

MUSKOKA 2010



## **MUSKOKA ACCOUNTABILITY REPORT**

Assessing action and results against  
Development-related commitments

**Annex Five: G8 Member Reporting**  
Governance

### Supporting Good Governance

Support the African Peer Review Mechanism (APRM), countries that implement sound policies consistent with APRM recommendations and strengthen African institutions that are essential to improving good governance. (Gleneagles, 2005: Africa, 14 a; Heiligendamm, 2007: Growth and Responsibility in Africa, 6-8).

Appuyer le Mécanisme africain d'évaluation par les pairs (MAEP) et les pays qui appliquent des politiques judicieuses correspondant aux recommandations du MAEP, et renforcer les institutions africaines dont le rôle est essentiel pour faire mieux au chapitre de la bonne gouvernance (Gleneagles, 2005 : *Afrique*, 14a); Heiligendamm, 2007 : La croissance et la responsabilité en Afrique, 6-8).

In July 2002, the African Union issued a Declaration on Democracy, Political, Economic and Corporate Governance, in which NEPAD members undertook, inter alia, to renew efforts to enforce the rule of law, improve the equality and freedom of all citizens and promote democratic political processes. The African Peer Review Mechanism (APRM) was introduced by the African Union to promote adherence to and fulfillment of these commitments through an ongoing process of peer and self-assessment. A trust fund mechanism, managed by an APRM Panel, was established to promote and coordinate support for the process. Although the majority of its funding is from African countries, the G8 has provided political and financial support to assist African countries to conduct APRM self-assessments and design national action plans for progress.

G8 members also support a number of pan-African institutions aimed at improving transparency, democracy and good governance, such as the African Union's Convention on Preventing and Combating Corruption and the African Union Charter on Democracy, Elections and Governance.

### Canada

Canada has provided \$5.2 million to a UNDP trust fund in support of the APRM, a voluntary process which entails periodic reviews of the policies and practices of participating countries to ascertain progress being made towards achieving the mutually agreed goals and compliance on issues of good governance and socio-economic development. Despite the challenges and constraints, the number of countries that have acceded to the Mechanism has continued to rise and has reached 30, and so has the number of countries being reviewed. Twelve countries have completed the review process, and during 2009, six countries presented their progress report on the implementation of their national programmes of action, and four countries are either getting ready to be peer reviewed or at an advanced stage of preparation in the national process.

Canada has also contributed to the strengthening of African parliaments' capacity for budget oversight and accountability through support to the African Parliamentarians' Network against Corruption (APNAC) and is helping to train parliamentarians and civil society on anti-corruption measures through support to an African Local Governance Program. Canada has also supported numerous electoral processes in Africa

Le Canada a octroyé 5,2 millions de dollars à un fonds en fiducie du Programme des Nations Unies pour le développement (PNUD) en soutien au Mécanisme africain d'évaluation par les pairs (MAEP). Le

Mécanisme est un processus volontaire qui comporte des examens périodiques des politiques et des pratiques des pays participants dans le but de constater les progrès qu'ils ont réalisés envers les objectifs et la conformité dont ils ont convenu réciproquement à l'égard de questions de bonne gouvernance et de développement socio-économique. Malgré les difficultés et les contraintes, le nombre de pays qui adhèrent au Mécanisme ne cesse de croître et s'élève maintenant à 30, de même que le nombre de pays qui a fait l'objet de l'examen. Au total, 12 pays ont achevé le processus d'examen. En 2009, six pays ont soumis un rapport de leurs progrès à l'égard de la mise en oeuvre de leur programme national, et quatre autres pays s'appêtent à être examinés par leurs pairs ou sont à une étape avancée de préparation au processus national.

Le Canada a également contribué à l'affermissement de la capacité des parlements africains en matière de supervision des budgets et de responsabilisation. Pour ce faire, il a appuyé le Réseau des parlementaires africains contre la corruption et a participé à la formation des parlementaires et de la société civile sur les mesures de lutte contre la corruption en finançant un programme de gouvernance locale en Afrique. Le Canada a aussi soutenu divers processus électoraux en Afrique.

### France

France has supported APRM through strengthening country capacity to conduct assessments as well as support to the structure of the APRM. France helped fund the national review in Ghana (\$137,000 in 2007) and national review preparation in Mozambique (\$115,400 in 2008). Through its bilateral cooperation, France is working to promote and support the implementation of national action programs based on APRM assessments.

France's "democratic governance strategy", approved in 2006, has been the starting point for a renewal in its development cooperation policy, which puts governance at its heart. This cooperation takes the shape of technical assistance (180 persons in Africa) and projects carried out by the Ministry of Foreign and European Affairs (€41M in 2009 with 70 % in Africa). These projects help strengthen national institutions such as the judicial systems, police, and public finance.

The "promoting democratic governance in Africa" project (€1.9M in 2006-2009) aims to enhance interaction between different actors and levels of governance, and supports (together with UNDP and UNECA) the establishment of the "African Governance Institute", based in Dakar, as a center of excellence designed to deepen the African vision of good governance. Moreover, France supports the pan-African governance architecture, including the African Charter on Democracy, Elections and Governance, e.g support to ECOSOCC of the UA (\$390,000 in 2008).

### Germany

For Germany, institutional strengthening of continental APRM structures and national APRM bodies goes hand in hand with procedural and thematic support to different stakeholders in countries preparing for or undergoing the review. Contributions have been made in particular to the strengthening of capacities within the APRM structures, the fruition of the multi-stakeholder character of the APRM and the cross-country processing of lessons learned from the reviews. German contributions, including financial and technical assistance, are offered in a flexible manner both at continental and national levels at partners' request.

Support to the APRM is part of a comprehensive effort by Germany to strengthen African governance institutions beyond the national level. Assistance includes advisory services for institutional transformation and organisational development in the African Union Commission and NEPAD structures

as well as assistance to pan-African institutions with specific responsibilities in the area of governance – such as the Pan-African Parliament, the African Court on Human and Peoples’ Rights, the All Africa Ministerial Conference on Decentralisation and Local Development (AMCOD) and pan-African thematic expert networks in areas like budget reform and taxation – and various Regional Economic Communities (RECs) in Africa.

Germany provided the following financial assistance between 2005 and 2008:

- APRM: \$2.63 million
- Pan-African Governance institutions: \$24.88 million
- RECs in the area of governance (EAC, ECOWAS, SADC, CEMAC): \$20.78 million
- Bilaterally to APRM participating countries in the area of governance: \$662 million

### Italy

Italy has always considered the strengthening of African institutions a key issue for improving good governance. For this reason:

- In 2007 and in 2008, Italy provided respectively \$ 246,407 (180,000 Euros) and \$ 144,238 (100,000 Euros) to the United Nations Economic Commission for Africa (UNECA) to support the African Peer Review Mechanism (APRM) and its reports.
- In 2007, Italy financed directly the APRM with US\$ 684,463 (500,000 Euros).
- In 2008, Italy financed the Intergovernmental Authority on Development (IGAD) with US\$ 490,408 (340,000 Euros). Italy also focused on capacity building in the electoral and democratic processes of African countries providing the African Union with a US\$ 288,475 (200,000 Euros) contribution in 2008.
- In the same year Italy supported the Economic Community of West African States (ECOWAS) initiatives aiming at consolidating peace and security processes as well as supporting the electoral and democratic processes of the region, with a US\$144,238 (100,000 Euros) contribution. In 2008, Italy provided ECOWAS with a US\$ 77,590 (53,793 Euros) contribution for consolidating security processes and supporting regional cooperation in contrasting drug trafficking.
- In 2009, Italy provided the African Union with a US\$ 1,133,306 (813,827 Euros) contribution (through the Italian Africa Peace Facility Fund) in order to support a project aiming at sustaining the Panel of Wise.

### Japan

An example of Japanese support for the APRM includes its support to Ghana, which completed a peer review, in implementing National Action Programme for improving its governance through Japan-UNDP Partnership Fund in 2008 ( \$ 350,000).

### Russia

Russia’s support includes annual payments to the budget of the Secretariat of the Africa Partnership Forum, contributions to the Infrastructure Consortium for Africa in 2006-2007, and to the APRM Trust Fund.

### United Kingdom

The UK has provided funds (\$2 million) to support the APRM Secretariat Joint Donor Trust Fund. These funds are not yet exhausted. Secondly, the UK has supported various APRM processes in countries where we work by supporting the engagement of civil society and the work of the APRM focal points.

Thirdly the UK provides capacity building support to the strategic partners of the APRM, the AfDB and AU.

The UK provides programmatic support through our country offices to support the development of better governance in Africa, the thematic areas where the majority of our funding is targeted include; supporting budget and public sector reform, public sector financial management, strengthening civil society, local government, national government administration, peace building and conflict, legal and judicial reform, human rights and women's equality, economic planning and policy and elections.

### **United States**

The United States provides a high level of technical assistance to build African countries' capacity in good governance and anti-corruption, in over 20 countries. The U.S. works with governments and civil society institutions to strengthen budget and financial management policies, legal frameworks, and systems, and to improve oversight and accountability mechanisms. Examples of U.S. activities include support for civil society budget-monitoring activities; training for parliamentarians in preparation and analysis of national budgets; support for computerized, decentralized budgetary and financial systems; and development of fair electoral processes. U.S. advisors have worked with African countries to address budget policy and administration, tax policy and administration, financial institutions policy and regulation, government debt management, financial crimes law enforcement, and capacity to investigate and prosecute public corruption. Throughout Africa, U.S. officials continue to encourage governments to meet their targets under IMF and World Bank programs, which require government adherence to standards of budgetary discipline and financial integrity.

### **European Union**

- The EC contributes to the UNDP-managed Trust Fund for the Implementation of the African Peer Review Mechanism, providing support to the APR Secretariat and its country missions, and exchange of best practices;
- The EC provides political and financial support to governance reforms through the National Indicative Programmes
- The EC is also supporting the APRM process at the national level through its Governance Initiative, by providing additional financial support to ACP countries that have completed their national programmes of actions and completed a Governance Action Plan
- The APRM is a key priority action under the Africa-EU Partnership for Democratic Governance and Human Rights;
- The EC actively contributes to the realisation of governance reforms through its Governance Initiatives in ACP countries

### Addressing Corruption

Work towards ratification of the UN Convention against Corruption and start discussions on mechanisms to ensure its effective implementation (Kananaskis, 2002: G8 Africa Action Plan, 2.6; Gleneagles, 2005: Africa, 14f)

Provide developing countries with enhanced anti-corruption capacity building assistance (Heiligendamm, 2007: Growth and Responsibility in the World Economy, 88, 90, 92)

Permettre aux pays en développement d'avoir accès à un soutien accru pour le renforcement des capacités liées à la lutte contre la corruption (Heiligendamm, 2007 : Croissance et responsabilité dans l'économie mondiale, 88, 90, 92)

Mener des efforts en vue de la ratification de la Convention des Nations Unies contre la corruption et entamer des discussions sur les mécanismes pouvant garantir l'efficacité de sa mise en oeuvre (Kananaskis, 2002 : Plan d'action du G8 pour l'Afrique, 2.6; Gleneagles, 2005 : Afrique. 14f)

Over the years, a number of international frameworks have been designed to combat corruption. One of the most important is the United Nations Convention against Corruption (UNCAC), notable both for the wide scope of its provisions (ranging from prevention and law enforcement to international cooperation and asset recover) and for the number of countries which have ratified it. All G8 members have signed the UNCAC and all but two have ratified it.

G8 members participate actively in the UNCAC Working Groups, including discussions on enhancing cooperation to foster the recovery of proceeds of corruption. In December 2009, G8 members supported the decision to develop the Convention's peer review process and continue to promote efforts to ensure that the mechanism be effective, transparent and inclusive in practice.

#### Canada

Canada became a signatory to the United Nations Convention against Corruption (UNCAC) on May 24, 2004, and ratified the Convention on October 2, 2008. Canada actively participates in the UNCAC open-ended intergovernmental working groups on review of implementation, asset recovery and Technical assistance. For additional information on Canada's activities see the 2008 and 2009 G8 Reports on the Review of G8 Anti-Corruption Commitments.

#### France

France signed UNCAC in December 2003, and was the first G8 country to ratify it in July 2005. France has improved its legal system regarding to the fight against corruption and updated it according to UNCAC, in a law passed on the 13<sup>th</sup> of November 2007, which created new offences. Offences regarding both active and passive corruption of foreign public officials and officials of international organizations, and regarding both active and passive trading in influence of foreign officials, can now be prosecuted. The French legal system has also been improved by implementing the third EU Council Directive dealing with the fight against money laundering.

France is also proactive in the Intergovernmental Working Group of the CoSP of the UNCAC. In addition, in order to facilitate requests for mutual legal assistance, a new system was put in place in France at the time of ratification of the UNCAC to allow positive responses to requests for mutual legal assistance made in the six official languages of the United Nations.

France supports capacity building to address anti-corruption through : training for judges and civil servants (\$600,000 per year). The bilateral cooperation resulted in training for several judges, policemen, and Financial Intelligence Units members. For example, in 2009, 20 policemen in Algeria were trained in “corruption and public procurement”. In the same year, 40 young civil servants in Kazakhstan were trained in the legal framework of fight against corruption. Support to civil society, by financing NGOs and ALACs (advocacy and legal advice centres) (\$726,000) contributions to UNODC for technical assistance programs related to UNCAC ((\$616,000 since 2006).

France is also currently designing a multiyear project aiming at supporting national initiatives against corruption through capacity and institutional building (\$1.4M).

### Germany

Germany has signed the UN Convention and has indicated that it is willing to ratify it provided that all necessary legal implementations have taken place. A draft law concerning the implementation was sent to the German parliament in 2007. According to a requirement based on the German Constitution this act has to be reintroduced into the legislative chamber after a general election, which took place on September 27, 2009. The intention of ratification has not changed since the last G8 summit.

Germany already fulfils many requirements set by UNCAC. For example, Germany fully complies with its provision for providing mutual assistance in international criminal investigations. The German Government has adopted inter alia a directive concerning the prevention of corruption in the federal administration and a general administrative regulation on sponsoring, donations and other gifts. From 2008 – 2009 Germany provided \$1.4 million to support the UNCAC Secretariat.

Germany continues to support developing countries worldwide in their efforts to implement UNCAC through technical assistance and strengthening civil society. 70 public sector reform projects are currently being funded across the world as part of Germany's Technical Cooperation. These projects are aimed at promoting standards of integrity, efficient human resource management and procurement and systems of public finance, particularly by establishing courts of audit and tax and customs administrations. Germany also supports enhancing anti-corruption capacity through sector related anti-corruption approaches like in the education health as well judicial sector.

In addition, Germany supported 24 pilot initiatives directly focusing on the implementation of UNCAC in partner countries from 2005 until mid 2009. For instance, in order to identify gaps in legislation and implementation of UNCAC, Germany supported Bangladesh and Kenya in carrying out UNCAC compliance reviews in 2008 and 2009. Also, a compliance review is ongoing in Yemen and expected to be finished this year. Compliance reviews provide a basis towards a strategic UNCAC implementation action plan. Such a process is, for example, currently in progress in Bangladesh.

From 2005-2009 Germany provided \$5.24 million for an UNCAC project, supporting the implementation efforts of partner countries through technical cooperation.

German financial support is as follows:

From 2005 to 2008, bilateral cooperation focussed on anti-corruption: \$1.16 billion

From 2005 to 2008, to Transparency International: \$3.19 million

From 2005 to 2009, to UNODC Strengthening Judicial Integrity: \$1.42 million

From 2007 – 2008, to WHO Project Anticorruption in the Health Sector: \$1.77 million

## Italy

Italy ratified UNCAC in 2009. This made only minor amendments to the existing Italian legislation, which already featured several innovative legal instruments to ensure an effective fight against corruption and the five mandatory criminalization provisions contained within UNCAC. Following ratification two new articles were introduced into the Italian Code of Criminal Procedure with the aim of implementing Chapter V of the UNCAC on asset recovery. Furthermore, Article 6 of UNCAC - which requires States Parties to identify one or more bodies with specific functions and duties in the prevention of corruption – has been fully implemented. The Department for Public Administration within the Presidency of the Council of Ministers has been designated as National Authority for the prevention of corruption. After the ratification process, Italy participated with full status in the Third session of the Conference of the States Parties to the UNCAC (Doha, 9-13 November 2009). Currently the Italian Parliament is examining a new project of law which aims at introducing more severe punishment for corruption-related crimes.

Italy supported the ratification of the UNCAC by providing the United Nations Office on Drugs and Crime (UNODC) with a US\$ 100,000 contribution in 2005 and, in 2006, through a \$150,000 contribution to the “International Conference on the UNCAC as a way of life”.

Furthermore, Italy is active in supporting capacity building to address anti-corruption in developing countries. It also supports other International Organisations, such as the International Development Law Organisation (IDLO) and the United Nations Crime and Justice Research Institute (UNICRI), focusing on infrastructure strengthening as well as on training activities.

Within IDLO, from 2005 to 2009, Italy financed several training programs and courses (country and regional based) for officials and judges from different countries (e.g. Burkina Faso, Mauritania, Nigeria, Senegal, Nicaragua, Peru and Georgia) on relevant aspects (e.g. anti-corruption, local governance, infrastructure development, strengthening of transparency) for a total amount of US\$ 1,413,459 (1,064,000 Euros).

Within UNICRI, from 2006 to 2008, Italy financed several projects aiming at assisting different countries (such as Bolivia, Colombia, Ecuador, Peru, Albania and Serbia) in fighting corruption, drug trafficking and organised crime, also through training courses for Judges and Public Prosecutors, that often resulted beneficial to the subregional/regional levels, for a total amount of US\$ 1,349,273 (1,052,072 Euros).

Furthermore, in 2009, Italy provided the Training Centre of Guardia della Finanza, in Orvieto, with US\$ 27,851 (20,000 Euros) for a training course for Somali trainers for customs and border officials.

## Japan

Japan signed the UN Convention against Corruption in December 2003 and it was approved by the Diet in June 2006. Japan is now in the process of the necessary preparation for the conclusion of the Convention

Japan provided \$58,000 for anti-corruption workshops which were co-hosted by UNODC and the Government of Vietnam in October 2009. The workshops contributed to implementation of UNCAC by

Vietnam and its national strategy for preventing and combating corruption. The workshops were held both in Hanoi and Ho Chi Minh City, and approximately 120 participants from the central and regional governments, international organizations and media attended

The UN Asia and Far East Institute (UNAFEI) in Tokyo, fully financed and staffed by the Government of Japan, provides international training courses and seminars for criminal justice practitioners from various developing countries. UNAFEI annually holds a four-week training course entitled “The Criminal Justice Response to Corruption”. UNAFEI also organizes “The Regional Seminar on Good Governance for South East Asian Countries” every year in the region. The Third Good Governance Seminar, which was held in December 2009 in Manila, the Philippines, focused on “Measures to Freeze, Confiscate, and Recover the Proceeds of Corruption.”

### **United Kingdom**

The UK ratified UNCAC on 9 February 2006. The UK participated in a pilot review programme, reviewing Indonesia, Tanzania and Pakistan, and has been reviewed by Austria and Greece (report currently being finalised). The Pilot Review is likely to broadly confirm the UK’s understanding that it is compliant.

The UK, along with other G8 countries, played an important role in negotiating a mechanism to review implementation of UNCAC, culminating in international agreement on a new mechanism in Doha, November 2009. We are now focusing on helping to make the review mechanism as effective as possible, including by providing a voluntary contribution of £250,000 and ensuring that the UK review involves civil society, includes a country visit and publishes the final report.

Through technical assistance and other aid programmes the UK is assisting developing countries to implement UNCAC. The UK has: supported anti-corruption commissions in countries such as Malawi, Zambia and Sierra Leone; enhanced investigation and prosecution capacities in countries such as Nigeria and Tanzania; and greater scrutiny of public expenditure through parliamentary oversight and civil society engagement in countries such as Ghana, Bangladesh and Kenya.

In addition, the UK has strengthened the international provision of assistance to developing countries on anti-corruption, for example funding the International Centre for Asset Recovery which helps build partner countries’ national capacity to recover stolen assets, contributing to an IMF multi-donor trust fund on anti-money laundering; and core funding to Transparency International that benefits its country chapters.

### **United States**

The U.S. has ratified and fully implemented UNCAC, and strongly supported negotiations to adopt terms of reference for an effective, transparent, and inclusive mechanism to review implementation.

The U.S. supports specific efforts to assist countries with UNCAC implementation, in partnership with UNODC and through regional anticorruption initiatives in Africa, Eastern Europe, and the Middle East/North Africa Region with other partners. For example, a U.S. supported regional initiative in MENA has contributed to a increased number of governments that have ratified UNCAC, completed the self-assessment checklist, and adopted new laws and institutions; a U.S.-supported regional advisor in Asia has contributed to the training of hundreds of officials in criminal justice anticorruption and asset recovery issues related to UNCAC. From 2005 to 2009, the U.S. provided \$9.45 million for programs specifically tied to UNCAC implementation. A further \$1.25 million is due to be disbursed in 2010.

More broadly, U.S. assistance programs promote good governance, transparency, accountability, and participation in government institutions and public processes at all levels, in scores of countries worldwide. USAID missions worldwide support transparency and accountability in institutions, processes and policies across all development sectors and foster civic education and advocacy for reform of laws and practices. USAID administers the Millennium Challenge Corporation Threshold program which supported the reduction of corruption in 14 countries since 2005. Threshold programs tackle corruption by helping countries to develop or adopt: sensible laws and policies; financial asset disclosure and audit mechanisms; capacity to investigate and prosecute corruption cases; and improved, accountable service delivery by streamlining business procedures, revenue administration, procurement, health care and education. The U.S. also supports anti-corruption capacity building in criminal justice and financial systems through programs funded by the State Department and implemented by the Departments of Justice and Treasury and other agencies and organizations.

In FY 2009 the United States provided a total of over \$1 billion in anticorruption and related good governance assistance, as well as approximately \$59.9 million through Millennium Challenge Corporation threshold programs signed that Fiscal Year.

### **European Union**

The EC, on behalf of the EU, signed the UNCAC in September 2005 and ratified it in November 2008. The EC played an active role in the negotiations leading to the establishment of a review mechanism for implementing UNCAC during the Conference of States Parties in Doha in November 2009. The EC is encouraging UNCAC signature and ratification by third countries.

More broadly, the EC committed €1.4 billion in 2008 for improving governance and supporting economic and institutional reforms. The EC is also implementing specific projects which are registering positive results in supporting national anti-corruption commissions/specialized agencies, such as the support to the Economic and Financial Crime Commission in Nigeria and to the Indonesian Anti-Corruption Authority (KPK).

In 2008, the EC committed €1.4 billion for improving governance and supporting economic and institutional reforms (after having committed €1.65 billion in these fields in 2007 and €1.4 billion in 2006).

The EC promotes a holistic approach to tackling corruption; addressing governance weaknesses and anti-corruption challenges in all sectors (road, education, health etc) and also identifying the common challenges across sectors, such as transparency in public finance management, procurement efficiency, improvement of internal control systems, and strengthening Supreme Audit Institutions.

**Enforcing laws against bribery of foreign public officials**

Reduce bribery by the private sector by rigorously enforcing laws against the bribery of foreign public officials (Gleneagles, 2005: Africa, 14h)

Réduire la corruption de la part du secteur privé en appliquant rigoureusement la législation contre la corruption d'agents publics étrangers (Gleneagles, 2005 : Afrique, 14)

All G8 members have ratified or plan to accede to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. G8 members have put in place measures and policies to ensure that their export credit agencies operate in accordance with the provisions of the OECD Recommendations on Bribery and Officially Supported Export Credits.

**Canada**

Canada ratified the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (the "OECD Convention") on December 17, 1998, and the Corruption of Foreign Public Officials Act (the "Act") entered into force on February 14, 1999. The Act features three offences: bribing a foreign public official, laundering property and proceeds, and possession of property and proceeds. In addition, the Act makes it possible to prosecute, for example, a conspiracy or an attempt to commit the offences. It also covers aiding and abetting in committing these offences, an intention in common to commit them, and counselling others to commit the offences. To date there has been one prosecution resulting in a conviction under the Act.

For additional details, including a copy of the Tenth Report to the Parliament of Canada (October 2009) please see:

<http://www.international.gc.ca/trade-agreements-accords-commerciaux/ds/10-report-rapport.aspx>

Le Canada a ratifié la Convention sur la lutte contre la corruption d'agents publics étrangers dans les transactions commerciales internationales (Convention de l'OCDE) le 17 décembre 1998. La *Loi sur la corruption d'agents publics étrangers* (la Loi) est entrée en vigueur le 14 février 1999. Elle porte sur trois infractions : la corruption d'un agent public étranger, le recyclage des biens et produits de la criminalité et la possession de ces biens et produits. De plus, des poursuites peuvent être intentées, par exemple, dans les cas de complot ou de tentative de commettre l'infraction, de complicité dans la perpétration de l'infraction, de conception d'une intention commune de commettre l'infraction et dans le fait de conseiller à une personne de commettre cette infraction. À ce jour, une personne a été reconnue coupable, en 2005, en vertu de cette Loi.

Pour obtenir plus d'information, y compris une copie de Dixième Rapport au Parlement du Canada (octobre 2009), consultez le site suivant :

<http://www.international.gc.ca/trade-agreements-accords-commerciaux/ds/10-report-rapport.aspx>

**France**

The OECD Working group on bribery assessed very positively the implementation by the French authorities of the recommendations submitted in connection with the phase 2 review. France has chosen to go further than the binding provisions of the OECD Convention, in order to implement UNCAC and European Council's conventions. Both active and passive corruption of foreign public officials and

officials of international organizations can now be tried, whether or not the acts were committed in connection with international trade.

Since the entry into force of the OECD convention on bribery in 2000, the number of initiated cases was brought to 25 and pended cases to 16 regarding the bribery of foreign or international public officials within the framework of international trade relations (since the July 2008 Toyako Anti-corruption Report, 7 new cases have been brought regarding the bribery of foreign or international public officials within the framework of international trade relations). Two preliminary inquiries and two judicial investigations led to the cases being closed in the absence of any offence or dismissed on the charge of bribery of a foreign public official. Two cases were taken to court. In the first case, the defendant was found not guilty regarding the charge of bribery of a foreign public official but was convicted on other charges

### **Germany**

In Germany, bribery of foreign public officials has been a criminal offence since 1998 (EU) and 1999 (other public officials). The OECD Convention on bribery was transposed into German law on December 10, 1998. Law enforcement authorities have been enforcing the law against offences according to this legislation in the same manner as they enforce all other criminal offences. Since 2006, there were several convictions in major cases. For example in 2008 there were 60 cases dealing with foreign bribery pending, and 6 cases ended with a conviction.

Germany is participating actively in the Working Group on Bribery in International Business Transactions of the OECD. Germany was successfully evaluated by the Group in two rounds.

Germany committed itself to applying the provisions of the "Recommendation on Bribery and Officially Supported Export Credits" of December 2006 when granting export credit guarantees. Germany works together with industrial associations and encourages export companies to actively set up internal mechanisms designed to prevent corruption.

### **Italy**

Italy introduced the OECD Convention on Bribery into law in 2001. The application of such a law resulted in the prosecution of 11 cases involving 73 natural persons and 28 legal persons. Legal punishment can be applied in Italy for corruption, instigation to corruption, including for public officials.

### **Japan**

Japan concluded the OECD Anti-Bribery Convention in October 1998 as the second earliest among the member countries. The implementing legislation is mainly the Unfair Competition Prevention Law. Since then Japan has made serious efforts to implement the Convention through improvements of the concerned legislations and enforcements of the Convention. Total 7 persons including legal person were prosecuted and each were convicted to date.

### **Russia**

In February 2009 Russia informed the OECD of its readiness to accede to the OECD Convention on Bribery and to join the relevant Working Party. In 2009-2010 several rounds of consultations with OECD experts on acceding to the Convention were held.

### United Kingdom

The UK actively investigates and prosecutes companies and individuals that bribe foreign government officials through the Anti-Corruption branch of the Serious Fraud Office and a 12-strong Overseas Anti-Corruption Unit in the City of London Police. These structures have led to twenty four live investigations with further allegations under preliminary police investigation, six criminal or civil sanctions, and five ongoing prosecutions.

In April 2010, Parliament passed a new Bribery Act. This will reform the criminal law to provide a new, modern and comprehensive scheme of bribery offences that will enable courts and prosecutors to respond more effectively to bribery at home or abroad. When brought into force, the Bribery Act will fully address recommendations of the OECD Working Group on Bribery to replace the common law of bribery and 1889-1916 Prevention of Corruption Acts with effective and modern legislation.

The UK Export Credits Guarantee Department anti-corruption procedures were reviewed in 2009, benchmarking ECGD positively against the current OECD Export Credits Group position and the procedures of most other G8 Export Credit Agencies.

### United States

The United States actively prosecutes companies and individuals that bribe foreign government officials. The U.S. implements the OECD Convention on Bribery through enforcement of the Foreign Corrupt Practices Act (FCPA), which expressly provides the authority for both civil and criminal actions against persons for foreign bribery.

Currently, the U.S. has more than 150 ongoing FCPA investigations, and in 2009, it charged more than 40 individuals and numerous corporations with FCPA-related violations. In that year, pending cases with 19 defendants were resolved, both legal and natural persons. Indeed, total corporate criminal penalties have exceeded \$400 million in 2010 already, which is the third year in a row penalties have topped \$400 million. With ten cases, the U.S. has the strongest record of any OECD Convention on Bribery party in resolving Oil-for-Food investigations.

Last year the U.S. continued to raise awareness about the OECD Convention on Bribery and foreign corruption through conferences and other outreach efforts around the world and by using its Opinion Release procedure to provide guidance to companies and individuals about the legality of prospective conduct.

### European Union

In July 2003, the EU adopted Council Framework Decision 2003/568/JHA on combating corruption in the private sector, which aims "...to ensure that both active and passive corruption in the private sector are criminal offences in all EU Member States, that legal persons may also be held responsible for such offences, and that these offences incur effective, proportionate and dissuasive penalties."

At its heart is the requirement that EU Member States criminalise either promising, offering or giving a bribe to a person in the private sector; or requesting or receiving a bribe, or the promise of such, while working in the private sector.

In 2007 the EC prepared a report on the implementation of this Framework Decision. It appeared then that progress is needed and the instrument is not fully implemented by all the Member States yet. The EC is now considering preparing a second implementation report.

### Recovery of Assets

Work to establish effective mechanisms...within our own administrations for the recovery of assets, including those stolen through corruption (Gleneagles, 2005: Africa, 14f)

Tout mettre en oeuvre pour établir des mécanismes efficaces au sein de nos propres gouvernements pour la récupération des biens, y compris les biens volés par la voie de la corruption (Gleneagles, 2005 : Afrique, 14f)

Several G8 members support the Stolen Asset Recovery (StAR) initiative, which has been launched jointly by the UN Office on Drugs and Crime (UNODC) and the World Bank Group (WBG). The development pay-off to the StAR initiative is expected to be significant particularly through reducing the opportunities for illicit financial flows and thereby the incentives to engage in corruption. Some G8 members have returned significant amounts of proceeds from corruption. However, differences in legal systems across jurisdictions where the theft occurs, where the money is stored, as well as money laundering present formidable challenges to asset recovery. Nevertheless, G8 members continue to work to build the capacity of partner countries to recover assets by providing technical assistance, support for investigations and legal advice.

#### Canada

Details of Canada's activities are contained in the 2009 G8 Report on Anti-Corruption.

#### France

France provides \$290,000 per year to the trust fund set up to promote technical assistance to developing countries within the context of the StAR initiative.

A modification of the French legislation in order to "facilitate seizure and confiscation in criminal cases" is currently being reviewed by the French parliament. This bill intends to strengthen the possibilities to seize, confiscate and transfer criminal assets. First, it aims to enable the seizure of all assets of any kind that are subject to confiscation, and to provide for specific simplified procedures concerning seizure without dispossession and seizure of so-called complex assets such as real estate and intangible assets. In addition, a state agency will be created, in charge of management and recovery of seized and confiscated assets. This agency will also provide criminal jurisdictions with legal and practical assistance

#### Germany

Full details of Germany's activities in this regard are contained within the 2009 Experts' Report on Anti-Corruption. German support includes: provision of international legal assistance; support of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific and the Indonesian Anti-Corruption Commission; cooperation with the International Centre for Asset Recovery, the UN Office on Drugs and Crime (UNODC), the World Bank (StAR Initiative), and the International Centre for Asset Recovery (ICAR) located at the Basel Institute on Governance.

In addition, Germany introduced legislation to implement the EU's Council framework decision (details above) on 22 October 2009.

### Italy

Italian law provides for the mandatory confiscation of goods that constitute the profit or the price of corrupt activities. When the confiscation of these goods is not possible, Italian legislation orders the confiscation of other goods, in possession of the criminal but not directly related to the crimes, for an equivalent value. The Italian Law also contemplates (legislative decree n.231/2001) the opportunity to operate the confiscation of goods when the corruption-related crime is ascribed to the lawyer who represents the society or to people who manage and control it. Furthermore, during the investigative phase the preventive impounding of goods that can be confiscated is always possible.

### Japan

The UN Asia and Far East Institute (UNAFEI) in Tokyo, fully financed and staffed by the Government of Japan, provides capacity building activities for criminal justice practitioners from various developing countries. UNAFEI annually holds a four-week training course entitled "The Criminal Justice Response to Corruption". UNAFEI also organizes "The Regional Seminar on Good Governance for South East Asian Countries" every year. The Third Seminar, which was held in December 2009 in Manila, focused on "Measures to Freeze, Confiscate, and Recover the Proceeds of Corruption."

Also, Japan sent the delegation to the 3<sup>rd</sup> Conference of State Parties of the UNCAC in November 2009, and actively participated with great interest in discussion in asset recovery working group. The Japanese relevant legislation allows itself to freeze, confiscate and return the crime proceeds, either in full or in part, to the requesting state. The recovery of assets remains one of our top priorities.

### Russia

Russia demonstrates adherence to develop the anti-corruption policy. In this regard Russia has set up a regional group similar to Financial Action Task Force (FATF).

### United Kingdom

The UK has agreed a cross-departmental strategy for combating money laundering by Politically Exposed Persons (PEPs) and recovering stolen assets. A monitoring group, involving all relevant enforcement and policy stakeholders, meets regularly to review progress on implementation.

The UK is committed to maintaining an effective asset recovery system. The UK funds a team of 8 police officers dedicated to investigating corruption-related cases involving international PEPs. It is also recruiting 4 lawyers dedicated to handling the asset recovery phase of these cases, and undertaking an intelligence assessment of the scale, nature and threat of PEP activity in the UK financial system. The UK is undertaking a review of its legislative framework for money laundering, which includes analysis of PEPs money laundering requirements. This complements ~~ongoing~~ recent reform of the UK's legislation on bribery and the ~~recent~~ publication of a UK Foreign Bribery Strategy.

Since 2006, \$37.5m has been recovered through criminal and civil procedures with a further \$258m of allegedly corrupt assets put under restraint.

### United States

The US has announced a redoubled commitment to recovering stolen assets. U.S. law enforcement continues to investigate and prosecute asset recovery cases involving high-level and large-scale corruption. The U.S. played a principal role in drafting and coordinating broad-based support for a resolution on asset recovery at the November 2009 UNCAC COSP. The U.S. is also providing capacity building assistance, including: a pilot program to provide asset recovery mentors, stressing in-country,

focused assistance; regional training in Africa in 2010 to follow successful training provided in 2009; and funds extensive capacity building programs. The U.S. continues to provide expertise, co-funding of trainings, and other support to the StAR and other asset recovery initiatives. The U.S. has worked with other FATF members and the World Bank to develop a paper on anti-corruption and AML, including on forfeiture and detection of proceeds of corruption.

### European Union

Four EU legislative instruments are being implemented at national level to ensure a common EU approach to confiscation, covering, *inter alia*, criminal sanctions for money laundering. They set up the principle of mutual recognition for confiscation orders and orders to freeze property or evidence. They also aim to ensure that EU Member States introduce effective rules on confiscation, including rules on proof with regard to the source of the assets concerned.

Another instrument, based on the successful experience of the CARIN network, requires each country to designate at least one Asset Recovery Office (ARO). Their aim should be to facilitate the tracing and identification of the proceeds of crime; including the assets stolen through corruption (so far 18 out of 27 EU Member States have officially designated their AROs). The AROs will act as national contact points for confiscation-related activities. They will also promote the fastest possible EU-wide tracing of assets derived from crime. In 2009, the EC launched regular meetings of an informal EU Asset Recovery Offices (ARO) Platform in order to enhance their cooperation, exchange of information and coordination at EU level.

In April 2009 the EU signed the 2005 Council of Europe Convention no. 198 on money laundering and confiscation and the EC participated in the First Conference of the Parties (April 2009). The EC also participates in the Asset Recovery Working Group established under the United Nations Convention on Corruption.

#### Improving Transparency in the Extractive Sector

Strengthen and increase support for the Extractive Industries Transparency Initiative (EITI), including through financial and technical measures (Gleneagles, 2005: Africa, para. 14d; St. Petersburg, 2006: Fighting High-Level Corruption, 3; Heiligendamm, 2007: Growth and Responsibility in the World Economy, 11 and 87)

Renforcer et accroître le soutien à l'égard de l'Initiative relative à la transparence des industries extractives (ITIE), notamment par des mesures financières et techniques. (Gleneagles, 2005 : Afrique, 14d); Saint-Pétersbourg, 2006 : Lutter contre la corruption de haut niveau, 3; Heiligendamm, 2007 : Croissance et responsabilité dans l'économie mondiale, 11 et 87)

### Canada

The Extractive Industries Transparency Initiative (EITI) is a voluntary initiative that can help countries to manage their revenues from oil, gas and mining development in a more accountable and transparent way. Almost 30 countries have been accepted as candidates under the initiative, including countries from Africa, the Middle East, South Asia and South America.

The EITI's objectives of accountability and transparency are consistent with Canada's official development assistance priorities, which aim to strengthen governance, combat bribery and corruption, and increase the contribution of the private sector to poverty reduction.

The EITI is a key deliverable of Building the Canadian Advantage: A Corporate Social Responsibility Strategy for the Canadian International Extractive Sector. Canada has provided financial support of \$2.65 million in total to the EITI Multi-Donor Trust Fund since 2007.

Canada is also a member of the EITI Board. In this capacity, Canada represents the "non-European, supporting-country constituency" which also includes: the US, Australia and Japan.

Domestically, Canada has held three national outreach sessions on the initiative that engaged representatives from industry, civil society and government.

L'Initiative relative à la transparence des industries extractives (ITIE) est une initiative volontaire qui peut aider les pays à gérer leurs recettes provenant du pétrole, de l'essence et des mines de façon plus responsable et transparente. Près de 30 pays ont été acceptés comme candidats dans le cadre de cette initiative, y compris des pays de l'Afrique, du Moyen-Orient, de l'Asie du Sud et de l'Amérique du Sud.

Les objectifs de l'ITIE en matière de responsabilisation et de transparence s'harmonisent bien avec les priorités d'aide publique au développement du Canada, qui visent à renforcer la gouvernance, à lutter contre la corruption et à accroître la contribution du secteur privé en faveur de la réduction de la pauvreté.

L'ITIE est un résultat clé de la stratégie canadienne intitulée « Renforcer l'avantage canadien : Stratégie de responsabilité sociale des entreprises pour les sociétés extractives canadiennes présentes à l'étranger ». Depuis 2007, le Canada a fourni un soutien financier d'une valeur totale de 2,65 millions de dollars au Fonds fiduciaire des donateurs de l'ITIE.

Le Canada est également un membre du conseil d'administration de l'ITIE. À ce titre, il représente le groupe de pays non européens qui offrent de l'aide, lequel comprend également les États-Unis, l'Australie et le Japon.

À l'échelle nationale, le Canada a tenu trois séances de sensibilisation portant sur l'ITIE auxquelles ont pris part des représentants de l'industrie, de la société civile et du gouvernement.

## France

France actively promotes the EITI in relevant international fora, including the G8 and UN, as well as the International Organisation of La Francophonie which has officially invited its members to implement the EITI since 2008, and its network of embassies overseas.

Total financial contributions to the MDTF from 2006 to 2009: \$1.59 million. France has also provided 1 Junior Professional Officer based at the MDTF (\$100.000/year).

France also supports the EITI Secretariat (\$500k, 2008), EITI Niger (\$190k, 2009), and EITI candidate countries yet to be selected (\$310k, 2010)

### Germany

Germany actively promotes the EITI in relevant international fora, including the G8, G20, UN and EU, which became particularly pronounced during the German EU presidency in 2007 and the German-chaired G8 Heiligendamm summit.

Since 2009, Germany has been represented on the EITI Board. Germany has been supporting the International EITI Secretariat in Oslo since 2007 and has been contributing to the MDTF since 2006. German Technical Cooperation contributes to strengthening capacities in selected partner countries for better implementation of the EITI, e.g. in the Democratic Republic of Congo, Ghana, Sierra Leone, Liberia. In addition, Germany conducts implementation and outreach seminars for government and civil society stakeholders in Latin America, Africa and Asia.

Financial support:

- \$1.34 million to MDTF from 2006 to 2009
- \$1.54 million to EITI through Transparency International from 2007 to 2009

### Italy

Italy's involvement in the EITI dates back to 2002. Italy, in 2009, provided a grant of US\$ 115,583 (83,000 Euros) for the activities of the EITI secretariat in order to improve transparency and reduce corruption in the extractive sector. Italy's approach has been to encourage international financial institutions such as the World Bank and the IMF to adhere to the EITI. Since 2005, the Italian private sector has been represented in EITI by ENI (an Italian private integrated company active in the oil & gas sector), which last year granted US\$ 50,000 to the Secretariat. ENI has already published its data on royalties related to Nigeria and Kazakhstan. It is involved in the Multi-stakeholders' Working Group on the future of EITI implementation in Timor Leste. It is taking part in the Executive Committee established in Congo for the EITI implementation process. A specific EITI clause has been adopted by ENI in contracts related to a recent acquisition in Gabon. Moreover, ENI has integrated the transparency issue within the "area of improvement" of its Corporate Strategic Plan. ENI is widening and strengthening a disclosure policy that shows its observance of the principles and international best practices, including, besides the EITI, the U.N. Global Compact. ENI is also: a) strengthening its role as a facilitator for countries showing interest in EITI; b) publishing data on royalties for activities in countries adhering to EITI; c) extending the adoption of EITI clauses to all contracts concerning recent acquisitions in countries already joining the EITI.

### Japan

The Government of Japan has funded an EITI project in Madagascar with a total of \$625 000 through the Trust Fund of the Enhanced Private Sector for Africa (EPSA for Africa) in coordination with the AfDB. Three Japanese mining companies have made financial contributions to the MDTF every year through their association with the International Council on Mining and Metals (ICMM). As a non-financial support measure, the Government of Japan hosted an international seminar on EITI in Tokyo in January 2010, with a view to mobilizing support to the initiative from Japanese companies and Asian countries.

### Russia

Russia participates actively in discussions regarding the EITI in the framework of the UN General Assembly. Today, there is no problem of transparency in Russia's extractive industry. All Russian companies comply with reporting requirements under IFSR and US GAAP standards which are in line with the EITI agenda.

### United Kingdom

The UK, through its Department for International Development (DFID), has worked with international partners, including governments (both implementing and supporting EITI), civil society and private sector bodies to support and promote the work of EITI. In particular, DFID has:

- Continued to engage with the EITI Board. DFID was an EITI board member until 2009 and now works closely with the Norwegians, who are the Board member for the donor constituency group of which the UK is a member.
- Provided regular financial contributions to support the EITI International Secretariat in Oslo.
- Responded to specific requests for help in a number of key countries, e.g. by sponsoring a consultant in Indonesia, supporting the coordinating body in Nigeria, providing necessary finance for reporting requirements in Kyrgyzstan, amongst others
- Use other key fora – such as the Inter Governmental Forum on Mining and Sustainable Development, the Communities and Small scale Mining initiative, Mozambique 2009 - to advocate the value of the EITI. The former has acted as one of the key catalysts for several countries to apply for EITI candidature.
- Provide funding to the Multi-Donor Trust Fund to implement technical assistance at country level in support of EITI aims. (See above)

Since 2005 the UK has contributed £1.1 million to the EITI Multi Donor Trust Fund. The UK periodically makes contributions to the MDTF rather than on an annual basis and is about to contribute a further £100,000 (\$154,160) in 2010.

Total expenditure for EITI from 2005 – 2010: \$13,508,164.

### United States

The United States actively supports EITI's resource revenue transparency goals through participation in the EITI Board and Board Committees and through participation in the World Bank's EITI Multi-donor Trust Fund Facility Management Committee to which the U.S. has contributed \$6 million. USAID's bilateral support in resource-rich countries world-wide includes a wide range of public sector programming that supports EITI principles, including support for public financial management, procurement reform, legislative oversight, justice sector reform, budget transparency, expenditure tracking, and access to information. Support to civil society related to EITI includes capacity building to strengthen citizen oversight and demand for accountable, democratic governance systems. USAID supported three EITI-specific country programs in 2007 and 2008.

Total contributions to EITI from 2005 to 2009: \$8 million. The US intends to provide an additional \$4.5 million in FY 2010 to the Multi-donor Trust Fund Facility.

### European Union

In 2007, the EU endorsed the EITI politically in the statements at the 9<sup>th</sup> EU-Africa Summit and has included it in the EU-Africa Governance Partnership. Under the EU's 10<sup>th</sup> EDF Governance Incentive Tranche, successful implementation of the EITI in partner countries positively influences the amount allocated to them.

### Corporate Social Responsibility

Promote actively internationally agreed corporate social responsibility and labour standards (Heligendamm, 2007: Growth and Responsibility in the World Economy, 24)

Promouvoir activement les normes du travail et la responsabilité sociale des entreprises (RSE) acceptées internationalement (Heligendamm, 2007 : Croissance et responsabilité dans l'économie mondiale, 24)

### Canada

In 2009, Canada released a comprehensive CSR policy for the Canadian extractive sector operating abroad. The policy includes the promotion of internationally-recognized standards, including the OECD Guidelines for Multinational Enterprises, the IFC Performance Standards, the Voluntary Principles on Security and Human Rights, and the Global Reporting Initiative. Other elements of the policy include continued support for building up the host country's capacity to improve governance of the resource sector; support for a CSR Centre of Excellence to share information and best practices; and, the creation of an Extractive Sector CSR Counsellor for dispute resolution. Canada's efforts to promote CSR are further advanced by including voluntary provisions in its free trade agreements, which encourage governments to promote voluntary principles of responsible corporate conduct to their own business communities.

En 2009, le gouvernement du Canada a lancé une politique exhaustive de RSE pour les sociétés extractives canadiennes présentes à l'étranger. La politique fait la promotion des normes reconnues internationalement, soit les Principes directeurs de l'OCDE à l'intention des entreprises multinationales, les Critères de performance de la Société financière internationale, les Principes volontaires sur la sécurité et les droits de l'homme et la *Global Reporting Initiative*. La politique abordait aussi les thèmes suivants : l'appui continu visant à renforcer la capacité du pays hôte à améliorer la gouvernance du secteur des ressources; le soutien pour la mise en place d'un centre d'excellence en matière de RSE chargé de diffuser des renseignements et des pratiques exemplaires; la création du Bureau du conseiller en matière de RSE pour le secteur extractif pour le règlement des différends. Par ailleurs, le Canada s'est investi dans la promotion de la RSE en ajoutant des dispositions volontaires aux accords de libre-échange, qui ont incité les gouvernements à promouvoir des principes volontaires de responsabilité sociale des entreprises auprès de leur milieu des affaires.

### France

Within the OECD, France takes an active part in the preparation of the update of the OECD guidelines for multinational enterprises and participates in the OECD pilot project on the promotion of responsible investment in the mining sector in conflict zones and fragile states.

France also promotes the enhancement of corporate social responsibility standards at the level of the EU. France also supports the activities of the UN Global Compact with a voluntary contribution of \$135,000/year paid by the French Development Agency (AFD).

In addition, since 2003, France is supporting a \$7.7 million program to enhance fair trade, targeting African producers through the development of the French market. The partnership between NGOs engaged in fair trade and firms allowed the implementation of CSR's standards in these firms.

### Germany

Funded a programme (\$126 million from 2005 – 2009) to promote and expand cooperation between business and development agencies including concrete corporate responsibility projects in German partner countries. For full details see [www.develoPPP.de](http://www.develoPPP.de).

- Contributed \$1.4 million to the UN Global Compact Trust Fund.
- Established a German CSR-Forum with stakeholders from business, civil society and academia for the formulation of a national CSR Strategy of the German federal government (\$2 million from 2008-2009)
- Cooperation with the special representative of the UN General Assembly to operationalise his concept of the corporate responsibility to Respect human rights (\$220, 000 2008-2009)
- Organised a conference in January 2010 with active participation of German companies;
- Contributed to the Business Anti-Corruption Portal (\$160, 000 from 2007-2009)
- Organised a conference in 2010 to bring together and set up a community of practice in the field of Responsible Finance;
- Organised a high level CSR conference with partner countries from ASEM, international organisations, the private sector, NGOs and unions (\$150, 000)
- Supported the elaboration of ISO 26000 "Guidance on Social Responsibility" (\$267, 000)

### Italy

In 2009 the Italian Government supported several important initiatives concerning CSR:

The UN Global Compact. Italy outlined, together with the Foundation hosting the Secretariat of the Italian Global Compact Network (FONDACA), a strategy designed to widen the Network, putting special attention to SMEs, entrepreneurial districts, sub-contracting firms, the agro-food sector. At the end of 2009 ENI announced a \$ 100,000 contribution to the 2010 Global Compact Leaders' Summit; The OECD Guidelines for Multinational Enterprises. The membership of the Italian National Contact Point (NCP) was widened in relationship to both public and private stakeholders. At the sub-national level, promotion of the Guidelines was reinforced. In 2009 the National Contact Point carried out important scientific researches on CSR. The formal adoption of the new NCP Rules and Regulation will take place in the first semester of 2010;

Italy was actively involved in the CSR Conferences organized by the EC in 2009.

### Japan

In line with the OECD Guidelines for Multinational Enterprises, Japan has actively contributed to CSR promotional activities in developing countries in Asia. Japan acted as vice-chair of the OECD Investment Committee in CSR seminar held in Bangkok in November 2009, and provided \$69,628 financial support.

### Russia

Russia actively participates in the UN to promote CSR standards, especially under the SG "Global Compact" initiative, which is a platform for business cooperation and dialogue based on the international principles of human rights and anti-corruption.

### United Kingdom

The UK National Contact Point (NCP) for the OECD Guidelines for Multinational Enterprises has concluded 8 cases in the past two years. This strong performance has been recognised by the UN Special Representative on Business and Human Rights and the Trade Union Advisory Council to the OECD.

The Construction Sector Transparency (CoST) Initiative to increase transparency and accountability in all stages of construction procurement is supported by the Department for International Development (DFID) and the World Bank. It is currently being piloted in seven countries, including the UK.

The Medicines Transparency Alliance (MeTA) was launched with DFID support in May 2008 and pilots are currently running in seven countries. As a result, MeTA Peru is working with the government to establish a medicines price observatory, MeTA Jordan is contributing to the compilation of a national essential drugs list.

### **United States**

U.S. businesses are subject to a strong regulatory framework applicable wherever they operate. The U.S. is a leader in promoting voluntary CSR efforts globally, including through the April 2009 U.S. Human Rights Commitments and Pledges. The U.S. has convened governments, such as the fall 2007 Intergovernmental Forum on CSR, generally, and has convened other groups of stakeholders to aid in the development of joint approaches to specific issues of shared concern, such as child labor abuses in West African cocoa production.

Multilaterally, the United States is an active proponent of voluntary CSR policies. It is a signatory of the OECD MNE Guidelines, a supporter of the UN Global Compact and the ILO Declaration on Principles, a founder of the Voluntary Principles on Security and Human Rights, and the U.S. coordinated the September 2009 APEC Mining Task Force CSR Workshop in Lima. A Commerce Department Good Governance initiative encourages responsible business practices through workshops around the world. The U.S. Secretary of State's annual Award for Corporate Excellence recognizes U.S. businesses that excel in CSR and corporate citizenship in their international operations.

### **European Union**

The EC is planning the following activities in its PCD working programme 2010-2013, including studies on CSR reporting and business and human rights, hosting 2 meetings in 2010 of the High-Level Group of Member States representatives on CSR, and contributing to an update of the OECD Guidelines on Multinational Enterprises.

An EC proposal on timber, now in final stages of debate in Parliament and Council, will oblige companies placing timber on the EU market for the first time to exercise due diligence with regard to the legality of timber. It will oblige traders to identify the country of origin of their timber, and ensure that timber they sell has been harvested according to the laws of that country. Agreement expected by the end of 2010.