



INTERNATIONAL
ANTI-CORRUPTION
ACADEMY

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

Sharm El Sheikh, Arab Republic of Egypt
2 – 4 October 2017

Report of the Chairperson of the Board of Governors
Mr. Eduardo Vetere

3 October 2017

CHECK AGAINST DELIVERY

Mr. President,
Your Excellencies,
Ladies and Gentlemen,

It is an honour to be here with you today in the wonderful setting of Sharm El Sheikh, at this sixth 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 tradition, I have the privilege of presenting the Board's report.

First of all let me extend my sincere gratitude to the host country, the Arab Republic of Egypt, and to the Prime Minister, H.E. Sherif Ismail, for granting his auspices for this session, as well as for the magnificent and generous hospitality.

In addition, I would like to congratulate the President and the members of the new Bureau, as well as to extend a very warm welcome to all the distinguished delegates who have come from around the globe to be here.

My thanks and deep appreciation go to my colleagues on the Board for their commitment and continued support. And I am also grateful for the expertise and constructive input from our friends and colleagues on IACA's International Senior Advisory Board (ISAB) and International Academic Advisory Board (IAAB).

Last and by no means least, let me once again praise the leadership of the Dean and Executive Secretary, Mr. Martin Kreutner, and the tireless efforts of his team. This includes, of course, their hard work in preparing this session together with our Egyptian partners.

Ladies and Gentlemen,

I am not exaggerating when I say that this session of the Assembly is the most critical one in the history of IACA.

By adopting the new Work Programme and Budget submitted by the Board, and by taking collective responsibility for financial ownership, you will enable IACA to maintain and expand its activities to meet the strong increase in demand around the world.

But, without your wholehearted support for these concrete steps, IACA's very future would run the risk of being under serious threat. So, your deliberations and actions here in Sharm El

Sheikh will have an enormous impact on the Academy's ability to continue fulfilling its mandate by empowering professionals in the global fight against corruption.

As the Dean and the Chairman of last year's conference noted in their opening statements, IACA has managed to post significant achievements in its first six and a half years, despite its extremely limited resources, which makes its track record all the more impressive.

Quite remarkably, IACA has so far empowered anti-corruption and compliance professionals from more than 150 countries and jurisdictions – yes, that's right: more than 150 – through innovative, top-quality programmes and trainings.

These include, among many others, the Master in Anti-Corruption Studies (MACS), which is now welcoming its fifth class, as well as record numbers of customized tailor-made training workshops and seminars around the world.

And, as we can see in this room, the Academy has a constantly growing global constituency and an increasing number of partner institutions.

All these achievements have enabled IACA to receive explicit tribute in numerous United Nations resolutions, the most recent being UN General Assembly Resolution 71/208 adopted in December of last year.

In order to maintain and build on these achievements, the Board has submitted the Work Programme for 2017 - 2020 and Budget to this Assembly for adoption.

Let me emphasize, Ladies and Gentlemen, that the Board has worked very intensively and thoroughly on this new Work Programme and Budget since the fifth session of the Assembly in Vienna last year. We have discussed them in detail at all three of our meetings in 2017 – in March, May, and also immediately prior to this session – as well as during the periods in between, in order to, *inter alia*, comply with Resolutions AOP5-Res-1 and AOP5-Res-2, respectively.

In this regard, the Board is extremely grateful for the contributions that IACA's constituency provided to this Work Programme. As a matter of fact, we have been informed about the outcome of the informal consultations that were conducted in Vienna prior to our latest Board meeting this weekend. At this meeting we have decided that the Board, in accordance with Article VI of the IACA Agreement, would continue working on the Work Programme in order to submit an updated version to this session of the Assembly today, so as to take into account and to reflect, to the extent possible, the comments and suggestions made. At the same time, however, it should be emphasized that principles related to IACA being an academic

institution, and for which the Board has a responsibility to ensure IACA's academic integrity and to oversee compliance thereon, shall not be compromised. These principles are based on existing high-level international academic norms and standards, in particular the "Bologna Process", which must be adhered to.

The structure of the Work Programme 2017 – 2020 follows that of 2014 – 2016, starting with IACA's strategic objectives and then covering Programmes and Activities and Organizational Development. Potential New Activities, each one with estimated costs of implementation, are included in an Annex.

However – and let me be very frank here – this new Work Programme cannot be fully implemented with IACA's current level of human and financial resources, and in particular the huge shortfall in its general budget allocations.

In this connection, let me recall, distinguished delegates, that although this very forum unanimously adopted IACA's general budgets for 2014, 2015, and 2016, the Academy received less than 10% of the funding that Parties agreed upon.

I would like to thank those Member States that have contributed to IACA's general budget since the last session of the Assembly in November 2016, namely: Austria, Chile, Hungary, Kuwait, Malaysia, Mongolia, Romania, the Russian Federation, and Thailand, as well as pledges from China and Slovakia. I would also like to express my gratitude to the Republic of Korea and Romania for supporting IACA with seconded staff.

However, Ladies and Gentlemen, the massive shortfall in IACA's general budget financing remains alarming and unacceptable. In this regard may I kindly draw your attention to the fact that IACA's income from Member States' contributions in 2016 was 37% lower than the year before and that such voluntary contributions represent only around 20% of IACA's income. In such a financial context, it is no surprise that the previous Work Programme for 2014 – 2016 could not be fully implemented.

Ensuring financial ownership and participation among Parties and other stakeholders, stability of financial resources, and sustainability is crucial to IACA's future, as stressed in the resolution this Assembly adopted last year. Accordingly, this has been a recurring theme in the Board's meetings this year, and it is also strongly emphasized in the new Work Programme, to be adopted now.

In this regard, I feel obliged to urge all of you to seriously consider this issue: even small contributions, if recurrent and regularly provided by all Parties, would dramatically change the current situation. I would also encourage Member States to consider making direct

contributions to the IACA scholarship fund, which was established some years ago with the aim of increasing the possibilities for nationals from Least Developed Countries (LDCs) to participate in and attend IACA's programmes and training activities. Increasing the size of this fund would help the Academy to continue ensuring inclusive and geographically diverse participation from across the globe.

Staying on the financial theme, I am happy to recall the findings of the Academy's Independent External Audit for the budget year 2016, following the approval of the independent external auditors' report by the Board at its meeting in May this year.

The independent external auditors, who are appointed by the Board from senior members of national supreme audit institutions of Member States, forming a collegial body of three members, conducted the audit in March and April 2017.

I am glad to report that in their result and findings they concluded that IACA has sound financial management, that no misstatement of accounts or embezzlement was observed, and that the statements were prepared and expenses incurred in accordance with relevant rules, standards, and regulations.

Once again I would like to express my gratitude and appreciation to the auditors for their work. Let me also thank the volunteering Parties that nominated candidates – Indonesia, Pakistan, and the Russian Federation – for their support and commitment, and inform you that new auditors will be elected in the near future.

It is an honour and a privilege to serve as Chairperson of the Board, to work always in a spirit of harmony and friendship, and to enjoy such an excellent working relationship with the Dean and Executive Secretary. This year has been a busy and stimulating one for the Board, although regrettably two of its members have been unable to attend any of the three meetings so far in 2017.

In concluding my report, let me repeat my firm belief that this session of the Assembly is the most critical in the history of IACA. And let me urge all Member States here, in a spirit of shared ownership, to take the crucial and concrete steps towards jointly shaping and securing the Academy's future.

As mentioned by many speakers, by doing so we will not only contribute to a more effective implementation of the UNCAC but will also continue to work together towards the realization of the 2030 Sustainable Development Goals.

On behalf of the Board of Governors, I pledge my wholehearted involvement to this sixth session of the Assembly of Parties and remain at your disposal for whatever additional explanations you may require.

Thank you for your attention and best wishes for your deliberations.