

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

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

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

Mr. Martin Kreutner

2 October 2017

CHECK AGAINST DELIVERY

Mister President,
Mister Chairperson of the Board of Governors,
Ministers,
Your Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,
Dear Colleagues and Friends,

It is my great honour and pleasure to welcome you all to the sixth session of the Assembly of Parties of the International Anti-Corruption Academy (IACA), here in the wonderful setting of Sharm El Sheikh.

Let me first of all express my deepest appreciation and gratitude to the Arab Republic of Egypt for generously hosting this session, and for extending such a warm welcome to us, and, in particular, for giving us the honour of the auspices of her Prime Minister, H.E. Sherif Ismail.

On a similar note, I am also humbled that national and institutional delegations from all regions of the world are here. Distinguished delegates, your presence here in Sharm is a strong signal of your continued commitment to IACA and to the global fight against corruption.

As the head of the organization I am constantly grateful for the hard work and support of very many people. I therefore extend my sincere gratitude to the outgoing and incoming Bureaus of the Assembly, under the most able leadership of H.E. Ambassador Rafael Grossi from Argentina and H.E. Ambassador Omar Amer Youssef from the Arab Republic of Egypt, respectively, and to all the other members including the Chairpersons of the Regional Groups. My special thanks go to the members of IACA's Board of Governors and its esteemed Chairperson, Mr. Eduardo Vetere, for their unwavering dedication and very hard work; to the organization's International Senior Advisory Board and International Academic Advisory Board; to all the Permanent Missions to IACA in Vienna and beyond; and to all our partners and stakeholders.

Last and by no means least, my particular sentiment of gratitude is conveyed to IACA's talented and dedicated staff from around the world for all their efforts, commitment, and

accomplishments throughout the year, including their preparations for this session of the Assembly in collaboration with our Egyptian partners.

Ladies and Gentlemen,

in its first six and a half years, IACA – with extremely limited resources – has established itself as a fast-growing international organization and a fully-fledged academic and educational institution.

As our constituency and our programmes have grown, so have expectations and requirements – from Member States, from students, experts, and participants, and from our many other partners and stakeholders across the globe. We take these rising demands as a compliment of acknowledgement and as a reflection of the many achievements since IACA was established in 2011.

Distinguished delegates, let me update you on just some of IACA’s attainments to date, with an emphasis on those during the last year since the 5th session of this Assembly in Vienna in November 2016:

- We have built a global constituency of 71 Parties, with Bahrain, Lebanon, and Uganda having acceded to or ratified the IACA Agreement since the fifth session of this Assembly.
- On this very day, 2 October, IACA’s fifth *Master in Anti-Corruption Studies* (MACS) class is starting. This unique programme, the world’s first international master’s degree in anti-corruption and compliance, has already welcomed students from about 40 countries in all regions.
- Our new *International Master in Anti-Corruption Compliance and Collective Action* (IMACC), which is aimed specifically at business professionals, starts later this year.
- In addition, and on the occasion of this Assembly of Parties, IACA is formally launching its new PhD programme – the first international PhD in anti-corruption studies – with a small number of students to be enrolled by the end of this year.
- Our flagship open-enrolment activity, the *IACA Anti-Corruption Summer Academy* (IACSA), has empowered close to 500 professionals from 110 countries in its seven editions to date.

- The *IACA Regional Summer Academy – Middle East* will take place this December in Kuwait City, co-organized by the Kuwait Anti-Corruption Authority. This follows successful Regional Summer Academies in Argentina in 2015 and Uganda in 2016, respectively.
- Our customized “tailor-made” trainings enjoyed their busiest ever year in 2016, and we are receiving new requests from Member States and organizations literally as I speak.
- IACA has received explicit tribute in numerous United Nations resolutions, most recently in December 2016 with the adoption of UN General Assembly Resolution 71/208, which mentions IACA as a “*centre of excellence*” for education, training, and academic research in the anti-corruption field.
- IACA’s programmes and their final diplomas are broadly recognized under the (EU’s) “Bologna Process”. They have also been well acknowledged by other States and institutions, one of which places IACA’s Master in Anti-Corruption Studies in a prestigious academic company of only five other universities globally, those being: Harvard, Cambridge, Johns Hopkins, Duke, and Oxford.
- We are extremely proud to inform you that IACA now has an alumni network of more than 1,250 anti-corruption and compliance professionals from about 150 countries, along with hundreds of additional participants from our many other activities.
- I am also happy to say that – courtesy of earmarked donor funds – IACA has been able to support more than 20% of its students, coming from LDCs and other ODA areas, with full scholarships or full tuition fee waivers.

Our programmes and activities generate excellent feedback and empower anti-corruption and compliance professionals to make a real impact in their daily work. Take, for example, the comments of Julia Glubokaya, a senior compliance officer at a large company in the Russian Federation, who took part in a tailor-made training at IACA for practitioners from Eurasian Economic Union Member States. She said: “The tailor-made training on anti-corruption at IACA inspired me with broader thinking and ideas on how to tackle corruption problems, not only at the level of the private sector but also globally”.

There are many more of these impact stories in IACA’s 2016 Annual Report, which was prepared for this event and which we have shared with delegations here.

But, Ladies and Gentlemen, IACA cannot meet ever rising expectations with the means currently at our disposal. Sadly, the organization does not have magical powers that can create something out of nothing, and certainly not something *extra* out of nothing.

As I have said many times before, if IACA is to maintain and build on its achievements to date then it needs adequate financial resources, and in particular a suitably well-funded general budget. This point is of critical importance at this session of the Assembly, which among other things is considering the organization's next Work Programme.

So, in this context I do urge the Assembly and its broad and distinguished constituency to start closing the long-standing gap between saying and doing, and between expectations and available resources. I call on IACA's constituency to take tangible financial as well as political ownership of the organization.

As we reflect on these circumstances, please bear in mind our very limited financial resources, and our full-time staff of just 28. In all modesty, yet also with necessary straightforwardness: Does anyone in this room and beyond know of another 71-Member-State international organization that has achieved so much with so little, or of another academic and educational institution in the build-up phase that has to attract around 80% of its funds from external sources?

Let us be honest: limited resources can only be stretched so far. Owing to lack of funds, IACA has been unable to develop new open trainings, technical assistance activities, and joint seminars and workshops with partners, or to offer more scholarships for participants from LDCs. Nor has the organization been able to fill all the vacancies resulting from employment contracts having ended, maintain and upgrade our current IT system, or carry out much-needed repair and maintenance works at our premises; just to mention a few.

You might say, "IACA should save more money and cut its expenses further". But this is simply not an option. There is nothing more to save.

Furthermore, allow me to recall that over the years both the Board of Governors and the Secretariat have proposed, and discussed with Member States, a broad array of ways in which Parties can take ownership through alternative ways of fundraising.

These include: opening positions of IACA's faculty for endowed professorships and other staff, permanently paid for by endowment(s); organizing joint donor conferences; proposing

possible modalities for drawing funds on the basis of the “let crime pay” principle; IACA offering a clearing and facilitating position in guiding penalties and settlements; establishing a recommendatory framework for Parties on an annual voluntary contribution sum; establishing a Member State-owned working group on financial resources; offering to supervise the allocation of disaster relief funds to make sure they are used for their intended purpose; convening and dedicating a special session of the Assembly of Parties. In addition, further alternative ways of supporting the organization are contained in the new Work Programme – which is at your disposal for adoption during this Assembly session – such as inviting contributions to help upgrade the IACA library and increase the size of the IACA scholarship fund.

On top of this, and in order to further incentivize and value membership, commitment, participation, and ownership *vis-à-vis* IACA, the Academy is offering discounts on fees for its programmes and activities under its new fee discount scheme for passport holders from the organization’s Parties and for registered Alumni.

So let me return to the issue of financial ownership in its positive context. IACA is most grateful to those Member States and other states that have contributed to the general budget since the organization’s inception. Your generous support is crucial to our activities and is indeed deeply appreciated.

We extend our gratitude to Austria, Azerbaijan, Bulgaria, Chile, Cyprus, Czech Republic, Hungary, Indonesia, Kazakhstan, Kuwait, Liechtenstein, Malaysia, Mongolia, Morocco, Nigeria, Philippines, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Slovakia, Thailand, Turkey, and the United States of America. The organization has also received further pledges from China and some other states.

Distinguished delegates, the *Agreement for the Establishment of IACA as an International Organization* is explicit in its Art XI: it talks about “contributions”; “contributions” and not “donations”. Contributions – even if voluntary in nature – allow for a degree of budget planning and for a way forward; donations, on the other hand, shall rather be reserved for special occasions and, *per definitionem*, cannot constitute the foundation of a credible and accountable organization. *Ergo*, more can be done – and indeed needs to be done – to facilitate regular *contributions* by Member States rather than one-off *donations* with all the associated heavy lifting required on all sides.

I take the liberty, therefore, of sharing with you the idea of considering an Additional Protocol to the IACA Agreement. Such an additional instrument would allow for willing Member States to further describe and define their commitments; what is more, it might also provide them, and us, with an instrument of external clarification and broader justification.

Finally, one other line of thought would be to bring IACA closer to or even into the UN family. We all saw the International Organization for Migration (IOM) last year successfully completing this path; and given IACA's mandate, there are obviously considerable areas of potential substance synergies in a place like Vienna.

Having called for greater financial ownership among Member States, let me reassure you that IACA holds financial accountability in the very highest regard. The organization manages its limited resources under several layers of scrutiny, including an independent and Member State-owned external audit.

The independent external auditors, appointed by the Board of Governors from senior members of national supreme audit institutions of Member States, form a collegial body of three and conducted the audit for the budget year 2016 in March and April this year.

At its meeting in May 2017 the Board approved the Independent External Auditors' report. In their result and findings the auditors 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".

Distinguished delegates, IACA has so far achieved much with few resources, and expectations are high as we look to the future. The vision and the way forward for the organization are there; however, let it not end as an illusion only.

By closing, by I would like to invite and encourage all Parties, through their deliberations here, to set a positive and coherent way forward, in a spirit of partnership, and with a clear division of tasks between IACA's various organs.

And let me repeat once again what I said at the United Nations SDG Summit in New York almost exactly two years ago to the day, on the occasion of the unanimous adoption by all UN Member States of the 2030 Agenda for Sustainable Development: *"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.”

With this inspiring vision in mind, I look forward to a stimulating and productive Assembly session here in Sharm El Sheikh.

Shukran - Thank you.