

Building Business Integrity
A practical workshop on how businesses can combat corruption

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Novotel Hotel, Yangon, Myanmar

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Thanks:

Swedish International Development Agency

Myanmar Centre for Responsible Business

Corruption is a global phenomenon that negatively impacts development. It suppresses economic growth by driving up costs, and undermines the sustainable management of the environment and natural resources;

Corruption is particularly detrimental for business: the World Bank Enterprise Survey conducted in 2016 in Myanmar highlights that almost 30 % of firms in the country experience at least one bribe payment request in a year, and in 26% of public transactions a gift or informal payment is requested. Also obtaining a permit or license for business activities often requires a bribe payment, the construction sector being the most problematic from this perspective with almost 50% of interviewed firms declaring to pay bribes in order to obtain permits;

This is not only a problem for local and international companies, it is a major hindrance to the economy of Myanmar, diminishing the capacity of attracting foreign direct investments. This phenomenon also results in bad quality of public services, hampering the country's capacity to achieve its full potential in terms of growth and well-being for its people and impacting in particular on the poor and disadvantaged groups;

The Government of Myanmar has demonstrated its willingness to address corruption as a matter of national priority; the country ratified the United Nations Convention against Corruption (UNCAC) on 20 December 2012; a number of legislative and institutional reforms including the creation of the Anti-Corruption Commission were then undertaken;

This is all very positive but experience and best practices from around the world show how a multi stakeholders' engagement is necessary for the fight against corruption. This is why I think today's event is so important. We need companies and public sector working together to clean up the country from corruption;

The UNCAC contains a number of measures directly relevant for fighting corruption in the private sector and in all interactions between the public and private sectors, and as you may know, the Convention was equipped with a review mechanism that help us identifying the existing gaps in the implementation of its measures;

The review for chapters of the convention on criminalization and law enforcement was finalised last year; it highlighted gaps regarding relevant issues for the private sector such as the introduction of liability of legal persons for all corruption cases, addressing corruption between private entities and introducing a framework for protection of whistle-blowers against retaliation in the workplace, including for employees in the private sector;

In 2017 and 2018 the UNCAC chapters on prevention and asset recovery will be reviewed, here also there are important measures for businesses, most prominently Art. 12 which requires states parties to promote prevention of corruption measures within the private sector, including compliance, due diligence and financial accountability. Other articles tackle corruption in procurement and issues such as conflict of interests and lack of transparency of the public administration;

These reviews constitute a roadmap for a serious and coordinated fight against corruption; UNODC is mandated to provide the support needed to address the gaps identified, this is why for us is extremely important to hear the ideas that you will have to share today;

Our future plan include to engage with the private sector in a constructive dialogue and promote the multi stakeholders approach needed to make progress against corruption; the creation of incentive systems for the private sector to work with law enforcement agencies and with the Anti-Corruption Commission is also one of our proprieties;

I am looking forward to hearing the results of today's discussion and consultation, the UNODC stands ready to support you as well as all actors willing to engage in the fight against corruption.