



INTERNATIONAL  
ANTI-CORRUPTION  
ACADEMY

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

Vienna, Austria

9 - 11 December 2015

Statement by the Dean of IACA and  
Executive Secretary to the Assembly of Parties

Mr. Martin Kreutner

9 December 2015

CHECK AGAINST DELIVERY

Mister President,  
Madam Chairperson of the Board,  
Ministers,  
Your Excellencies,  
Chairpersons and Colleagues of IACA's Advisory Boards,  
Distinguished delegates,  
Ladies and Gentlemen,  
Dear Colleagues and Friends,

Let me begin by extending my warmest greetings to all of you gathered here in Vienna today for the fourth session of the Assembly of Parties of the International Anti-Corruption Academy (IACA).

In this room we have more than 250 distinguished delegates representing more than 70 delegations from all over the world. I am especially honoured that such a significant number of you have travelled from your capitals to be here. And the presence of all of you at this forum – which is opening, fittingly, on 9 December, International Anti-Corruption Day – sends a very strong signal of your commitment to IACA and to the global anti-corruption cause in general.

Ladies and gentlemen, IACA's fourth Assembly of Parties is convening in difficult and indeed often distressing times. In the past two months alone the world has witnessed horrific terrorist attacks against civilians in Ankara, the Sinai Peninsula, Beirut, Paris, and other places, and our thoughts and empathy are with the bereaved families of the victims. Difficult times as the refugee crisis continues, economic uncertainty persists, distrust and dispute among leading powers increase, and climate change looms large – all at a time of declining trust and rising scepticism about the ability of national and international leaders to tackle these problems.

Major global challenges such as these demand dialogue, common solutions, and they require us all to stand together and work together. Addressing the global scourge of corruption is another most important case in point. As I had the honour to say in New York at the SDG Summit on the day that the United Nations General Assembly formally adopted the 2030 Agenda for Sustainable Development, a strong, relentless fight against corruption, with leadership from the very top, both nationally and internationally, both in the political and also in the corporate world, is essential for realizing this Agenda.

Distinguished delegates, corruption is present across all continents, all sectors and societies, and costs more than 5% of global GDP; it also adds between 5 to 10% to any single contract in business. It hits the world's most vulnerable people the hardest. Research suggests that in countries where more than 60% of the population pay bribes to receive public services, more women die in childbirth, fewer people have access to clean water, and more young people are illiterate. Most fundamentally, it erodes trust and confidence and contributes to the collapse of societies and economies.

To put it straightforwardly: Corruption is the antithesis *vis-à-vis* human rights, the venom *vis-à-vis* the rule of law, the poison for prosperity and development, and the reverse of equity and equality. And it has the negative potential to undermine any single one of the Sustainable Development Goals.

Our struggle against this global scourge calls for more than just warm words and tepid expressions of support. It requires shared ownership, with countries across the world backing up their verbal commitments with financial resources. This question of ownership is also extremely relevant to IACA and its global role in fighting corruption, especially regarding the critical budget situation of the Academy.

In less than five years as an international organization, IACA has made huge progress in its ambition to become the global hub for anti-corruption training and education, technical assistance, and benchmarking. But let me be frank: this ambition will not become reality if IACA's current financial situation persists.

This forum unanimously agreed on IACA's last two budgets, but only 10% of them were met. As a consequence, there is an enormous shortfall of 90% between the budgets that our constituency thinks IACA needs to fulfil its mandate, and the funds we actually have.

This gap clearly has the potential to create negative perceptions and serve as a focal point for external criticism of IACA. It is a matter of acute concern as we prepare to enter the final year of the Work Programme 2014-2016 that was unanimously adopted at the second Assembly of Parties in Bangkok, Thailand, in 2013.

Even with the resources we currently have, IACA has achieved global recognition for its anti-corruption and technical assistance activities. Our constituency now comprises 65 Parties, covering more than five billion people across the globe, with the accession on 23 November of Côte d'Ivoire to the IACA Agreement.

IACA continues to secure international acknowledgement and appreciation at the highest level. In July of this year, the Human Rights Council of the United Nations General Assembly adopted a resolution that explicitly recognized the negative impact of corruption on human rights and sustainable development, and the significance of anti-corruption education. In this context, it noted with appreciation – and singled out - the capacity-building activities and specialized curricula developed by IACA and the United Nations Office on Drugs and Crime (UNODC), respectively.

And last month, in St. Petersburg, Russian Federation, a Resolution adopted by the Conference of the States Parties (COSP) to the United Nations Convention against Corruption (UNCAC), recognized IACA's important contribution to anti-corruption.

Exactly one year ago, IACA celebrated the graduation of the world's first Master in Anti-Corruption Studies (MACS). Just a couple of weeks ago, the IACA Regional Summer Academy – Latin America enjoyed a highly successful debut in Buenos Aires, Argentina. I will share a fuller report on our programmes and trainings under a later agenda item of this Assembly. In a nutshell, in little more than four years, IACA's programmes and trainings have empowered professionals from about 140 countries around the world.

As for the upcoming months and years, the Academy secured earmarked project funding from the Siemens Integrity Initiative, Round II, and the Austrian Development Agency (ADA) in December of last year. The Siemens Integrity Initiative awarded IACA close to 5 million USD over four years earmarked for a project on private sector anti-corruption, compliance, and collective action as well as scholarships for participants from Least Developed Countries (LDCs). The ADA, meanwhile, granted IACA 400,000 EUR for a regional Summer Academy in East Africa in 2016. Last but not least, Philip Morris International continues to support the scholarship fund of the Academy for participants from LDCs.

IACA continues to explore the alternative ways of funding stipulated under Strategic Objective 4 of the Work Programme 2014-2016. These involve opening positions of IACA's faculty for endowed professorships and other staff, organizing joint donor conferences, proposing possible modalities for drawing funds on the basis of the "let crime pay" principle, also exemplified under Article 62.2.(c) of the UNCAC, and IACA offering a clearing and facilitating position in guiding penalties and settlements (between one body and another).

Furthermore, seven additional proposals for funding have been forwarded to all members of our constituency for consideration. These include a Member State owned Open-Ended Working Group on Additional Resources; a Member State owned Fundraising Committee; the establishment of an endowment fund for e.g., special research projects; supporting IACA's

Scholarship Fund to facilitate the participation of professionals from LDCs in our programmes and activities; supporting and promoting a framework similar to the Settlement Model as was established in the case of the Siemens Integrity Initiative; and inviting and encouraging Member States to support joint projects between IACA and UNODC.

Distinguished delegates, “*making do with less*” is hardly a sustainable and credible solution *pro futuro*. Although IACA will continue to seek funding from the private sector and other donors, this is only one way to start closing that significant 90% gap. It is not, and obviously cannot be, the full answer.

The key to strengthening the organization is having a reasonable, stable source of funding for our general budget. IACA is a member-owned organization, and its Member States have a shared responsibility for financial ownership. I am thus extremely grateful to all the States and other donors that have contributed financially to IACA up to now, and I would like to express my very strong hope that this list will become longer as a result of our deliberations here in Vienna this week.

Ladies and gentlemen, in view of the achievements I have mentioned before and the overwhelmingly positive feedback given by anti-corruption and compliance professionals around the globe, imagine what IACA could do with a more adequately funded general budget.

In closing, I would also like to express my gratitude to the outgoing and incoming Bureau of the Assembly and the distinguished Chairpersons of the Regional Groups, all members of IACA’s Board of Governors and its most able Chairperson, the Academy’s International Senior Advisory Board and its International Academic Advisory Board, as well as the Permanent Missions to IACA in Vienna and beyond. In particular, my special appreciation also extends to all of IACA’s dedicated staff, both employed and seconded. Let me also warmly thank the Republic of Austria for being the host country of this Assembly, and the United Nations Office in Vienna for providing this superb venue for our deliberations. We are truly privileged to be here.

Ladies and gentlemen, thank you again for enriching this gathering with your presence. I look forward to fruitful discussions and deliberations on a range of important issues over the next three days. And let us be guided by recalling that investing in anti-corruption education and empowerment is the smart way towards sustainable development, safeguarding human rights, and strengthening the rule of law on the road to 2030 and beyond. For the sake of all our peoples.

Thank you.