



4th International Conference on Financing for Development (FfD4)

UNCAC Coalition submission for the Elements Paper

Mainstreaming Anti-Corruption throughout the FfD4 agenda

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Introduction

The UNCAC Coalition is a global network of almost 400 civil society organizations in over 120 countries. We are committed to bolstering integrity and reducing corruption by empowering civil society to collectively promote transparency, accountability, and good governance and advance the implementation and strengthening of legal frameworks resulting from international agreements, in particular the United Nations Convention against Corruption (UNCAC).

The fight against corruption is a key global challenge and critical to the achievement of the Sustainable Development Goals. The "Pact for the Future"<sup>1</sup>, adopted by United Nations Member States at the 79th session of the UN General Assembly, acknowledged the need to "remove all obstacles to sustainable development", yet insufficiently addressed the harmful

<sup>1</sup> United Nations, Resolution adopted by the 79th General Assembly on 22 September 2024, "The Pact for the Future, https://documents.un.org/doc/undoc/gen/n24/272/22/pdf/n2427222.pdf.

impact of corruption and the lack of transparent, accountable and inclusive institutions and processes.<sup>2</sup>

With barely five years left, transparency, accountability and anti-corruption must take center stage in the 2030 Agenda. States must redouble efforts to tackle corruption and fully implement the UNCAC, building on the Declaration adopted by the UN General Assembly Special Session against Corruption in 2021. Importantly, States must include civil society at all stages to develop, strengthen and implement sustainable integrity frameworks.

It is urgent that UN Member States and all stakeholders join forces to investigate and prosecute corruption and accelerate the recovery and return of assets to countries of origin and communities harmed and victimized by corruption. Therefore, the UNCAC Coalition expects robust action by all States – including those that are often the destination of corruption proceeds from other countries where law enforcement is weak and where the population suffers from a lack of resources to meet the SDGs.

## **I. A global financing framework (including cross-cutting issues)**

Corruption is a systemic, cross-cutting issue that severely hinders the realization of the Sustainable Development Goals (SDGs).<sup>3</sup> The 2030 Agenda for Sustainable Development represented a paradigm shift towards progress that is inclusive and fair, protects the planet, and can be sustained over time. It recognized that “combating corruption at all levels and in all its forms” and establishing “effective, accountable and inclusive democratic institutions” were central to mobilizing the resources needed.<sup>4</sup> SDG 16 embodied these aspirations.

Furthermore, States affirmed that “measures to combat corruption and curb illicit financial flows [would] be integral to [their] efforts” and “civil society, independent media, and other non-State actors [played] important roles”.<sup>5</sup> The 2030 Agenda urged all countries to ratify the UNCAC and committed to “making the Convention an effective instrument”.<sup>6</sup>

However, in the past 10 years, prosecution of corruption and recovery of stolen assets have fallen behind expectations, leaving the 2030 Agenda and the SDGs far from becoming a reality. The global framework created by the Convention has not generated enough results in practice.

Civil society is not given a chance to contribute its full potential and expertise to anti-corruption efforts. Civil society organizations are excluded from being observers in UNCAC fora where anti-corruption progress is assessed and policy decisions are taken; participation of civil

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<sup>2</sup> “The Pact for the Future”, Action 1.

<sup>3</sup> United Nations, Resolution adopted by the General Assembly on 25 September 2015, “Transforming our world: the 2030 Agenda for Sustainable Development”, <https://documents.un.org/doc/undoc/gen/n15/291/89/pdf/n1529189.pdf>.

<sup>4</sup> United Nations (2015), Addis Ababa Action Agenda of the Third International Conference on Financing for Development, [https://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA\\_Outcome.pdf](https://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf); Chr. Michelsen Institute (2024), U4 Helpdesk Answer 2024: 28 “Corruption and the financing for development agenda”, <https://www.u4.no/publications/corruption-and-the-financing-for-development-agenda>.

<sup>5</sup> United Nations (2015), Addis Ababa Action Agenda, paragraphs 18 and 20.

<sup>6</sup> United Nations (2015), Addis Ababa Action Agenda, paragraph 25.

society in reviews of UNCAC implementation is still only optional.<sup>7</sup> All over the world, the space for civil society is increasingly challenged.<sup>8</sup>

Therefore, the UNCAC Coalition calls Member States, multilateral institutions and all stakeholders mobilized around the 2030 Agenda to boost anti-corruption efforts and systematically involve civil society, focusing on the following elements.

## **1. Mainstreaming transparency and anti-corruption into the 2030 Agenda through UNCAC implementation**

- Ensure that anti-corruption is featured as an essential and cross-cutting issue throughout the financing for development agenda. Implementing UNCAC Article 13 on civil society participation and respecting human rights principles of participation and accountability is crucial to guarantee that funds are used for essential services such as healthcare, education, and infrastructure, directly linked to fundamental human rights. Transparency must become a central pillar of financing for development to enable meaningful participation of all stakeholders.
- States should advance the effective implementation in law and in practice of the UNCAC, the only comprehensive, legally binding anti-corruption agreement so far joined by 191 States Parties, and the resolutions adopted by the Conference of the States Parties to the UNCAC (UNCAC CoSP). They should build on commitments made at the UN General Assembly Special Session against Corruption in 2021, reflecting the latest global consensus on anti-corruption efforts.
- Anti-corruption and oversight bodies must be adequately resourced and have the mandates, independence and capacity to prevent and detect corruption and promote a culture of transparency and accountability. States should ensure that those bodies cannot be weaponized against civil society or critics of those in power.
- States should put in place measures to detect and combat corruption involving vast quantities of assets and transnational corruption and ensure there is no impunity for individuals and entities involved in, enabling or benefitting from this corruption, building on UNCAC CoSP Resolution 7/2 and the Oslo Statement.<sup>9</sup>

## **2. Establishing transparent, independent, accountable, inclusive and adequately resourced institutions and decision-making processes that uphold human rights standards**

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<sup>7</sup> UNCAC Coalition website on the UNCAC Implementation Review Mechanism, <https://uncaccoalition.org/uncac-review/uncac-review-mechanism/>; Report by UNCAC Coalition (Dec. 2021), *Keeping up with the times: A way forward for ensuring an inclusive, transparent and effective UNCAC Implementation Review Mechanism*, <https://uncaccoalition.org/wp-content/uploads/Final-Report-%E2%80%93-Keeping-Up-with-the-Times-A-stronger-UNCAC-IRM.pdf>

<sup>8</sup> CIVICUS Monitor, *People Power Under Attack 2023* (Dec. 2023), [https://monitor.civicus.org/globalfindings\\_2023/innumbers/](https://monitor.civicus.org/globalfindings_2023/innumbers/).

<sup>9</sup> UNCAC CoSP Resolution 7/2, <https://www.unodc.org/corruption/en/cosp/conference/session7-resolutions.html>; Oslo Statement on Corruption involving Vast Quantities of Assets (2019), [https://www.unodc.org/documents/corruption/meetings/OsloEGM2019/Oslo\\_Outcome\\_Statement\\_on\\_Corruption\\_involving\\_Vast\\_Quantities\\_of\\_Assets\\_-\\_FINAL\\_VERSION.pdf](https://www.unodc.org/documents/corruption/meetings/OsloEGM2019/Oslo_Outcome_Statement_on_Corruption_involving_Vast_Quantities_of_Assets_-_FINAL_VERSION.pdf).

- Transparency by default is the best approach to facilitate citizens' access to information, which means proactively publishing updated information that is crucial to detecting and deterring corruption, misuse and waste of public funds. Budgets, revenues and expenditures, public contracts and payments, debt and loan agreements, beneficial ownership data, as well as asset and interest declarations of public officials and decision-makers, should be fully accessible to oversight institutions (Parliament, Courts of Audits, etc.) and the public – if possible, in standardized data formats. Furthermore, citizens should have the right to receive information and documents upon request.
- As public procurement is particularly susceptible to corruption, public tenders, all related documents and contracts should be publicly accessible online, in standardized and reusable formats, thus providing stakeholders and citizens with opportunities to monitor these processes. Public licenses and permits should also be open, particularly in the extractive industries and other sectors with a high corruption risk.<sup>10</sup>
- States should establish and strengthen mechanisms to protect and support whistleblowers who report corruption or other forms of wrongdoing, building on UNCAC CoSP Resolution 10/8.<sup>11</sup>
- States should set up national-level registries of the beneficial owners of legal entities and other arrangements, including those that sign contracts with the government, make data accessible to relevant authorities and the public, and encourage its use.

### **3. Securing a safe and enabling environment for civil society and media**

- Civil society organizations working on transparency, good governance and anti-corruption reforms – including non-governmental organizations, journalists and media uncovering corruption – need support and resourcing, access to information frameworks and safeguards for whistleblowers.
- States should develop a new vision on how donor funding can provide long-term support to civil society organizations, including in jurisdictions where organizations face restrictions on their ability to operate. Project funding often prevents organizations from developing their expertise and capacity, leaving them unable take full advantage of opportunities to drive reforms in partnership with governments.
- States should promote the participation of civil society organizations as observers in UN bodies and processes, including the UNCAC Implementation Review Mechanism (IRM), the UNCAC CoSP and its subsidiary bodies.
- Donors should engage with civil society organizations in deliberations about financing priorities, funding decisions and progress assessment of funded projects and

<sup>10</sup> Open Contracting Partnership website, “Open contracting: impact and evidence”, <https://www.open-contracting.org/impact/evidence/>.

<sup>11</sup> UNCAC CoSP Resolution 10/8: Protection of reporting persons, [https://www.unodc.org/documents/treaties/UNCAC/COSP/session10/resolutions/L-documents/2325382E\\_L.12\\_Rev.1.pdf](https://www.unodc.org/documents/treaties/UNCAC/COSP/session10/resolutions/L-documents/2325382E_L.12_Rev.1.pdf).

programs and involve civil society in technical assistance delivery as providers and beneficiaries.

#### **4. Enhancing the recovery and return of assets to repair the damage caused by corruption, provide redress to victim communities and help advance SDG targets**

- States need to strengthen and refine their legal and institutional frameworks for the recovery of proceeds of corruption, in line with UNCAC Chapter V. In many jurisdictions, asset recovery bodies and teams – where they exist – lack resources to successfully pursue cases. Countries where assets are hidden should be proactive in investigating and returning the proceeds of corruption in a transparent and accountable manner, involving civil society in the relevant jurisdictions.<sup>12</sup> Returns should be conducted in line with international standards and best practice<sup>13</sup>, including the Principles of the Global Forum on Asset Recovery.<sup>14</sup>
- Efforts to recover and return stolen assets should prioritize redress for the communities most affected by corruption.<sup>15</sup> Restorative justice frameworks, for example, could ensure that funds are reinvested in public services such as healthcare, education, and infrastructure to repair some of the harm corruption has caused and recognizing people’s rights to justice and reparation.
- Given the limited scope of asset recovery over the past decade, States should consider new approaches to unlock the massive potential of the recovery of proceeds of corruption. One idea could be a dedicated fund to collect assets that are stranded in destination countries and otherwise flow into their treasury. Such a fund could serve as a vehicle to return assets for projects that advance the SDGs in countries that were harmed by corruption; it would be transparent, accountable and inclusive by design, beyond the standards currently applied for UN Multi-Party Trust Funds.

#### **5. Putting in place effective monitoring of anti-corruption commitments**

- States should follow up on commitments made at the FfD4 Conference in a way that both monitors and speeds up progress. Follow-up to transparency and anti-corruption commitments could be conducted through the UNCAC IRM.
- States should push to reform and strengthen the UNCAC IRM in its next phase – it needs to be more efficient, transparent and inclusive than it currently is to assess and

<sup>12</sup> Africa Network for Environment and Economic Justice (ANEEJ) (2023), *Monitoring of Recovered Assets in Nigeria Through Transparency and Accountability (MANTRA) Project Final Report*, <https://www.aneej.org/mantra-final-report/>.

<sup>13</sup> CiFAR – Civil Forum for Asset Recovery e.V. (Oct. 2024), “Maximizing the Value and Impact of Recovered Assets Through Streamlined End-Use”, <https://cifar.eu/maximizing-the-value-and-impact-of-recovered-assets-through-streamlined-end-use/>.

<sup>14</sup> CiFAR (2022), “Victims and asset recovery: principles and standards”, <https://cifar.eu/wp-content/uploads/2022/03/Victims-and-asset-recovery.pdf>.

<sup>15</sup> Global Initiative Against Transnational Organized Crime (GI-TOC) Resilient Balkans: Social Re-use of confiscated assets (2022).: <https://globalinitiative.net/wp-content/uploads/2022/02/GMFA-Social-Reuse-of-Confiscated-Assets-Eng.pdf>; CHANCE, “Promotion of public and social reuse of confiscated assets as an innovative opportunity for social inclusion”, <https://www.chance.international/what-we-do/confiscated-assets/>; Italian regulatory model on social reuse of assets confiscated from mafia.

promote effective implementation of the UNCAC and build stronger momentum for anti-corruption efforts globally.<sup>16</sup>

- International financial institutions should ensure that relevant UNCAC provisions are included in financing agreements signed with States, and that those are implemented and monitored for the life of the funded projects and programs.

## II. Action areas

### A. Domestic public resources

Tackling illicit financial flows and improving public resources for development requires that States take strong action to:

- Consistently **criminalize all corruption offenses covered by the UNCAC**, including optional ones.<sup>17</sup> If concerns on the presumption of innocence affect the criminalization of illicit enrichment, States should undertake a careful calibration of arguments. Likewise, States could establish the **reverse burden of proof in cases of asset confiscation and the presumption of money laundering** when assets are held or transferred to conceal their origin or beneficial owner.
- Enhance **controls over politically exposed persons (PEPs)** and ensure that those who exercise a public service function – even when not formally appointed – cannot escape accountability in corruption cases. Similarly, **natural and legal persons should not be able to evade accountability** for bribing PEPs.
- Develop good practices of asset return, including on civil society participation. Multilateral initiatives such as the Stolen Asset Recovery Initiative (StAR)<sup>18</sup> should be supported and resourced, to challenge safe havens for corrupt funds and facilitate systematic and timely return of proceeds of corruption.
- **Create asset management systems** that operate with transparency and have the mandate, capacity and resources to ensure seized and confiscated assets retain their value. In addition, States could **explore innovative ways** to accelerate the return of confiscated assets, and **to finance technical assistance** for anti-corruption, transparency, and good governance reforms. Following a human rights approach, these new mechanisms, which could include a fund of stranded assets originating from corruption, should focus on providing redress to victim communities of corruption and

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<sup>16</sup> UNCAC Coalition website on strengthening the UNCAC review mechanism:

<https://uncaccoalition.org/strengthening-the-uncacs-review-mechanism/>

<sup>17</sup> Mandatory criminalization of offenses covered by the UNCAC include Bribery – Articles 15 and 16; Embezzlement and misappropriation – Art. 17; Money-laundering – Art. 23; Obstruction of justice – Art. 25; Liability of legal persons – Art. 26. Other offenses covered by the Convention include Trading in influence – Art 18; Abuse of functions – Art. 19; Illicit enrichment – Art. 20; Bribery in the private sector – Art. 21; Embezzlement in the private sector – Art. 22; Concealment – Art. 24.

<sup>18</sup> Stolen Asset Recovery Initiative (StAR) of the World Bank and UNODC, <https://star.worldbank.org/>.



advancing the SDGs. Any mechanism should be transparent and accountable, involving civil society to minimize the risk of misuse and maximize social impact.

- Address gaps in the implementation of UNCAC provisions, such as ensuring **effective protection to whistleblowers** reporting on corruption and related offenses, to witnesses, victims and experts who give testimony of corruption, and ensuring that entities or persons harmed by corruption have the right to initiate legal proceedings against those responsible, to obtain compensation and redress.
- The **right of civil society organizations to initiate legal proceedings** in corruption cases at national level has led to the confiscation of assets linked to powerful foreign officials and can be a powerful driver of enforcement actions.
- In line with UNCAC CoSP Resolution 10/9 on “**Promoting transparency and integrity in public procurement** in support of the 2030 Agenda for Sustainable Development”, States should ensure transparent public procurement frameworks and could consider the tools offered by the Open Government Partnership and civil society organizations such as the Open Contracting Partnership.
- Implement UNCAC CoSP Resolution 9/7 (2021) and Resolution 10/6 (2023), which recognize the **role of beneficial ownership information for recovering assets** and other proceeds of crime,<sup>19</sup> by setting up high-quality beneficial ownership registers making this information available to competent authorities and non-governmental actors with a key role in fighting corruption and ensuring data-sharing mechanisms among domestic authorities.
- Address **transnational corruption** through increased international cooperation and data exchange. Sharing beneficial ownership data has proven crucial to tackling corruption where politically exposed persons hide ill-gotten assets and private sector actors based in different jurisdictions are involved. The exchange of adequate, reliable, well-structured and timely beneficial ownership information among competent authorities can contribute to **fighting tax evasion and harmful tax practices**.<sup>20</sup>

## **B. Domestic and international private business and finance**

To align private sector incentives and activity with sustainable development goals, States should:

- Cooperate to **eliminate safe havens** for illicit financial flows, including by tackling use of offshore financial centers and jurisdictions with high financial secrecy.<sup>21</sup>

<sup>19</sup> UNCAC CoSP Resolution 9/7 “Enhancing the use of beneficial ownership information to facilitate the identification, recovery and return of proceeds of crime” and Resolution 10/6 “Enhancing the use of beneficial ownership information to strengthen asset recovery”.

<sup>20</sup> Political Declaration adopted by the General Assembly at its special session against corruption held in June 2021, paragraph 16.

<sup>21</sup> Transparency International Ireland (2021), *Safe Haven? Targeting the Proceeds of Foreign Corruption in Ireland*, [https://transparency.ie/news\\_events/report-finds-much-be-done-stop-ireland-becoming-](https://transparency.ie/news_events/report-finds-much-be-done-stop-ireland-becoming-)

- **Enhance controls over the professional service providers** that can be enablers of corruption, by improving their regulation and reporting obligations.<sup>22</sup>
- **Corporate transparency and accountability levels** of financial institutions and private sector actors need to significantly improve, including country-by-country reporting of multinational companies to tax authorities and beneficial ownership transparency. **Beneficial ownership transparency** aligns with financing for development priorities as it contributes to ensuring that available domestic funds serve development goals, is a sign of well-functioning economies and gives guarantees of integrity to donors of development assistance. Furthermore, there is growing attention to the role of transparency to build trust between companies, consumers, investors, and employees.<sup>23</sup>
- Increase publicly accessible information and accountability of the **extractive industries** – oil, gas and mining companies<sup>24</sup> – allows for public oversight and independent monitoring, including by local communities, to prevent revenue losses in the countries where resources are extracted from. All transactions from companies to governments and to tax authorities should be disclosed, in both source and destination countries. States could adhere to transparency and accountability standards and tools proposed by the Open Government Partnership<sup>25</sup> and the Extractive Industries Transparency Initiative (EITI), including on beneficial ownership disclosure and license screening.<sup>26</sup>
- The **protection of foreign investment should not extend to corrupt actors** engaged in procurement fraud, bribery or other corruption, and those actors should not be able to invoke investor-state arbitration or dispute resolution to defeat accountability for corruption.
- Incorporate **transparency, participation and accountability standards in large investment and infrastructure** projects. States can follow the multistakeholder

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[%E2%80%98safe-haven%E2%80%99-world%E2%80%99s-dirty-money](#); Financial Secrecy Index from the Tax Justice Network: <https://fsi.taxjustice.net/>.

<sup>22</sup> The Sentry (2022), “Constructing Corruption: Identifying the Enablers Helping Build Violent Kleptocracies”, <https://thesentry.org/reports/enablers-violent-kleptocracies/>.

<sup>23</sup> Center for International Private Enterprise - CIPE (2023), *Beneficial Ownership Transparency, Exploring the Private Sector Use Case*, <https://www.cipe.org/resources/beneficial-ownership-transparency-exploring-the-private-sector-use-case/>. Open Ownership (2023), “What’s in it for business? The US case - Lessons from private sector and civil society advocacy for beneficial ownership transparency reforms”, <https://oo.cdn.ngo/media/documents/oo-case-study-impact-story-united-states-2023-05.pdf>.

<sup>24</sup> Open Ownership (2024), “Lessons for an accountable transition: Leveraging beneficial ownership information for natural resource governance”, <https://www.openownership.org/en/publications/lessons-for-an-accountable-transition-leveraging-beneficial-ownership-information-for-natural-resource-governance/>.

<sup>25</sup> Open Government Partnership (2020), “Domestic Resource Mobilization and Economic Recovery in Africa”, <https://www.opengovpartnership.org/documents/domestic-resource-mobilization-and-economic-recovery-in-africa/>.

<sup>26</sup> Extractive Industries Transparency Initiative (EITI) (Nov. 2023), Blog post “Doubling down on beneficial ownership transparency with the new EITI Standard”, <https://eiti.org/blog-post/doubling-down-beneficial-ownership-transparency-new-eiti-standard>.



approach proposed by the Infrastructure Transparency Initiative (CoST) involving publication of data, independent reviews and social accountability.<sup>27</sup>

- States should **oversee private activities and investments**, including public-private partnerships (PPPs) and blended finance, to avoid negative impacts on affected communities and human rights violations. Additionally, trade and investment agreements should prioritize the protection of human rights over investor interests.
- When collaborating, governments and businesses should incorporate human rights safeguards and due diligence processes. In addition, private sector actors should implement responsible practices and commit to the **UN Guiding Principles on Business and Human Rights**<sup>28</sup>.

### **C. International development cooperation**

In the rapidly evolving landscape of development finance, development banks and multilateral and bilateral donors should:

- Implement high levels of transparency and accountability, including proactive disclosure of the agreements and contracts signed with States, state-of-the-art frameworks for access to information and whistleblower protection.
- **Embed transparency and accountability safeguards** in new forms of development finance including private funding and lending, PPPs, country-level finance, green bonds and emerging climate-related funds. **Control over development funds should be guaranteed** from disbursement through to implementation, to detect any conflicts of interests and ties between beneficiaries and PEPs.
- Introduce **anti-corruption measures in the negotiations and policy actions** discussed with recipient countries.
- Improve **donor coordination** and put the needs of citizens and vulnerable communities at the center of development funding.<sup>29</sup> Funding should be guided by a human rights approach to prioritize communities most affected by corruption and **address the differentiated impacts of corruption** on populations oppressed due to their socio-economic, ethnic-racial, gender, age, and migratory status, among others.

### **D. International trade as an engine for development**

As large-scale illicit financial flows and illicit trade disrupt the global trade system<sup>30</sup>, States need to:

<sup>27</sup> Infrastructure Transparency Initiative (CoST), <https://infrastructuretransparency.org/>.

<sup>28</sup> United Nations OHCHR (2011), "Guiding Principles on Business and Human Rights", [https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf).

<sup>29</sup> A notable example that can inspire donors is the Digital Restoration EcoSystem for Accountable Management - DREAM platform in Ukraine, which aims to collect, organize and publish open data across all stages of reconstruction projects in real time, implementing the highest standards of transparency, and accountability (see <https://dream.gov.ua/en>).

<sup>30</sup> United Nations (2015), Addis Ababa Action Agenda, paragraph 92.

- Firmly **address illicit financial flows** – cross-border exchanges of assets illegally earned, transferred or used.<sup>31</sup>
- Strengthen regulation and international cooperation to identify and prosecute **trafficking of wildlife, illegal logging and mining, illegal, unreported and unregulated fishing**<sup>32</sup> and to build the capacity of local communities to contribute to public oversight of energy and natural resources management.<sup>33</sup>

#### E. Debt and debt sustainability

The current public debt crisis has attained the level of a “systemic failure”<sup>34</sup>, in part fueled by democratic governance shortcomings. Effective responses must be anchored on democratic principles, strengthen accountability systems in borrowing countries and make creditors responsible for transparency in lending. States and international financial institutions should:

- Reinforce **requirements for public debt transparency and disclosure mechanisms** for both borrowers and lenders.<sup>35</sup>
- Support **representative and oversight bodies** through capacity assistance and more engagement in lending and restructuring processes, basing debt sustainability assessments on comprehensive, objective and reliable data.
- Ensure lending and restructuring agreements include **governance safeguards** that prevent corruption and take into account local civil society demands.
- Expand the **role of civil society throughout the debt cycle and in debt restructurings**.

#### F. Addressing systemic issues

Corruption involving vast quantities of assets<sup>36</sup>, regulatory gaps and misaligned financial incentives pose risks to global economic stability and the 2030 Agenda. Therefore, **corruption**

<sup>31</sup> United Nations (2021), Financial Integrity for Sustainable Development: Report of the High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda (FACTI Panel), <https://factipanel.org/explore-the-report.html>; and United Nations (2022), Policy Paper “Implementation of FACTI Panel Recommendations in Africa”, [https://www.un.org/osaa/sites/www.un.org.osaa/files/financial\\_integrity\\_for\\_sustainable\\_development\\_in\\_africa\\_en.pdf](https://www.un.org/osaa/sites/www.un.org.osaa/files/financial_integrity_for_sustainable_development_in_africa_en.pdf).

<sup>32</sup> United Nations (2015), Addis Ababa Action Agenda, paragraph 92. FATF (2020), Money Laundering and the Illegal Wildlife Trade, <https://www.fatf-gafi.org/en/publications/Environmentalcrime/Money-laundering-wildlife-trade.html>.

<sup>33</sup> UNCAC Coalition (2023), “Strengthening the UNCAC to combat environmental crime and corruption”: <https://uncaccoalition.org/wp-content/uploads/ECC-Working-Group-Submission-to-the-CoSP10.pdf>.

<sup>34</sup> Remarks from United Nations Secretary-General to the launch of “A World of Debt” report (12 July 2023), <https://press.un.org/en/2023/sqsm21872.doc.htm>.

<sup>35</sup> National Democratic Institute (NDI), “Democratic engagement to end debt distress”, <https://www.ndi.org/democratic-engagement-end-debt-distress>.

<sup>36</sup> UNODC (2019), “Preventing and combating corruption involving vast quantities of assets. Expert recommendations”, [https://www.unodc.org/documents/corruption/Publications/2019/19-10467\\_Preventing\\_Combating\\_Corruption\\_ebook.pdf](https://www.unodc.org/documents/corruption/Publications/2019/19-10467_Preventing_Combating_Corruption_ebook.pdf).

– especially in its large scale, transnational dimension – **is the main systemic issue** States must address towards reaching the SDGs.

When doing so, States must identify the **distinct societal impacts of corruption**, as it perpetuates oppression of historically marginalized and discriminated populations, especially women and other vulnerable groups. In peripheral areas, the lack of access to basic resources and services is aggravated by corruption that diverts public funds and resources, while it also affects equal access to justice, especially in cases of gender-based violence.<sup>37</sup> Therefore, States could:

- Build on UNCAC country review reports<sup>38</sup> and on civil society parallel reports to enhance overall implementation of international anti-corruption commitments.<sup>39</sup>
- Anchor public policies and budgets on a human rights and gender perspective, to maximize the use of resources and have mechanisms for enforceability.<sup>40</sup>
- Implement Resolution 10/10 on “Addressing the societal impacts of corruption”.<sup>41</sup>

### **G. Science, technology, innovation and capacity building**

States should:

- Ensure public officials are well-equipped to identify and tackle corruption risks by providing training and tools, facilitating peer exchanges and piloting innovative approaches.
- Advance towards standardizing and publicly sharing data and encouraging reuse by citizens and organizations.

## **III. Emerging issues**

### **1. Corruption risks are a major concern for climate finance**

Without adequate oversight mechanisms and robust anti-corruption safeguards, the massive amount of funds dedicated to tackling the climate crisis risk being misappropriated, stolen or squandered. This will also deprive the world’s poorest and most vulnerable countries and communities of much-needed income and resources. **Combating corruption that facilitates environmental crimes**, such as wildlife trafficking, deforestation, illegal mining and waste

<sup>37</sup> Mexiro A.C. (2024), “The victims in oblivion: The Weakening of Mexico's Anti-Corruption Systems (2018 - 2022). Analysis and Results to Understand Where We Are Going”, : <https://comun.gitbook.io/docs>.

<sup>38</sup> UNODC, UNCAC Implementation Review Mechanism, <https://www.unodc.org/corruption/en/uncac/implementation-review-mechanism.html>.

<sup>39</sup> Civil society parallel reports produced by the UNCAC Coalition and partner organizations analyze UNCAC implementation across the world: <https://uncaccoalition.org/uncac-review/cso-review-reports/>.

<sup>40</sup> UN Member States can use indicators to measure the quality of compliance in terms of gender perspective and human rights approach based on “Human Rights Indicators: a guide for measurement and application” (Office of the United Nations High Commissioner for Human Rights (OHCHR)).

<sup>41</sup> UNCAC CoSP Resolution 10/10 “Addressing the societal impacts of corruption”, <https://www.unodc.org/corruption/en/cosp/conference/session10-resolutions.html>

trafficking, must be another focus of States to ensure effective action against environmental degradation and climate change, by:

- Leveraging the UNCAC and other anti-corruption agreements to prevent bribery, embezzlement, money laundering and corruption linked to the **management and use of funds for climate action**.
- Establishing **anti-corruption safeguards and oversight mechanisms in climate financing** to ensure the proper financial management of climate funds, globally and at the regional and national levels.
- **Formally addressing the linkages between corruption, organized crime and climate change** through systematic coordination and cooperation between the UNCAC and environmental agreements such as the UN Framework Convention on Climate Change (UNFCCC), the UN Convention against Transnational Organized Crime (UNTOC), the Convention on Biological Diversity (CBD) and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
- Implementing targeted measures to prevent corruption that facilitates environmental crime and strengthen **transparency, integrity and accountability for awarding, granting, and managing contracts, concessions, permits and licenses** in the natural resource sector and in green energy sectors.<sup>42</sup>
- Actively **promote, support and defend civil society actors' engagement** in efforts to prevent and combat corruption in climate finance and action. Public participation in the development and implementation of climate finance projects, strong protection of whistleblowers and of activists, journalists, indigenous peoples and other actors is critical to achieving climate protection goals and providing benefits to communities most affected by climate change.

#### **IV. Data, monitoring and follow-up**

States' anti-corruption, transparency and accountability measures should be subject to ongoing monitoring, while encouraging the sharing of good practices and lessons learned:

- The UNCAC IRM<sup>43</sup> should be the cornerstone to monitoring anti-corruption commitments, including those made at the FfD4.
- Importantly, States should **agree on a strengthened UNCAC IRM** that, in its next phase, is more transparent, more inclusive, and more effective when assessing

<sup>42</sup> FACT Coalition (2023), *Dirty Money and the Destruction of the Amazon: Uncovering the U.S. Role in Illicit Financial Flows from Environmental Crimes in Peru and Colombia*, <https://thefactcoalition.org/report/dirty-money-and-the-destruction-of-the-amazon-uncovering-the-us-role-in-illicit-financial-flows-from-environmental-crimes/>; Wildlife Justice Commission (2023), *Dirty Money: The Role of Corruption in Enabling Wildlife Crime*, <https://wildlifejustice.org/wp-content/uploads/2023/07/corruption-report-2023-SPREADS-V12.pdf>.

<sup>43</sup> UNCAC Implementation Review Mechanism: <https://www.unodc.org/corruption/en/uncac/implementation-review-mechanism.html>.

UNCAC implementation, and that allows for tracking States' progress in strengthening their anti-corruption frameworks and practices over time.<sup>44</sup>

- The Financing for Development 2023 report<sup>45</sup> highlights the use of voluntary international norms on transparency and accountability such as the Principles for Beneficial Ownership disclosure<sup>46</sup> developed by Open Ownership and the standard proposed by the Open Contracting Partnership<sup>47</sup>, since corruption can be prevented by **disclosing information, data and documents that enable internal and external monitoring** of public decisions and processes.
- **High-quality disaggregated data** is an “essential input for smart and transparent decision-making”.<sup>48</sup> The Beneficial Ownership Data Standard (BODS)<sup>49</sup> provides guidance to collect, store and share beneficial ownership information. Similarly, the Open Contracting Data Standard (OCDS)<sup>50</sup> facilitates disclosure of data at all stages of the contracting process by defining a common data model. Both are compatible and interoperable with other datasets, allowing for data comparison across jurisdictions and providing the basis to turn data into useful information. Using these standards, in addition to the UNCAC IRM and FATF Mutual Evaluations<sup>51</sup>, can strengthen monitoring and follow-up of international anti-corruption commitments.

## V. Overarching reflections

It is essential to mainstream anti-corruption, transparency and accountability mechanisms across all aspects of the financing for development agenda.

Civil society is key to preventing and exposing corruption and to promoting accountability and inclusive processes. Civil society organizations inspire and push for integrity reforms in their countries, often in collaboration with governments.<sup>52</sup> Additionally, international civil society networks are uniquely placed to connect on-the-ground anti-corruption efforts with the

<sup>44</sup> UNCAC Coalition website on “Strengthening the UNCAC’s review mechanism”, <https://uncaccoalition.org/strengthening-the-uncacs-review-mechanism/>; UNCAC Coalition (2024): Key Recommendations to make the IRM more effective in strengthening UNCAC Implementation, <https://uncaccoalition.org/key-recommendations-to-make-the-irm-more-effective-in-strengthening-uncac-implementation/>.

<sup>45</sup> United Nations, Inter-agency Task Force on Financing for Development (2023), *Financing for Sustainable Development Report 2023: Financing Sustainable Transformations*, <https://desapublications.un.org/publications/financing-sustainable-development-report-2023>.

<sup>46</sup> Open Ownership Principles: <https://www.openownership.org/en/principles/>.

<sup>47</sup> Open Contracting Data Standard by the Open Contracting Partnership, <https://standard.open-contracting.org/latest/en/>.

<sup>48</sup> United Nations (2015), Addis Ababa Action Agenda, paragraph 125.

<sup>49</sup> Open Ownership, Beneficial Ownership Data Standard: <https://standard.openownership.org/en/0.4.0/>.

<sup>50</sup> Open Contracting Data Standard by the Open Contracting Partnership, <https://standard.open-contracting.org/latest/en/>.

<sup>51</sup> FATF Mutual Evaluations: <https://www.fatf-gafi.org/en/topics/mutual-evaluations.html>.

<sup>52</sup> Through a collaborative approach involving governments and civil society, the Open Government Partnership (OGP) offers a platform to develop practical solutions to strengthen public oversight of financial flows, enhance fiscal transparency, and promote anti-corruption reforms. See <https://www.opengovpartnership.org/open-gov-guide/>.



UNCAC, FfD and other international platforms, and to contribute to improving global standards, institutions and practices.<sup>53</sup>

However, space for civil society engaged in anti-corruption is shrinking in many parts of the world, further limiting our chances of reaching the SDGs. To reverse this trend, States should:

- Uphold their responsibility to respect, protect and support civil society (as well as journalists and the media), a commitment recently renewed in the Atlanta Declaration<sup>54</sup> adopted at the 10th session of the Conference of the States Parties to the UNCAC.
- Consistently ensure civil society participation in the UNCAC Review Mechanism, in line with the initiative promoted by the UK government<sup>55</sup>, the Open Government Partnership, and the UNCAC Coalition's Transparency Pledge<sup>56</sup>.

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<sup>53</sup> Regional civil society networks participating in public debate and influencing policy and decision-making process in the area of transparency, anti-corruption, and good governance include for instance the Southeast Europe Leadership for Development and Integrity (SELDI) or Alianza Regional por la Libre Expresión e Información (Latin America).

<sup>54</sup> UNCAC CoSP Resolution 10/1 "Atlanta 2023: promoting integrity, accountability and transparency in the fight against corruption", [https://www.unodc.org/documents/treaties/UNCAC/COSP/session10/resolutions/L-documents/2325351E\\_L.5\\_Rev.1.pdf](https://www.unodc.org/documents/treaties/UNCAC/COSP/session10/resolutions/L-documents/2325351E_L.5_Rev.1.pdf).

<sup>55</sup> United Kingdom Foreign, Commonwealth & Development Office (Dec. 2023), Speech by Lord Ahmad of Wimbledon "Joint Statement on Transparency and the Inclusion of Civil Society in the Implementation Review Mechanism", <https://www.gov.uk/government/speeches/joint-statement-on-transparency-and-the-inclusion-of-civil-society-in-the-implementation-review-mechanism>.

<sup>56</sup> UNCAC Coalition Transparency Pledge, <https://uncaccoalition.org/uncac-review/transparency-pledge/>.