



Anti-Corruption Initiative for Asia-Pacific

10th Regional Conference on

**PREVENTING AND COMBATING CORRUPTION
IN INFRASTRUCTURE PROJECTS IN ASIA-
PACIFIC**

AGENDA

3-6 December 2019

Ha Noi, Viet Nam

Partners:



OECD Korea Policy Centre



外務省

Ministry of Foreign Affairs of Japan



*Empowered lives.
Resilient nations.*

PREVENTING AND COMBATING CORRUPTION IN INFRASTRUCTURE PROJECTS IN ASIA-PACIFIC

In order to drive socio-economic growth, facilitate domestic and cross-border trade, and mitigate the effects of climate change, countries in the Asia-Pacific region are investing heavily in public infrastructure. These projects include roads, railways, mass transportation systems, marine ports, airports, health care and education infrastructure, water supply systems, and waste treatment facilities. The complexity and high costs however leave these projects highly susceptible to corruption risks, as demonstrated by a multitude of cases around the world and in the region. As a result, the need for managing corruption risks in large infrastructure projects and developing holistic measures for fighting corruption in the infrastructure sector has never been greater.

The 10th Regional Conference of the Anti-Corruption Initiative, hosted by the Government of Viet Nam, addresses corruption in infrastructure projects, bringing together leaders and practitioners from the region in the following meetings:

- An inaugural **Business Integrity Meeting**, which will explore corruption risks in infrastructure projects, along with the anti-bribery compliance climate in the region. This Business Integrity Meeting is co-organised with UNDP, and supported by the Ministry of Foreign Affairs of Japan.
- A meeting of the **Public Integrity Network (PIN)**, which will explore solutions to curb undue influence, strengthen risk management and improve corruption prevention. This Public Integrity Network meeting is organised in partnership with the OECD Korea Policy Center, and supported by the Ministry of Foreign Affairs of Japan.

The results of these meetings will be presented by regional leaders in the **High Level Segment**. In addition the Regional Conference will host the **23rd Steering Group Meeting** of the Initiative.

	Tuesday 3 December	Wednesday 4 December	Thursday 5 December	Friday 6 December
09:00-12:30	Business Integrity meeting	Public Integrity Network	Public Integrity Network	Public Integrity Network
				High Level Segment – High Level Panel
14:00-17:00	Business Integrity meeting	Public Integrity Network	23rd Steering Group Meeting [for Initiative members only]	High Level Segment – Closing Ceremony
		Dinner	Gala Dinner	Ha Long Bay Tour

About the Anti-Corruption Initiative for Asia-Pacific

The Anti-Corruption Initiative for Asia-Pacific, managed under the joint leadership of the [Asian Development Bank \(ADB\)](#) and the [Organisation for Economic Co-Operation and Development \(OECD\)](#), provides a forum for peer learning for 31 member countries and economies in the region, to discuss shared integrity challenges and to advance innovative and effective ways to address them. The Initiative brings together leaders and practitioners from the region in the Law Enforcement Network, the Public Integrity Network, and the Business Integrity Meeting.

 Website: <https://www.oecd.org/site/adboecdanti-corruptioninitiative/>

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Meeting on Business Integrity

■ **Tuesday 3 December 2019**

Venue: JW Marriott Hotel, Ballroom 1

09:00-09:30 Welcome and introduction

Welcome by Business Integrity Meeting co-moderators: Brook Horowitz, Business Integrity Advisor, UNDP and Ms. Leah Ambler, Legal Analyst and Manager, Asia-Pacific, OECD.

Opening speeches:

- Mr. Tran Ngoc Liem, Deputy Government Inspector General, Government Inspectorate (GIV), Viet Nam
- Mr. Vu Tien Loc, Chairman of Viet Nam Chamber of Commerce and Industry (VCCI)
- Ms. Mathilde Mesnard, Deputy Director, OECD Directorate for Financial and Enterprise Affairs
- Ms. Diana Torres, Project Manager, Transparency and Accountability at UNDP in Asia and the Pacific, UNDP

09:30-10:45 Panel discussion: Corruption risks in infrastructure projects in Asia-Pacific

This session will bring together private sector companies and trade and investment facilitators to discuss and identify the principle corruption risks involved in infrastructure projects in the region. With reference to case studies, this session seeks to identify the main challenges, faced by companies—both large and small, foreign and local—participating in infrastructure projects in the region.

Speakers:

- Mr. Ryohei Gamada, Senior Economist (Asia), The Japan External Trade Organization (JETRO) Bangkok
- Mr. Juhani Grossman, Chief of Party, USAID CEGAH (corruption prevention program in Indonesia)
- Mr. Liu Luobing, Vice Chair & Board Member of International Federation of Consulting Engineers (FIDIC)
- Ms Angela Joo-Hyun Kang, Founder and Executive President, Global Competitiveness Empowerment Forum (GCEF)
- Mr. Christian Wunderley, Director, Anti-Bribery and Corruption, ASEAN and South Asia & Greater China and North Asia Conduct, Financial Crime and Compliance

Moderator: Mr. Brook Horowitz, Business Integrity Advisor, UNDP

10:45 – 11:00 *Group photo and coffee break*

11:00 -12:30 Panel Discussion: The compliance climate in Asia-Pacific

This session will explore and identify challenges in implementing effective anti-corruption compliance systems in the infrastructure sector. It will delve into the challenges of conducting corruption risk assessments and due diligence in the context of government infrastructure contracting in Asia-Pacific. Speakers will discuss trends in anti-bribery compliance guidance and certification among companies operating in the region, as well as the broader developments related to responsible business conduct standards.

Speakers:

- Mr. Francesco Checchi, Anti-Corruption Advisor, UNODC
- Mr. Pana Ratanabanangkoon, Executive Vice President, Thai Institute of Director and Project Director, Thailand's Private Sector Collective Coalition against Corruption (CAC)
- Mr. Nguyen Quang Vinh, VCCI Secretary General and Director of Office for Business Sustainable Development
- Mr. Phung Manh Truong, Deputy Director, Directorate for Standards, Metrology and Quality – Ministry of Science and Technology, Viet Nam
- Mr. Daniel Shea, Regional Director, Compliance & Litigation, Microsoft Asia
- Mr. Stephen Taylor, Head of Internal Political Section, British Embassy Viet Nam

Moderator: Ms. Leah Ambler, Legal Analyst and Manager, Asia-Pacific, OECD

12:30–14:00 Lunch break

14:00-16:00 Breakout Session: Finding solutions: how to better equip business in Asia-Pacific to combat bribery and corruption

The audience will be divided into separate discussion groups, to be moderated by some of the speakers from the morning roundtables. The discussion groups will be assigned specific topics in the context of corruption risk and anti-bribery compliance needs in Asia-Pacific. Following the allocated time for discussion, speakers will report to the plenary on the conclusions reached by their discussion group.

- 14:00-14:05 Co-moderators present the aims and format of the breakout session
- 14:05-15:15 Breakout discussions (see room document)
- 15:15-15:30 Coffee break
- 15:30-16:00 Report out from each discussion group by rapporteurs

16:00-16:30 Plenary discussion – Working together for business integrity

Ms. Solène Philippe, Legal Advisor, OECD Anti-Corruption Division, will summarise the recommendations and ideas from the breakout sessions.

Discussion with all participants to select the key priorities for business integrity work in the Asia-Pacific region.

16:30-16:50 The road ahead

Mr. Heru Prasetyo, Founder and Chair of Board of Patrons, Indonesia Business Links

16:50-17:00 Wrap-up and conclusions

Summary and conclusions from the Co-Chairs of the Conference

- Mr. Vu Tien Loc, Chairman of Viet Nam Chamber of Commerce and Industry (VCCI)

Conclusions by Brook Horowitz, Business Integrity Advisor, UNDP and Ms. Leah Ambler, Legal Analyst and Manager, Asia-Pacific, OECD

Public Integrity Network (PIN):

Preventing Corruption in Public Infrastructure Projects in Asia-Pacific

Venue: JW Marriott Hotel, Ho Tay-Truc Bach-Thien Quang Room

■ Wednesday 4 December 2019

08:30-09:00 Registration

09:00-09:20 Welcome and introduction

Objectives	<p>Introducing the agenda of the Public Integrity Network (PIN) meeting and the topic "Preventing Corruption in Public Infrastructure Projects in Asia-Pacific"</p> <p>Introduction by Mr. Julio Bacio-Terracino, Acting Head of Division, Public Governance Directorate, OECD</p> <p>Speakers:</p> <ul style="list-style-type: none">- Opening speech by Mr. Nguyễn Văn Thanh, Deputy Government Inspector General, Government Inspectorate, Viet Nam- Remarks by Mr. Han-Kyung Yi, Director General, OECD Korea Policy Center
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09:20-10:30 Opening Session: Corruption Challenges related to Infrastructure Projects in Asia-Pacific

Objectives	<p>Infrastructure investment is a driver for sustainable economic growth and development, and it is a catalyst for the provision of basic services. However, infrastructure projects are exposed to high risk for capture and collusion, jeopardising the return on public investments and the benefits of infrastructure projects for citizens and economies. The large sums of money, the complexity of the projects in terms of stages and stakeholders, and the extent of discretion by politicians and public officials over investment decisions, make these projects susceptible to undue influence and corruption.</p> <p>Guided by the OECD Integrity Framework for Public Investment and the G20 Compendium of Good Practices for Promoting Integrity and Transparency in Infrastructure Development, this session will look into the corruption risks at the various stages of the public investment cycle and at the challenges that governments in the Asia-Pacific face in mitigating corruption risks.</p> <p>Speakers:</p> <ul style="list-style-type: none">- Mr. Shohei Sonoda, International Safety and Security Cooperation Division, Foreign Policy Bureau, Ministry of Foreign Affairs, Japan, Presidency of the G20 Anti-Corruption Working Group- Mr. Le Quoc Dat, Deputy Chief, Inspectorate of Ministry of Planning and Investment, Viet Nam- Mr. John Versantvoort, Head of the Office of Anticorruption and Integrity, ADB- Mr. Petter Matthews, Executive Director, CoST – the Infrastructure Transparency Initiative (CoST) <p>Moderator: Ms. Mathilde Mesnard, Deputy Director, OECD Directorate for Financial and Enterprise Affairs</p>
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10:30 *Group photo*

10:30-11:00 *Coffee break*

11:00-12:30 Session 1: A Bridge or a Tunnel? Safeguarding the Public Interest and Averting Undue Influence in Infrastructure Projects

Objectives

For the public interest to prevail in infrastructure projects, it is important that the decision making process on strategic planning of infrastructure projects is underpinned by objective and technical criteria and that stakeholders are consulted on an equal footing.

Indeed, policy capture and undue influence are some of the main types of integrity risks which infrastructure projects are vulnerable to, especially in the early stages of the project cycle. Decisions on the infrastructure needs and strategic priorities can be biased by narrow interests, jeopardising the feasibility and cost of the project. Pressure by vested interests may result in negative returns of productivity or excessive infrastructure, resulting in the creation of "white elephant" projects. This has a visible negative impact on citizens. At a global level, a country with high levels of corruption tends to invest less in education and health systems and more in prestigious infrastructure projects that do not always have obvious benefits for society.

This session will be focusing on ways to improve infrastructure decision-making and strategic planning with the goal to better deliver infrastructure for citizens. During this session, the OECD will also present its recent work on averting policy capture in infrastructure investments.

Speakers:

- Mr. Julio Bacio-Terracino, Acting Head of Division, Public Governance Directorate, OECD
- Ms. Wanghui, Senior Inspector of International Cooperation Department, National Supervision Commission of the People's Republic of China (NCS) &CPC Central Commission for Discipline Inspection (CCDI)
- Mr. Kezang Tshering, Anti-Corruption Commission of Bhutan
- Ms. Serena Lillywhite, CEO, TI Australia

Moderator: Mr. Han-Kyung Yi, Director General, OECD Korea Policy Center

12:30–14:00 *Lunch break*

14:00-15:30 Session 2: Auditing of Large Infrastructure Projects: from Oversight and Insight to Foresight

Objectives

Audits are a critical tool for ensuring the integrity and value for money of large-scale public infrastructure projects. However, the audit environment of infrastructure projects is often very complex, requiring multiple types of technical expertise. This complexity is aggravated by the dependence on a high number of contractors, subcontractors and suppliers of materials. Despite the challenges, audits allow for more than just identifying mistakes already made; they provide foresight of risks that may occur in the future, and can help governments prepare for unforeseen developments and future projects. Based on good practices from the region, this session will explore how audits contribute evidence for more informed governance and corruption-proofing of infrastructure projects.

Speakers:

- Mr. Hoang Phu Tho, Director General of Specialized Audit Department No. 4 (Capital Infrastructure Investments and Projects), State Audit Office of Viet Nam
- Dr. Sutthi Suntharanuraki, Director of International Affairs Office, Office of the Auditor General, Thailand
- Ms. Cholpon Mambetova, Senior Integrity Specialist, Office of Anticorruption and Integrity, ADB

Moderator: Mr. Jeroen Michels, Policy Analyst, Public Sector Integrity Division, OECD

15:30–16:00 *Coffee break*

16:00-17:30 Session 3: Promoting integrity in infrastructure projects and beyond: country innovations and perspectives

Objectives

Recognising the importance of strong governance mechanisms for public investments, various countries from the Asia – Pacific region have developed innovative policies, approaches and tools for assessing and managing integrity risks. This session will present a selection of these country innovations and perspectives, ranging from legal frameworks and data analysis to cost management tools. The session will also discuss how these approaches and developments can shape the integrity agenda in different country contexts within the Asia-Pacific region.

Speakers:

- Mrs. Nguyễn Thị Kiều Viên, Founder and Executive Director, Towards Transparency, Viet Nam
- Mr. Ganesh R Joshi, Commissioner, Commission for the Investigation of Abuse of Authority, Nepal
- Mrs. Pelagia Makhauri, Acting Head of the Analytical Department, Ministry of Justice of Georgia
- Md. Dilwar Bakth, Secretary, Anti-Corruption Commission, Bangladesh

Moderator: Mr. Jeroen Michels, Policy Analyst, Public Sector Integrity Division, OECD

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■ **Wednesday 4 December 2019**

Dinner hosted by the Asian Development Bank

Venue: Đông Sơn Drum Restaurant (transportation will be provided).

19:00 – 21:00

Public Integrity Network (PIN):

Preventing Corruption in Public Infrastructure Projects in Asia-Pacific (continued)

Venue: JW Marriott Hotel, Ballroom 1

■ Thursday 5 December 2019

9:00-10:30

Session 4: Clean Infrastructure Projects as a Catalyst for Achieving SDGs

Objectives

Infrastructure projects are a catalyst for socio-economic development of a country or region, and hold benefits for society in terms of trade, employment, climate change resilience, health, sanitation, education, mobility, etc. Given these range of benefits, multilateral banks and development partners are keen on partnering with governments in the Asia-Pacific region on ambitious infrastructure investments. Based on examples and good practices from the region, this session will explore how development actors and governments can cooperate in mitigating corruption risks.

Speakers:

- Mr. Nguyen Duc Kien, Vice Chairman, Committee for Economic Affairs, National Assembly of Viet Nam
- Ms. Lotte Feuerstein, Programme Manager, Water Integrity Network (WIN)
- Mr. Geoff Stoddart, Chairman, Public Expenditure Review Board, Cook Islands
- Mr. Yusof Khairil, Sinar Project, Malaysia

Moderator: Ms. Catherine Phuong, Assistant Resident Representative, UNDP Viet Nam

10:30-11:00 *Coffee break*

11:00-12:30

Session 5: Interactive Workshop – Addressing Integrity Violations in Infrastructure Projects

Interactive workshops based on case studies to identify and address integrity violations in Infrastructure Projects

Workshop facilitated by OECD and ADB experts

12:30-13:30 *Lunch break*

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PROJECTS IN ASIA-PACIFIC**

■ **Thursday 5 December 2019**

23rd Steering Group Meeting

Venue: JW Marriott Hotel, Ballroom 1

13:30 – 18:00

**Gala Dinner hosted by H.E. Mr. Le Minh Khai, Government Inspector
General of Viet Nam**

Venue: JW Marriott Hotel, Ballroom 2+3

18:00 – 20:00

Public Integrity Network (PIN):

Preventing Corruption in Public Infrastructure Projects in Asia-Pacific (continued)

Venue: JW Marriott Hotel, Ballroom 1

■ Friday 6 December 2019

09:00-10:30 Session 6: Mitigating Risks in Investment Funds: A Strategic Approach to Tackling Fraud and Corruption Risks

Objectives

Fraud and corruption in investment funds hinder socio-economic development and jeopardise the outcome of projects, at times resulting in poor quality works. To deliver results effectively, free from fraud and corruption, governments and investment partners alike need to put in place mechanisms to ensure integrity and accountability throughout the implementation of investments. This requires going beyond compliance measures and controls, balancing a focus on achieving results with good governance principles throughout projects. Addressing specific fraud and corruption risks throughout the investment cycle requires both strategic and operational measures. This includes undertaking robust risk assessments at key stages of the project cycle and strengthening expertise to identify specific fraud and corruption schemes, as well as red flags. Furthermore, adopting strategic foresight and insight, for example by applying data analytics techniques, can help investment partners to detect and mitigate risks in relation to high-risk processes and actors.

This session will focus on strengthening integrity in investment funds and addressing specific risks throughout the project cycle, demonstrating the complex nature of fraud and corruption in fund management. The session will highlight the specific tactics that perpetrators employ to defraud investments, and will put forth actions to help governments and investment partners detect and mitigate fraud and corruption risks.

Speakers:

- Mr. Gavin Ugale, Policy Analyst, OECD
- Ms. Jisun Kim, Deputy Director of Construction Business Management Division of the Public Procurement Service, Korea
- Mr. Yuan Haipeng, Chief of the Commission of Supervision of Daxing District of Beijing
- Mr. Kamran Aliyev, Director of the Anti-Corruption Directorate with the Prosecutor General of the Republic of Azerbaijan (ACD) – Deputy Prosecutor General
- Mr. Hamid Sharif, Managing Director, Complaints-resolution, Evaluation, & Integrity Unit, Asian Infrastructure Investment Bank (AIIB)

Moderator: Mr. John Versantvoort, Head of the Office of Anticorruption and Integrity, ADB

Objectives

Conclusions of the Public Integrity Meeting and next steps

Speakers:

- Mr. Nguyễn Văn Thanh, Deputy Government Inspector General, Government Inspectorate of Viet Nam
- Mr. Julio Bacio-Terracino, Acting Head of Division, Public Governance Directorate, OECD

Regional Conference on PREVENTING AND COMBATING CORRUPTION IN INFRASTRUCTURE PROJECTS IN ASIA-PACIFIC

High Level Segment: Closing Ceremony

■ Friday 6 December 2019

Venue: JW Marriott Hotel, Ballroom 1

08:30–09:00 *Registration*

09:00-10:45 Public Integrity Meeting (continued)

- Session 6: Mitigating Risks in Investment Funds: A Strategic Approach to Tackling Fraud and Corruption Risks
- Closing of the Public Integrity Meeting

10:45–11:00 *Coffee break*

11:00-12:30 High-Level Panel on Envisioning the Future of Preventing and Fighting Corruption in Infrastructure Projects in the Asia-Pacific Region

Objectives

Investment in public infrastructure allows governments to respond to policy challenges, foster sustainable economic growth, and ultimately improve the well-being of citizens. Yet, infrastructure projects are notoriously vulnerable to corruption and fraud. With investment constituting 20% of gross domestic product (GDP) in OECD countries, governments are expected to identify effective solutions that will ensure resources are used effectively, and projects are implemented to the highest standards of quality and integrity. To do so, clear leadership and vision are necessary.

In this high level panel, leaders will share their views on developing a holistic approach to address corruption in infrastructure, combining prevention, law enforcement and business integrity perspectives. They will also reflect on the role of international cooperation to support governments, businesses and society in building robust systems for healthy and sustainable investments in public infrastructure.

Speakers:

- Mr. Nguyen Van Trung, Vice Minister, Ministry of Planning and Investment, Viet Nam
- Mr. Euywhan Kim, Commissioner of ACRC, Korea
- Ms. Mathilde Mesnard, Deputy Director, Directorate for Financial and Enterprise Affairs, Asia-Pacific

12:30-14:00 Lunch break

Venue: JW Marriott Hotel, Ballroom 2+3

14:00-15:15 High-Level Closing Ceremony

Remarks by the organising partners

- Mr. Jeffrey Schlagenhauf, Deputy Secretary-General, OECD
- Mr. John Versantvoort, Head of the Office of Anticorruption and Integrity, ADB
- Ms. Caitlin Wiesen - UNDP Resident Representative Viet Nam

Remarks by the donor partner

- Mr. Gareth Ward, British Ambassador to Viet Nam

Keynote Address by H.E. Mr. Truong Hoa Binh, Standing Deputy Prime Minister, Viet Nam

Closing remarks by H.E. Mr. Le Minh Khai, Government Inspector General, Government Inspectorate, Viet Nam

Photo session with the Deputy Prime Minister of Viet Nam and Heads of Delegations

16:15 Departure for Ha Long Bay

