regulation according to which financial statements shall be gradually prepared in compliance of the International Public Sector Accounting Standards (IPSAS).

I wish to express my sincere gratitude to the auditors for their work. Let me also thank the volunteering Parties that nominated candidates to perform the 2021 audit for their support.

Distinguished delegates,

At the last session of the Assembly, the *Resolution on Reinforcing the Independent External Audit and Enhancing Financial Transparency of the International Anti Corruption Academy* was adopted. This Resolution contains various recommendations to be considered by the Board of Governors.

The Board considered these recommendations in two of its meetings earlier this year and coordinated with the Dean of IACA. Progress regarding the implementation of some of these recommendations has been reported by the Dean. Thus, I will focus only on those recommendations that are specifically calling for Board’s action.

First and foremost, the Board wishes to note that some recommendations in this Resolution are an affirmation of what is already reflected in applicable regulations and practices related to the activities of the independent external audit at IACA.

As recommended by the Assembly, the Board decided to consider adjustments to the relevant rules and procedures to allow for online and hybrid audits, and to add the necessary flexibility to the duration of such audits. The Board concluded that due to the limited scale of IACA’s operations and expenses (conforming to a small-sized enterprise), onsite audits should not last more than three days. Audits of such a length would not cause undue disruption of IACA’s standard operations. It should be also

noted that the Assembly recommended that at least three auditors should be involved in external audits. The Board can confirm that the present scheme of three auditors fulfills this expectation and should be sufficient for an external audit of IACA's accounts.

The Board did not have any objections in principle to introducing performance audits in IACA. However, we feel that while the current state of development of the organization and the ongoing budgetary instability has not been decisively solved, one annual independent external audit of IACA's accounts should be sufficient. However, we intend to come back to this recommendation, when the planning, staging, and involvement of such a process can be reasonably demanded from IACA taking into account available staff resources.

Regarding the recommendation that IACA Parties could conduct project audits, the Board believes that the *"single-audit"-principle*, as applicable to most intergovernmental organizations and outlined in the IACA Agreement, is sufficient. This principle foresees one external and independent audit scheme for IACA's accounts, in which States have the chance to propose their national experts, to be appointed by the Board. Multiple audits of different funding entities, under different national audit schemes, might place an undue burden on any organization, particularly one as small as IACA. However, earlier this year, the Board decided that within certain limitations, the Dean may exceptionally approve project audits by a donor.

The Board notes that it is continuously committed to demanding the highest standards of transparency and accountability from IACA's administration in all its operations.

Finally, the Board wishes to observe that the Resolution invites Parties and other donors to provide extrabudgetary resources for the purposes identified in this resolution. Unfortunately, to date, no such contributions have been received by IACA. This makes the implementation of the recommendations, particularly those requiring the employment of additional resources, more complicated.



Dear Colleagues,

Having urged all the Parties to renew and reinforce your commitment to IACA, let me assure you that the Board of Governors stands firmly behind the Academy and is willing to do its utmost to ensure its continued growth and consolidation of its activities.

Finally, and on behalf of the Board of Governors, we wish you every success in your deliberations.

Thank you for your attention.