Long Session Report

Session Title: Beyond Cases, Towards a Culture of Integrity
Date & Time: 3 December 2016, 1130 – 13:30
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Session coordinated by: Jeroen Michels, Policy Analyst, Public Sector Integrity Division, OECD

Moderated by: Dr. Julio Bacio Terracino, Deputy Head of Division, Public Sector Integrity Division, OECD

Experts:

- Mr. Valette-Valla, Secretary General of the High Authority for Transparency in Public Life, France
- Mr. Kyeong-ho Park, Vice Chairman of the Anti-Corruption and Civil Rights Commission (ACRC) of Korea
- Mr. Jermyn Brooks, Chair, Transparency International Business Advisory Board
- Ms. Cornelia Richter, Managing Director, GIZ, Germany

What were the aims of the session and corruption risks?

This session aimed at providing new insights to the debate on accountability and public integrity, by sharing good practices and debating how different stakeholders can contribute to a culture of integrity. The objective of the panel was to share the perspectives of the public sector, the business community and civil society to identify both good practices and key challenges in developing a culture of integrity across the government and society.
Summary of panellists’ contributions & discussion points
(please be as detailed as possible)

The moderator, Dr. Julio Bacio Terracino, opened the session by promoting the need to turn more attention to prevention and changing behaviour, in order to achieve a culture of more integrity in society. Such a culture should privilege public good over private good, and includes government, business and civil society. The forthcoming OECD Recommendation on Public Integrity promotes a balanced approach between values and compliance.

Panellists explained a wide range of initiatives that has been undertaken, all aimed to build trust in their respective organisations or countries, such as integrity laws and improved transparency, measures to ensure compliance with internal codes of conduct and more targeted initiatives to prevent misuse of political power. More specifically:

**Mr. Valette-Valla** introduced the role of the High Authority for Transparency in Public Life (HATVP) in France, which aims to develop a culture of integrity by promoting transparency in the public and private sectors. He underscored the need for an institution that was staffed by bureaucrats, rather than politically appointed individuals, to ensure independence. He also noted that the HATVP checks assets of top political figures and works to prevent potential conflicts of interest. He also noted the importance of the following:

1. Detecting misbehaviour, by giving possibility to fulfil this mission (capacity)
2. Investigating public officials as well as utilising the “soft approach” by promoting integrity and giving training
3. Taking action and sanctions wrongdoers, as public officials need to be held accountable.
4. Making the budgets of government agencies accessible to the public to promote a culture of integrity

He also raised the interesting point that in France they have an asymmetric approach to transparency – strong control for public officials but more privacy for citizens.

**Mr. Park** noted that in Korea, the anti-corruption law was made applicable to everyone and has made great strides in creating a culture of integrity. For instance, 72 percent of Koreans consider the enactment of the law a step in the right direction. Key aspects of the law include making the law applicable to anyone who solicitates bribes from public officials, with criminalisation used as ground for solicitation, based on amounts exceeding certain thresholds. The expected impact includes a new environment of level playing field and positive effects on the market, and Korea is full of hope for a transparent society in both the government and broader society.

**Mr. Brooks** discussed the need to maintain high aspirations for integrity within the business sector, and highlighted Transparency International’s efforts to move beyond codes of conduct. He noted that while most companies say they stand for integrity and work against corruption, they do not have a policy. This in turn is insufficient. From experience, he said that it is necessary to develop an anti-bribery strategy, entailing detailed regulations regarding what a company should do. While companies can do this without government regulation, they often do not. Implementation in detail and monitoring is then necessary. He further noted that the business sector is now as badly trusted as politicians and journalists, which raises the question of how to build trust. Several solutions could include publishing standards and being transparent about what the business is doing to promote integrity. In regards to encouraging employees to follow the standards, he highlighted the need for both sanctions and incentives.

**Ms. Richter** stated that working on changing culture must always be a very long-term engagement. The core issue she raised however is how to effectively address this issue when
it is clear that there is not one single answer or toolkit, or even a consistent agreement on what integrity means across cultures. This raises the question as to what the common denominator should be in the debate. Ms. Richter also raised the issue of implementation – while there are already several international frameworks that can be applied to specific country contexts, implementation remains an ongoing challenge. To that end, multistakeholder initiatives has been key and the tool used traditionally by GIZ to move this forward. But such an approach needs a systemic lens, and public sectors in different countries need to set good examples as regards integrity. In the private sector, investing in compliance is important; the reason for businesses to have done so has traditionally been driven by scandals and the will to avoid a damaged reputation. In regards to civil society, she noted that the growing awareness of civil society is also a driver of change, as it facilitates work on integrity and changing cultures.

The panellists then responded to a series of questions posed by the moderator. The first question was: **how can governments mainstream anti-corruption policies.**

Mr. Vallette Valla noted that while there are tools and laws in place, the key problem is lack of implementation. There is also the issue of “window dressing”, which is damaging as it deprives public trust in those initiatives. As such, mainstreaming requires strong stakeholder engagement - this includes training for both current and future public officials; having the freedom to disclose integrity violations without fear of threat is also key, as well as the ability to disclose conflicts of interest. To that end, public officials should be able to turn to integrity officers for advice, in full trust of anonymity. He highlighted Canada as an example of such a system. He noted that in France, they have created information sessions for locally elected public officials as well as a lobbyist register, which can both be ways to create more public trust and a culture of integrity. International standards can help mainstreaming, for instance, the OECD guidelines on lobbying has been helpful in France.

Mr. Park also confirmed that while good policies are important, implementation is key. He shared that in Korea, they conducted a survey that found that integrity was considered the important issue in the public sector. He also stated that the leadership of anti-corruption agencies should be independent and not be subject to political re-shuffling. He supported Mr. Vallette Valla’s call for integrity training for public officers, noting that in Korea, a law was passed to ensure all public officials are trained in integrity.

Panellists were then asked to respond to the question: **how can CSOs move beyond the traditional watchdog role towards being active partners for integrity?**

Mr. Brooks noted that CSOs can also play the role of facilitator, for example by forming multi-stakeholder groups. But he warned that unless all aspects of society were positive about changing the culture for more integrity, nothing could really be achieved. He also shared that in some highly corrupt countries, CSOs can even replace the role that government should traditionally play in pushing for more integrity. For example, in Vietnam, CSOs have been active in engaging all actors to create a level playing field and pressure the government to attract more FDI in a cleaner society. The role of CSOs elsewhere in such situations is changing, and we are seeing more opportunities in places like Egypt and Nigeria.

Ms. Richter highlighted the importance of multi-stakeholder groups to push for such change. For example, in Indonesia, the push came from the government, which approached GIZ for an AC commission. This has resulted in the creation of a new organisation that can establish the conversation with civil society. Investments in IT had helped shape a culture of whistleblowing also from citizens living in remote areas. These initiatives have sets examples of how and where society can build trust, and which principles always should be upheld. She also shared initiatives from the private sector, noting that compliance systems should be invested in by all private actors, as reputational risk is an incentive for private actors, and every system creates temptations. Such compliance rules can be built on an awareness exercise about internal values of the organisation and serve as a code of conduct. Based on
this organisations can do risk assessments and develop guidelines to create a comprehensive system building awareness, maybe including training, for employees. Tone from the top is also key, as is ombudsperson function. The latter can help to not create a culture of mistrust, which can easily happen if every suspicion is reported to managers. It’s a constant learning process and that learning momentum needs to be upheld.

Drawing from the discussions, the panellists agreed that promoting multi stakeholder approaches and inclusiveness in initiatives for improving culture of trust is key to achieve results.

Main outcomes of session (include the highlights and interesting questions from the floor)

Based on input from the audience an interesting discussion was initiated, focusing on issues of defining culture and how to change incentive structures, in order to turn away from social norms that undermine integrity in society. Civic education was promoted as a key preventive measure, which needs to be complemented by a continued focus on training and awareness raising for public officials and business actors as well as enforcement of already existing standards and frameworks, on both domestic and international level. Another opinion that was raised in the discussion touched on how a globalised world promotes a culture that does not help to build trust in societies. Analysing the political economy behind lack of integrity and trust is key to understand the challenge of creating a culture of integrity.

Another point that was made was that CSOs and businesses can, in addition to governments, initiate processes to build trust in society.

Key recommendations and concrete follow-up actions

Civic education is key to improved trust in society and needs to be complemented by more traditional approaches to improving the culture of integrity, such as implementing already existing laws and international standards as well as awareness raising. The tone from the top is important to create trust in the public sector as well as in the private sector. If initiatives to promote integrity do not turn into action this can lead to the creation of mistrust, rather than the aimed culture of integrity and trust.

Changing incentive structures is necessary for sustainable results, but this is a long term undertaking and it’s a challenge that short term results are often expected. However, willingness to learn across sectors helps a whole of society approach that is needed to improve the culture of integrity. It is important to remember that CSOs and businesses can, in addition to governments, initiate processes to build trust in society.

Environment is one example of a topic that has reached a higher level of awareness in society over the last decades, hopefully integrity can make the same journey through persistent efforts to raise awareness and change incentive structures, with the goal to build more trust in society.
We value your assessment following the outputs of the session, if you need to, please get feedback from the session coordinator or the moderator for this component.

What can be done to create opportunities for scaling up the solutions discussed in the session? And by whom?

The OECD is developing a comprehensive strategy for countries to build public integrity with a whole-of-government and whole-of-society approach. The forthcoming OECD Recommendation on Public Integrity provides guidance for a comprehensive and coherent integrity system, cultivating a culture of integrity and ensuring accountability.

This strategy implies better integrating anti-corruption and integrity in governments’ reform agendas and private sector’s business models, providing bridges to other issues such as tax evasion, bid rigging, corporate governance and responsible business conduct. It also implies focusing on developing the know-how for the effective implementation of the many standards already available, advance the evidence base of what works.

Moreover, the strategy identifies the role of civic education in promoting a culture of integrity throughout society. The OECD is supporting countries in mainstreaming integrity and anti-corruption concepts into the school curriculum. The focus of this work is on active learning through which young people can develop not only the knowledge, but also the skills and tools to effectively combat corruption in their daily lives.

Key Insights for the future of the anti-corruption agenda (including Game Changing ideas/ suggestions/ actions from the session)

Creating a culture of integrity is a long term commitment and requires a whole and government and whole of society approach. There is a need to work together, governments, civil society and private sector actors, to build a value based culture in society. An effective integrity system needs to balance a value-based and compliance-based approach.

Rapporteur’s name and date submitted: Amanda Sporre, 15 December 2016

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