2015-16 G20 Anti-Corruption Action Plan

G20 Leaders established the Anti-Corruption Working Group (ACWG) at the Toronto Summit in 2010 in recognition of the significant negative impact of corruption on economic growth, trade and development. At the end of 2014, corruption continues to represent a significant threat to global growth and financial stability. Corruption destroys public trust, undermines the rule of law, skews competition, impedes cross-border investment and trade, and distorts resource allocation. As a group of the world's largest economies, the G20 remains committed to reducing the incidence of corruption and building a global culture of intolerance towards corruption.

To support the G20 growth and resilience agenda, the ACWG commits to focus its work on where it can best add value to existing international efforts to reduce corruption and enhance transparency. The G20 has a special role in injecting political momentum in response to critical global governance challenges. An important element of the G20 response is partnering with international organisations to ensure a coordinated approach to address critical gaps in the global response to corruption. Mindful of the *G20 High-Level Principles on Corruption and Growth*, we will work closely with other work streams and working groups to develop a strong, coherent G20 anti-corruption agenda, in order to strengthen investment environments and boost growth.

Since 2010, the work of the ACWG has been guided by two-year action plans that include, among others, commitments by G20 countries to ratify and implement the *United Nations Convention against Corruption*, combat money laundering, promote integrity within our respective governments, and cooperate with other countries to investigate, prosecute and recover the proceeds of corruption. The G20 renews its pledge to fully implement actions agreed in previous action plans. In addition, G20 members commit to taking concrete, practical action in 2015-16 on the following issues, which G20 countries have identified as high priorities in the fight against corruption:

- ***Beneficial ownership transparency:*** Preventing the abuse of legal persons and arrangements is a critical issue in the global fight against corruption. Despite significant international efforts and attention, legal persons and arrangements continue to be misused to hide or conceal criminal activity such as money laundering, tax evasion, and corruption. This abuse of legal persons and arrangements undermines the broader efforts of the G20 to achieve its mission of protecting the global financial system and promoting growth. G20 countries commit to promote greater transparency through effective implementation of the international standards on the beneficial ownership of legal persons and arrangements, set by the Financial Action Task Force (FATF). This will include taking concrete action and sharing in writing steps to be taken to implement the *G20 High-Level Principles on Beneficial Ownership Transparency*.
- ***Bribery:*** G20 countries recognise that bribery imposes a heavy price on both international business and society as a whole, with the annual cost of bribery estimated by the World Bank to be USD$1 trillion. Combating bribery remains an important priority for the G20 growth agenda, including by helping to level the playing field for business and giving the private sector the confidence it needs to invest in infrastructure and other growth-producing sectors and projects. G20 countries commit to lead by example in combating bribery, including by active participation with the OECD Working Group on Bribery with a view to exploring possible adherence to the OECD Anti-bribery Convention. G20 countries also commit to comprehensively and effectively criminalise bribery of domestic and foreign public officials, as well as the solicitation of bribes, establish the liability of legal persons, and enforce such laws through civil and criminal actions.
- ***High-risk sectors:*** G20 countries recognise that certain sectors are particularly vulnerable to some unique corruption risks and challenges. Effectively preventing and combating corruption in these high-risk sectors is essential to create an environment conducive to investment, and to ensure critical assets and resources are

not diverted away from economic growth and development. For this reason, G20 countries commit to taking practical action, consistent with national circumstances, to address the risk of corruption in the **extractives sector and other high risk sectors such as customs, fisheries and primary forestry, and construction sectors**, including by identifying and developing international best practices and promoting collective action initiatives.

- ***Public sector transparency and integrity:*** G20 countries recognise that promoting greater transparency and integrity in the public sector is essential to preventing the misuse or diversion of public funds and conflicts of interest, which can have a significant negative impact on economic growth and development. In particular, transparency in public investment and procurement processes will boost business confidence and enhance cross-border trade and investment. Concrete action on these issues will also directly support the G20 development agenda, including by helping to protect public finances required for investment in infrastructure. G20 countries commit to leading by example in ensuring our government agencies, policies, and officials implement international best practices for public sector transparency and integrity. The ACWG has identified **public procurement, open data, whistleblower protections**, **immunities for public officials**, **fiscal and budget transparency**, and **standards for public officials** as issues which merit particular attention.
- ***International cooperation:*** In the globalized environment, many corrupt persons through increasingly sophisticated methods seek to exploit international borders to avoid prosecution, or to hide and enjoy the proceeds of corruption. In this context, international cooperation, including possible assistance in civil and administrative procedures related to corruption, is essential to the successful investigation, prosecution and recovery of the proceeds of corruption. Mindful that G20 countries are home to many of the world's most significant financial centres, G20 countries commit to lead by example in recovering and returning the proceeds of corruption. Building on the G20 Asset Recovery Profiles and G20 Guides to Asset Recovery, the ACWG will develop a collective G20 agenda to promote effective asset recovery. G20 countries also commit to helping to end impunity for corruption offences by working together to investigate and prosecute corruption offences, to recover the proceeds of such offences, and to deny entry and safe haven to corrupt officials and those who corrupt them, and by promoting international cooperation, including mutual legal assistance and extradition, consistent with the UNCAC.
- ***Private sector transparency and integrity:*** G20 countries recognise that they must continue to work closely with business and civil society to reduce corruption. For businesses, bribery and other forms of corruption can have a serious impact on their commercial viability, including by distorting competition, increasing the costs of cross-border transactions, and threatening the stability of their trading and investment environment. G20 countries recognise that governments cannot fight corruption alone, and the private sector is an essential partner in helping us to achieve our anti-corruption goals. G20 countries commit to continuing to work with the private sector and civil society to combat corruption, including by developing anti-corruption education and training for business, with a particular focus on SMEs, and by examining best practices for encouraging businesses to implement robust compliance programs and self-report breaches of corruption laws.

The G20 commits to lead by example and hold itself accountable for its anti-corruption commitments, including by reporting annually to G20 leaders on progress made in meeting these commitments and publishing these reports. G20 countries commit to working closely with the G20 engagement groups and international organisations to implement the commitments in this Action Plan.