



INTERNATIONAL
ANTI-CORRUPTION
ACADEMY

**Second Session of the
Assembly of Parties
of the
International Anti-Corruption Academy**

Bangkok, Kingdom of Thailand

09 - 11 December 2013

Report of the Chairperson of the Board of Governors

H.E. Ms. Margarita Popova

(Vice President of the Republic of Bulgaria)

09 December 2013

CHECK AGAINST DELIVERY

Mister President,
Your Excellencies,
Dear Ladies and Gentlemen,

I would like to congratulate the presidency of the Assembly of Parties and assure the new Bureau of the Board of Governors' commitment to effectively and efficiently work with you in our common cause. I am honoured to be here with you today and witness yet another milestone in the rapid and progressive development of our international organization. The interest in IACA and the importance of its work continue to grow. We stand here today with 50 Parties to the Agreement and 53 Signatories and with an ever-growing number of partners and alumni.

IACA has become a major player with a vital mandate in the prevention of and fight against corruption. It empowers professionals through education and training, advances the goals of the United Nations Convention against Corruption (UNCAC), and strives to provide support and technical assistance to a wide variety of stakeholders.

I am pleased to inform you that a great deal of work has already been achieved by the Board of Governors together with the Dean and his small team, the Advisory Boards, and this Assembly. A long road still lies ahead of us, however, in reaching the full potential of this organization, a responsibility which rests on all of our shoulders. We shall walk along this road together.

In my capacity as Chair of the Board of Governors, I would like to present on behalf of the Board this session of the Assembly with the Board's report, pursuant to Article VI(2)i of the *Agreement for the Establishment of the International Anti-Corruption Academy as an International Organization*. Our report is focused on two key areas: first, an overview of the major decisions of the Board of Governors and their impact on the development of the Organisation, and second, I will report on the progress of the activities of the Academy. The period between the first and second session of the Assembly of Parties is covered, from December 2012 to present.

I. Major Decisions of the Board of Governors and their impact on the development of the Organization

We have convened four meetings since the Board's establishment. As IACA is still in the build-up phase, several fundamental issues were in need of discussion and approval by us. The first meeting took place in Vienna on 30 November 2012, immediately after the election of Board members by the first session of the Assembly of Parties. The second meeting took place from 7 to 8 March 2013, the third from 3 to 4 June 2013, and the fourth from 30 September to 1 October 2013.

The members of the Board, elected by the first session of the Assembly of Parties, include Dato Abu Kassim bin Mohamed (Malaysia); Mr. Sergey N. Dubik (Russian Federation); Mr. Hermann Feiner (Austria); Dr. Jorge Juan de Dios Fernández Tapia (Bolivia); Dr. Young Ran Kim (Republic of Korea); Prof. Dr. Mordechai Kremnitzer (Israel); Mr. Daniel Marius Morar (Romania); Prof. Dr. Pakdee Pothisiri (Thailand); Dr. Eduardo Vetere (UNODC); Ms. Cecilia Villanueva Bracho (Mexico); and myself. All of us serve in our individual capacities as a team.

At our first meeting, we provisionally adopted the Rules of Procedure of the Board of Governors. Discussions on the Rules continued, and the document was finally adopted at our third meeting.

During our first meeting, after a round of discussions, I was elected Chairperson and Dato' Sri Abu Kassim bin Mohamed Vice-Chair. We also unanimously elected Martin Kreutner as Dean for a four-year term. Martin Kreutner had served as the Chair of the International Steering Committee, Executive Secretary of IACA's Provisional Commission, and as the Chair of IACA's International Transition Team for a number of years. Besides his international professional recognition, his election as Dean also reflects the desire for continuity particularly in this early phase of the organization. We are most happy to see Mr. Kreutner assume this position; an individual who has dedicated himself over the last years to making this organization into the success it is today.

With the transition phase having come to an end, it was also necessary to establish a framework governing the recruitment and conduct of staff at IACA. As a result, following discussions and proposals, at our second meeting we adopted the *Staff Rules of the International Anti-Corruption Academy*.

At our third meeting, we elected the members of the International Senior Advisory Board (ISAB) and the International Academic Advisory Board (IAAB). All member-states were invited to make proposals for the two important boards in the run-up to the election. We elected 12 members to the ISAB and 10 to the IAAB. We considered that in view of the Academy's future development it was appropriate to leave some vacant posts. We will elect further members to

ensure fair geographic and gender representation of both Boards when other distinguished personalities having the required experience express interest in being members. A number of members which had served on the ISAB or IAAB during the transition phase were reelected for their contributions over the years, and for the sake of continuity.

The following members were elected to the ISAB: Ms. Geraldine Fraser-Moleketi (UNDP), Mr. Michael Hershman (United States), Ms. Huguette Labelle (Transparency International), Mr. Roberto de Michele (Inter-American Development Bank), Mr. Barry O'Keefe (Australia), Mr. Edward Ouko (Kenya), and Prof. Dr. Mark Pieth (Basel Institute on Governance, OECD Working Group Chair). All of them had previously served on the ISAB and were elected *en bloc*, each for a term of three years. In addition, Dr. Fazli Dogan (Turkey), H.E. Amb. Eugenio Maria Curia (Argentina), Prof. Vicha Mahakun (Thailand), Mr. Luiz Augusto Fraga Navarro de Brito Filho (Brazil), and H.E. Amb. Elisabeth Tichy-Fisslberger (Austria) were also elected, each for a term of six years.

The following members were elected to the IAAB: Mr. Muzong Kodi (DRC Congo), Prof. Dr. Hans-Heiner Kuehne (Germany), Mr. Daniel Li Ming-chak (PRC China), Prof. Dr. Friedrich Schneider (Austria), Ms. Slagjana Taseva (The Former Yugoslav Republic of Macedonia), and Mr. Jean-François Thony (France). All of them had previously served on the IAAB and were elected *en bloc*, each for a term of three years. In addition, Mr. Corneliu-Virgiliu Calinescu (Romania), Mr. Pil Hwan Oh (Republic of Korea), and Dr. Vladimir I. Lafitsky (Russian Federation), were also elected, each for a term of six years, while Dr. Laurynas Pakstaitis (Lithuania) was elected for a term of three years.

I would like to use this occasion to welcome all ISAB and IAAB members, and also extend our gratitude to the previously-serving ones for their support and work so far. The work done by these individuals is of great value to IACA and all of them do it on a pro-bono basis.

Another matter in need of the Board's attention concerned the external audit of IACA. At this third meeting, and pursuant to the *Resolution on the Independent External Audit of the International Anti-Corruption Academy* endorsed by the Assembly of Parties, we – upon the nomination of a candidate by the Russian Federation – appointed Konstantin A. Mikhailik (Russian Federation) to serve as one of IACA's three external auditors. According to the aforementioned resolution, two more external auditors are needed for IACA's audit. Mister/Madam President, I would therefore like to reiterate our call to all Parties to nominate candidates as soon as possible.

During this meeting, we also agreed to invite the independent auditor from the period 1 January 2012 to 15 October 2012 to proceed with the audit for the remainder of 2012 for the sake of continuity, covering the period from 16 October to 31 December 2012. The results of the first report will be shared with the Assembly again.

At our fourth meeting, we unanimously approved the statement of the independent auditor, covering the audit period from 16 October to 31 December 2012 who found that IACA's financial report was prepared, in all material respects, in accordance with the principles of a cash basis accounting, that IACA has successfully complied with the rules for record keeping and accounts, and that no exceptions or weaknesses with regard to accounting, record keeping, and documentation requirements were identified. The Board of Governors requests this second session of the Assembly to take note of the results of the audit statement, which are to be shared with you.

With the above-mentioned activities, the Board of Governors ensured stability in the legal framework and the human resources and accountable and transparent financial management. Our aim was to ensure continuity and effectiveness of the Academy's operation.

One of the greatest undertakings over the past year was the preparation of IACA's very first work programme and budget proposal. The Board of Governors, the Dean, and the Secretariat worked together in compiling the *Work Programme 2014 - 2016 and Budget Proposal 2014 sequ.*, submitted to this session for adoption. The document was also consulted with both Advisory Boards. Great efforts went into it, a number of meetings were held, and several proposals were received and accommodated in order to come up with a well-balanced paper presented before you today.

The work programme is a broad framework allowing for the fulfillment and growth of IACA's activities and has been prepared in such a way so as to allow for future developments to be reflected. It serves as a set of guidelines, outlining the requirements necessary for the sustainability and growth of the organization. It is quite ambitious and I encourage all delegations to discuss and all Parties to adopt it, and most importantly, facilitate its implementation.

The work programme observes and accommodates the organization's dual nature of an intergovernmental organization and post-secondary educational institution. It outlines five strategic objectives for IACA to effectively and efficiently fulfill its purpose. Thus in the course of 2014 - 2016, the Board of Governors sees that IACA needs to (1) establish, strengthen, and safeguard academic and expert in-house capacities, (2) enhance its internal architecture, (3) engage into and expedite anti-corruption benchmarking, standard setting, and branding, (4) ensure financial ownership and participation, stability and sustainability, and (5) expand and enlarge stakeholder and partner relations.

Furthermore, the work programme concentrates on two core areas of work - programmes and activities and organizational development. The programmes and activities part focuses

on the five pillars (1) standardized trainings, (2) tailor-made trainings, (3) academic degree programmes, (4) a platform for dialogue and networking, and (5) anti-corruption think tank and benchmarking activities. It also comprises a separate research component, embedded into all five pillars. The organizational development part outlines the services needed in order to ensure that IACA has the necessary infrastructural, human and technical capacities to effectively and efficiently fulfill its purpose. Overall, the work programme sets out IACA's goals for the period 2014 - 2016 in these core areas, reviews what has been achieved, what is missing today, and indicates how the organization could address all these issues *pro futuro*.

The budget proposal gives an overview of the financial sums needed in order for IACA to sustain and further its operations. All amounts contained in it are based on experiences from previous years.

The BoG members have been making efforts to strengthen the Academy's financial stability. Each of us has used all suitable channels to promote the significance of this international project and the need of transparent and high-level financial assistance for the Academy.

Mister/Madam President, Your Excellencies, Ladies and Gentlemen, at this point, I would like to encourage you to discuss and adopt the *Work Programme 2014 - 2016 and Budget Proposal 2014 sequ.*, I am hopeful you will appreciate this paper and the efforts and diligence of the BoG, the Dean and the secretariat who are wholeheartedly committed to ensure the Academy's progress and growth and attract further partners. I would like to once again call upon all of us to facilitate the implementation of that Programme.

II. The Progress of the Activities of the Academy

Allow me to take this opportunity to also inform you on the progress of IACA's activities over the past year. Many congratulations are in order for the Dean and his team, who have tirelessly worked in bringing the Academy forward - in serving the constituency, spreading IACA's influence, preparing a number of fundamental documents, furthering partnership relations, developing and implementing various programmes and trainings, etc.

Constituency

As I earlier mentioned, the Academy has a constituency of 50 Parties and 53 Signatories. Since the last Assembly of Parties, Brazil, Burkina Faso, Chile, Indonesia, Iraq, Luxembourg, Montenegro, and Panama have ratified the *Agreement for the Establishment of the International Anti-Corruption Academy as an International Organization*, while Afghanistan,

Egypt, India, Lithuania, Mongolia, Nigeria, and Saudi Arabia have acceded to it. Other states have indicated their intention to ratify/accede to the agreement in the near future.

A number of new partnership agreements were concluded over the past year. These include Memoranda of Understanding with the Academy of Public Administration under the President of the Republic of Moldova, the Global Organization of Parliamentarians against Corruption (GOPAC), the Independent Authority against Corruption of Mongolia, the International Association of Prosecutors, Transparency International, and the Office of the Comptroller General of Brazil. These Memoranda of Understanding, as well as those concluded before December 2012 are available on IACA's website, and we invite you to view them. Other cooperation agreements are currently being consulted.

On the initiative by the host country, co-sponsored by 45 other UN Member States, a motion was tabled for the current session of the United Nations General Assembly (UNGA) to grant IACA observer status with this important UN organ. This proposal positively passed the UN's 6th Committee in November and is due for a final decision in the UNGA in the first weeks of December.

Rent Agreement

Much progress has also been made with regard to the headquarters of the Academy, and more specifically the agreement on its rent. After the transition phase and according to Resolution No 3 of IACA's first Assembly of Parties, the conclusion of a rent agreement between IACA and the owner became necessary. This agreement was signed in November. The first part is between IACA and the owner institution, while the second is between IACA and the Republic of Austria. On this occasion, I would like to thank the Republic of Austria for its willingness and generosity to cover the basic rent costs for IACA until 2035.

Programmes & Activities

On another note, the Dean and his team have worked hard over the last year in developing and offering a number of programmes and activities, including standardized and tailor-made trainings, inter-disciplinary academic degree programmes, as well as networking and dialogue activities, all of this despite human resource and budgetary constraints. The Dean is prepared to share details on the various programmes with you.

I would particularly like to draw your attention to the Master in Anti-Corruption Studies (MACS) – the world's first interdisciplinary, post-graduate programme on the subject. MACS 2012 is well underway, while applications for MACS 2014 have already opened. I understand that further details will be provided in the framework of this Assembly session.

III. Conclusion

Mister/Madam President, Your Excellencies, Ladies and Gentlemen, before concluding I would like to first and foremost thank the Assembly. You have motivated us to work hard driven by our desire and ambition to see our Organization to be trustworthy and promising. We were inspired by our growing constituency and the willingness of many to be our partners.

I would like to reiterate my gratitude to the Dean and his team for their commitment and all the results they have brought forward despite frequent human resource and budgetary constraints. Thank you to this Assembly, to my fellow Board of Governors colleagues, and to the Advisory Boards in supporting the buildup of IACA.

On behalf of my colleagues from the BoG I would like to thank the ISAB and the IAAB and express our belief in our fruitful future cooperation.

In order to maintain and further the credibility of this organization, we need to go further. The adoption and implementation of the work programme and budget proposal is a first step in this direction. I cannot stress enough that its implementation and the fulfillment of the organization's mandate are contingent on the availability of funds. In light of the financial crisis, we know that contributions are not an easy task for many Member States, but in order to ensure the sustainability and growth of this organization, I urge you to consider directing contributions to its general budget.

The transition phase came to an end with the convening of the last Assembly, this year has witnessed many developments, and now the time has come to take full ownership. This is a critical period. The future of this ambitious international project depends on our persistence, commitment and rich expertise. IACA's mission and future are in our hands, and dependent on us.

Thank you, distinguished colleagues, from the BoG. Together we have furthered the mandate of the Academy, we have strengthened its human resources and research capacity, we have been trying to ensure the financial basis for its future progress. We have endorsed IACA's mission as a team and we will continue working in the same manner.

Thank you very much.