

Anti-corruption Summit | London 2016 - Communiqué

12 May

1. Corruption is at the heart of so many of the world's problems. It erodes public trust in government, undermines the rule of law, and may give rise to political and economic grievances that may, in conjunction with other factors, fuel violent extremism. Tackling corruption is vital for sustaining economic stability and growth, maintaining security of societies, protecting human rights, reducing poverty, protecting the environment for future generations and addressing serious and organised crime. No country is immune from corruption and governments need to work together and with partners from business and civil society to tackle it successfully. We need to face this challenge openly and frankly to fulfil our shared commitments under the 2030 Agenda for Sustainable Development to “substantially reduce corruption and bribery in all their forms” and “strengthen the recovery and return of stolen assets.”¹

2. We see tackling corruption as a top priority, at home and abroad. We will take action to prevent corruption and to ensure it does not fester in our government institutions, businesses and communities. We will seek to uncover corruption wherever it exists, and to pursue and punish those who perpetrate, facilitate or are complicit in it. We commit to make it easier for people to report suspected acts of corruption, and to support communities that have suffered from it.

3. We will do this by promoting integrity, transparency and accountability, by exploring innovative solutions and new technologies, and by strengthening international cooperation. We will monitor the success of our policies and strategies, learning from and embedding best practice. We acknowledge the centrality of the UN Convention against Corruption (UNCAC) and will implement and build on its provisions and those of other international, regional and bilateral anti corruption instruments to which our countries may be party. We will support international institutions and encourage them to strengthen their individual and collective contributions to the fight against corruption, as well as their own transparency and integrity standards. We welcome the support from the Heads of the international institutions represented at the Summit to the objectives of the Communiqué and Summit Declaration as reflected in the measures, actions and objectives undertaken by these institutions in their commitments.

Exposing corruption

4. The misuse of companies, other legal entities and legal arrangements, including trusts, to hide the proceeds of corruption must end. We will enhance transparency over who ultimately owns and controls them, to expose wrongdoing and to disrupt illicit financial flows. As recent events have shown, we need to take firm collective action on increasing beneficial ownership transparency. We will fully implement the Financial

Action Task Force (FATF) Recommendations on Transparency and Beneficial Ownership of Legal Persons and Arrangements. We will ensure accurate and timely basic and beneficial ownership information (including legal ownership information) is collected, available and fully accessible to those who have a legitimate need for it, including to help prevent abuse. This requires mechanisms to ensure law enforcement and other competent authorities, including tax authorities, have full and effective access to accurate and up to date information. It may include establishing public central registers. Timely access to beneficial ownership information should be arranged in a way that does not compromise law enforcement investigations. We will work to ensure that beneficial ownership information can be used effectively to detect and fight corruption, including working with business, civil society, and law enforcement. We will support developing countries to collect beneficial ownership information and use it in public contracting and other sectors. We underline the importance of strengthening access by financial intelligence units (FIUs) to information, such as access to bank and payment account information.

5. We will take steps to eliminate loopholes that allow corruption to thrive through the misuse of these entities, and work, in accordance with national law, to ensure a level playing field between foreign and domestic companies in respect of requirements to provide beneficial ownership information. We will work towards ensuring the effective exchange of beneficial ownership information, in line with applicable data protection laws and rules, both domestically and internationally, and between authorities, including tax authorities, asset recovery offices, financial intelligence units (FIUs), law enforcement and anti-corruption agencies; and we note the recently announced initiative, joined by 40 jurisdictions, for the automatic exchange of beneficial ownership information of companies, trusts, foundations, shell companies and other relevant entities and legal arrangements. We ask FATF, the Organisation for Economic Co-operation and Development (OECD) and the Global Forum on Transparency and Exchange of Information for Tax Purposes to develop initial proposals on ways to improve the implementation of the international standards on transparency, including on the availability of beneficial ownership information and its international exchange. This will help tax and law enforcement authorities track the complex offshore trails used by criminals.

6. The corrupt should be denied the use of legitimate business channels to further illicit activity, and anyone who launders the proceeds of corruption should be brought to justice in full accordance with applicable law. We will ensure that public authorities and businesses have the incentives and tools to prevent the corrupt from using financial and professional services.

7. In the financial sector, we will create stronger partnerships between governments, regulators, law enforcement, financial intelligence units (FIUs) and business to detect and prevent the flow of illicit funds and to enable the private sector to act as a more effective first line of defence. We will also encourage all jurisdictions, where applicable national

law permits, to improve information sharing between law enforcement authorities, FIUs, regulators and banks, and within and among private sector participants, both domestically and across borders. We recognise the importance of effective implementation of FATF's global standards to combat money laundering and counter-terrorist financing, and support FATF's work to address barriers to information sharing between jurisdictions and within each financial group. We also recognise the key role of the Egmont Group of FIUs in this and we welcome the Egmont Group's consideration of a Centre of FIU Excellence and Leadership. We encourage jurisdictions to share financial intelligence expeditiously with law enforcement and to expand sharing initiatives by allowing FIUs to exchange information spontaneously.

8. In the non-financial professional services sector, we call on all countries to regulate and effectively supervise the legal, accounting, property, trust and company services sectors and support the promotion of global industry best practice in these sectors to underpin full and consistent implementation of FATF standards globally. We will also be alert to activities or sectors emerging as vulnerable to being used for facilitating or laundering proceeds of corruption. We welcome the statement of support and initiative by a group of leading firms in the international professional services sector to collaborate, share experience, and work with governments and other stakeholders to help prevent corrupt funds reaching legitimate investment and real estate markets. We will work with each other and the private sector to drive out those lawyers, accountants, real estate agents, trust and company service providers, and other professional service providers who facilitate or are complicit in corruption and to deprive them of the opportunity to carry out professional activities in future.

9. Public contracting - including by international organisations - and government budgets should be fair, accountable, open and transparent to prevent and expose the theft or misuse of taxpayers' money. We will ensure public contracts are awarded and managed openly, accountably and fairly, consistent with applicable law - making public procurement open by default - so that citizens and businesses can have a clear public record of how public money is spent. We will make greater use of e-procurement to make public contracting processes more transparent. We will work with businesses and civil society to ensure accountability and will work towards providing, in a usable and reusable form, shareable and timely open data and documents on public contracting activities, consistent with applicable law. We particularly underline the importance of integrity in contracting in sectors that matter for people's daily lives, and those that are particularly vulnerable to corruption.

10. We will work to strengthen fiscal transparency, including by ensuring legislative oversight of budget processes and strengthening the capacity of supreme audit institutions. We support the independence of supreme audit institutions and the publication of audit findings. We acknowledge the High Level Principles on Fiscal Transparency set out by the Global Initiative for Fiscal Transparency (GIFT), as supported by the IMF and World Bank and noted by the UN General Assembly in 2012.

We fully support the efforts of the international financial institutions to improve fiscal transparency, and will undertake periodic assessments of fiscal transparency, as appropriate, using internationally adopted diagnostic frameworks, such as the IMF's Fiscal Transparency Evaluation, the Public Expenditure and Financial Accountability (PEFA) framework, or OECD budget review. We will also work to increase transparency of funds allocated from or to our countries by development agencies, international organisations, foundations, charities and similar organisations.

11. We recognise that certain sectors are particularly vulnerable to corruption risks, including construction, customs, and extractive industries, among others. Corruption in these sectors undermines economic growth, threatens security and harms the poor, and we welcome efforts to increase accountability and transparency. We note the continuing development of the Extractive Industries Transparency Initiative. We also welcome the natural resource pillar of the IMF's fiscal transparency code, and voluntary and mandatory reporting standards across the globe. We will continue to promote effective governance and accountability mechanisms of these sectors and will address remaining transparency gaps.

12. The private sector is at the forefront of the fight against corruption and we encourage them to take steps to avoid any corruption in commercial companies through the implementation of appropriate prevention procedures.

13. People should be able to report alleged corruption without fear of reprisal and with confidence that credible information will be acted on. We commit to make it easier for people to report suspected acts of corruption, to protect "whistleblowers" from discriminatory and retaliatory actions, and to promote action including by law enforcement agencies where credible information is provided. We support the role that the media, including investigative journalists, the business community, and civil society can play in complementing and reinforcing corruption reporting systems including effective monitoring and follow up.

14. We will increase international transparency on tax to deter tax evasion and other tax crimes and to prevent individuals from concealing proceeds of crime, including corruption in other jurisdictions. We will endorse and take steps to implement the Common Reporting Standard (CRS) on automatic exchange of information, which is vital for global tax transparency, in time for the first exchanges in 2018 at the latest. We recognise the important contribution that efficient, fair and transparent tax systems can make to national and global efforts to challenge corruption. We support the work of the Global Forum on Transparency and Exchange of Information for Tax Purposes and the Addis Tax Initiative in assisting developing countries to strengthen their tax systems and thereby boost domestic resource mobilisation. We support the principles of the Addis Tax Initiative. We look forward to the report by the UN, OECD, World Bank and IMF to the G20 in July 2016 in which they will recommend mechanisms to help ensure effective

implementation of technical assistance programmes and recommend how countries can contribute funding for tax projects and direct technical assistance.

15. Those who facilitate tax evasion should be held to account; we support international efforts to tackle individuals and corporations that facilitate tax evasion, and call on all countries to support the work of the OECD Task Force on Tax Crime and Other Crimes and enhance efforts to tackle professional enablers of tax evasion. We welcome the work by the OECD to establish objective criteria to identify non-cooperative jurisdictions with respect to tax transparency.

Punishing the corrupt and supporting those who have suffered from corruption

16. The corrupt should be brought to justice. We will ensure we have the necessary domestic laws in place to uncover and punish corruption, including criminalisation of foreign bribery and establishing the liability of legal persons, drawing, as appropriate, on the provisions of UNCAC, the OECD Convention on the Bribery of Foreign Public Officials in International Business Transactions and other international instruments to which we are party. To this end, we will endeavour to apply effectively the extradition and MLA provisions of UNCAC and other applicable international conventions. We will actively enforce anti-corruption laws and work together across international borders to pursue the corrupt, prosecute them and seek their punishment according to the law and, where possible, confiscate and return stolen assets consistent with the provisions of UNCAC. We will strengthen cross-border cooperation and information sharing between law enforcement agencies, anti-corruption bodies, integrity offices of international organisations, prosecutors and, where appropriate, judges or judicial officers, and will support developing countries' ability to investigate, prosecute and collaborate with international partners. We welcome the proposal to establish an International Anti-Corruption Coordination Centre by interested countries, which will work closely with relevant international and national organisations, including FIUs, and support countries that have suffered from grand corruption.

17. Corrupt bidders should not be allowed to participate in public procurement tenders. We will make efforts to ensure relevant information, such as final convictions, is made available to contracting authorities to inform decisions on suspending and excluding bidders where appropriate. We encourage countries to explore ways of sharing relevant information across borders.

18. The proceeds of corruption should be identified, seized, confiscated and returned, consistent with the provisions of UNCAC. We will continue to strengthen our legal frameworks for asset recovery. We will work together to enforce confiscation orders across borders including, where legal systems allow, administrative freezes, non-conviction-based confiscation orders or unexplained wealth orders. We will ensure that we have the authority to take prompt action, where possible, in response to requests by foreign countries to identify, freeze, seize and confiscate the proceeds of corruption. We

will afford one another the widest measure of co-operation and support, applying the provisions of UNCAC and other relevant international instruments or mechanisms to which our countries may be party. We recognise that resolving complex asset recovery cases is assisted by partnership and cooperation between requesting and requested states. Recognising the importance of strong political commitment and practitioner inter-action, and building on the experience of existing regional fora, we welcome proposals for a Global Asset Recovery Forum to be held in 2017, co-hosted by the United States and United Kingdom, with support from the joint World Bank and UNODC Stolen Asset Recovery Initiative (StAR), which will focus on assistance to Nigeria, Ukraine, Tunisia and Sri Lanka. We will also support a broader use of the global and regional asset recovery inter-agency networks to obtain investigative and legal assistance in tracing and freezing the proceeds of corruption.

19. Consistent with the provisions of UNCAC, we will co-operate to provide timely, coordinated and appropriate technical assistance and expertise on asset recovery, especially when a country is in need of urgent support. We encourage countries to support the efforts of the World Bank and United Nations Office on Drugs and Crime (UNODC) to strengthen StAR in support of countries' efforts to recover and return stolen assets. We welcome efforts to strengthen international cooperation on the transparent and accountable management of frozen and returned assets. We will develop advice and practical ideas for those engaged in the return of stolen assets, and welcome work by the UNODC and others to start this.

20. We want to send a clear signal to the corrupt that they will face consequences internationally. We want to make it harder for them to travel and do business in our countries. By increasingly seeking to prevent international travel by corrupt individuals, in ways consistent with national laws, we will help stop those engaged in corruption from enjoying their ill-gotten gains.

21. Compensation payments and financial settlements, in countries whose legal systems and domestic policies accommodate, can be an important method to support those who have suffered from corruption. Those countries that accommodate such payments will work to develop principles to ensure that such payments are made safely, fairly and in a transparent manner to the countries affected. We welcome the work of the UNCAC Asset Recovery Working Group, World Bank, OECD and other international organisations in examining this issue.

Driving out-corruption

22. Entrenched corruption should be targeted, wherever it occurs. International networks of professionals in public and private sectors can strengthen mutual expectations and standards. We will encourage long-term institutional partnerships which promote integrity. These may include twinning arrangements between institutions, practitioner exchanges, peer-to-peer learning and south-south cooperation. We will

spearhead the development of new practitioner partnerships on institutional integrity, in coordination with international organisations, to drive up standards in sectors such as tax, customs, public expenditure, budget formulation, extractives, fiscal transparency, and where appropriate, the judiciary. International organisations, including the OECD, UNODC and UNDP, will support these partnerships by sharing information and best practice. We will support broader efforts to promote public integrity and improve public sector management, private sector standards and incentives, and co-operation on training and education.

23. There is no place for corruption in Sport. High-level corruption in sports administration, match fixing, procurement, endorsement deals, site selection, illegal betting and doping, and the involvement of organised crime, have damaged the credibility of sporting bodies. They must be decisively addressed through a coordinated response. We welcome the work of the international sports organisations to strengthen openness and improve governance so that they meet global best practice. We urge them to achieve the highest global standards and regain public trust through a culture of good governance. We recognise the autonomy of international sports organisations conferred under national laws. We believe this must be exercised responsibly and be earned by continually demonstrating good governance in a spirit of openness.

24. We welcome the discussions, bringing together international sports organisations, governments and relevant international organisations with other stakeholders leading up to the summit, to help tackle corruption in sport. We also welcome the intention to launch an International Sport Integrity Partnership (in the margins of a meeting of the International Forum for Sport Integrity in Lausanne in early 2017). We will work with international sports organisations and other key stakeholders to support and strengthen efforts to implement high standards of transparency and good governance, and to underpin the wider fight to eliminate corruption from sport. We will encourage good governance within national sports organisations (including through educational and capacity building initiatives) and improve information sharing between international sports organisations and law enforcement agencies. We will take legislative or other measures to combat practices such as match-fixing, illegal betting and doping, and will put in place measures to protect ‘whistleblowers’ from discriminatory and retaliatory actions. We will consider extending the definition of Politically Exposed Persons to include senior members of international sporting federations. International organisations will assist by taking action, such as developing codes of best practice and accountability frameworks for individual institutions, and by supporting the development of international legal frameworks.

25. When security institutions are undermined through corruption, they are unable to protect people, defeat terrorism and organised crime, or defend national sovereignty. Corruption in the military, police and border forces also cause people to lose faith in legitimate authority and open up a vacuum that terrorists, drug traffickers, human traffickers and other organised criminals exploit. We will continue to build security and

justice institutions that are resistant to the threat of corruption, both domestically and in our cooperation with other security forces.

26. New technologies and uses of data should empower ordinary people to fight corruption. We will draw on each other's experiences and the experiences of the business community, civil society and the media to leverage existing technologies and deploy new ones to expose abuse, strengthen accountability, and improve prevention and law enforcement capabilities while respecting human rights. We recognise the value of global open data principles, such as the Open Data Charter, for relevant data release. We welcome the application of new technology partnerships to prevent and combat corruption, and welcome the creation of the Anti-Corruption Innovation Hub.

27. We recognise that our international institutions play a vital role in supporting the fight against corruption. We agree to work together to help deliver an international system which is responsive to new challenges and demands, and has an increased collective impact through more effective coordination.

28. We underline the centrality of UNCAC and call on States that have not yet done so to ratify or accede to it and implement its provisions. We support the implementation review mechanism of UNCAC and call on providers of development assistance to support implementation efforts. We also call on countries to accede to other relevant international instruments and fully implement their provisions. We call on all parties to the OECD Convention on the Bribery of Foreign Public Officials in International Business Transactions to actively enforce their foreign bribery laws and for major economies not party to consider joining the Convention.

29. We will encourage and support international organisations to increase their focus on fighting corruption, including embedding it in their analysis, resourcing priorities and decision-making. We call on them to coordinate their work more effectively. We expect them to operate to the highest standard of integrity and to take appropriate steps to ensure the integrity of the operations they finance and support. We call on the UN to build partnerships of countries, international development partners and other stakeholders to fasttrack the implementation of UNCAC and Sustainable Development Goal 16. We call on G20 members to show continuing leadership in fighting corruption, including by agreeing an ambitious Anti-Corruption Action Plan for 2017-18. We call on the World Bank and IMF to strengthen their co-operation and welcome their commitment to strengthen support to their clients to diagnose and address corruption, whether in-country or across borders, including assessing illicit financial flows through the World Bank's country diagnostics. We look forward to the planned update of the IMF's governance guidance. We also welcome the World Bank's proposed commitment to Governance and Institutions in IDA 18. We invite the OECD, within its existing structures and mandate, to establish a member-steered anti-corruption and integrity platform to improve coordination and information sharing across OECD bodies and to maximise the impact of OECD expertise, convening power and outreach. We welcome the Commonwealth

Secretariat and other international organisations' commitment to mainstream anti-corruption work and call on them to consider how they can strengthen their anti-corruption programmes and actions or include an anti-corruption lens in their areas of work.

30. We recognise the important role which international organisations and new forms of partnership can play in promoting international co-operation against corruption, monitoring efforts to fight corruption and tracking implementation of actions. We commit to using existing frameworks, and especially Sustainable Development Goal 16, to assess progress. We will promote, in cooperation with business and civil society, academia, the private sector and other relevant stakeholders, the elaboration of new measures and technologies to assess risks and levels of corruption, and to evaluate the effectiveness of our actions.

31. We recognise the value of the Open Government Partnership (OGP) in advancing transparency and good governance reform through national commitments made together with civil society, and the value of the OGP's Independent Reporting Mechanism in providing accountability. OGP participating governments among us will work with civil society to embed our Summit commitments into National Action Plans where appropriate and extend the invitation to others to join.

32. The ambitious objectives set out by this Summit will require significant additional public and private resources supplemented by international assistance as appropriate, in line with the 2015 Financing For Development Addis Ababa Action Agenda. Each of us will endeavour to ensure that national anti-corruption efforts, including our co-operation with other countries' efforts, are sufficiently financed from our domestic resources. Providers of development assistance should help developing countries build the capabilities they need, including through making available the tools and expertise that will help them to accelerate progress, and providing our international institutions with the resources they require. We also call on businesses, foundations and other providers of finance and expertise from outside the government sector to contribute.

33. Recognising the importance of the commitments in this communiqué, we each undertake to review our progress in meeting them.

34. Individual countries and international organisations have set out their specific commitments and actions to take forward and build upon the Summit outcomes.