



## Session Report

*Please know you may design the structure of this report to better suit the session. It's important to capture the key outcomes and solutions proposed for the future.*

**Session Title:** Opening Ceremony

**Date & Time:** Tuesday, 06.12.2022, 12:30 pm – 1:00 pm GMT -5

**Report prepared by:** Roberto Kukutschka, Research Expert  
Transparency International Secretariat

**Moderated by:**

**Panellists:**

- Jake Sullivan - National Security Advisor of the US President
- Delia Ferreira - Chair of the Board Transparency International
- Gary Kalman - Executive Director, Transparency International USA
- Huguette Labelle - Chair of the IACC

## Summary of panellists' contributions & discussion points (please be as detailed as possible)

### **Jake Sullivan - National Security Advisor of the US President**

As the world grows more and more globalized, the challenges we are facing are more integrated than ever before and so, our response needs to be more integrated, too.

We are facing two strategic challenges at the same time:

- the return of geopolitics and
- transnational problems that no longer respect borders.

This context needs to be dealt with strategically to ensure our security.

Corruption is not just an issue that affects health or education outcomes, it has implications on human rights, the rule of law and even on national security. For this reason, corruption is at the top of the agenda to ensure national security. We have

seen very clearly how corruption has led to conflict in countries like Nicaragua, Honduras and Guatemala.

The core of anti-corruption is to “help the good people and punish the bad people. We need to help journalists who risks their lives and their careers to uncover government grafts, activists and anti-corruption champions in politics.

*“The fight against corruption is part of the fight for democracy and it needs champions.”*

We have seen important progress in anti-corruption in Moldova and Zambia. Both countries have shown that where there is a will there is a way, but to level the playing field, it is not good enough to help one’s friends. One must also make it harder for those who benefit from corruption to corrode society. It is thus necessary to take further steps to ensure that societies serve as a check, rather than an accomplice to corruption. For the US this means ensuring that the financial system is not used for nefarious purposes.

Last year the US passed the Corporate Transparency Act and just two months ago the Treasury Department issued the first guidelines to enforce it. However, the Corporate Transparency Act is only the beginning: the US must identify the vulnerabilities of its system to launder money in other areas, such as the real estate sector.

In the wake of Putin’s brutal aggression against Ukraine, the US established a task force to go after kleptocrats. The taskforce has frozen more than 40 billion dollars from yachts to skyrise apartments through sanctions and criminal prosecution, thus showing that the proceeds from crime and corruption are not safe in the United States.

The fight against corruption is a strategic cornerstone of the US presence all around the world. Anti-corruption efforts and efforts to reinforce the rule of law are front and center for the US international economic engagement.

We need to be in the fight against corruption in the long haul we and keep it going for as long as it takes. Meaningful changes can come slowly and it often happens through the combination of tireless research, reporting, reforms (incremental or sweeping), brave whistle-blowers and other activists who risk their lives to fight against corruption.

**Delia Ferreira - Chair of the Board Transparency International**

The world faces several challenges from post-Covid inflation, lack of trust, erosion of democracy and rise of authoritarianism to limitation of civic space, attacks on the press and a climate emergency. Corruption is at the heart of these problems.

While the goals of the anti-corruption movement are clear, it is necessary to reflect on how those goals will be achieved and how more and more sectors of society can be engaged in this process, including:

- Young people: 52% of the total population is under 30. This is a central actor that we must quickly get on board.
- The tech community is a key partner to help us achieve progress in our goal to hold power to account and guarantee transparency and integrity.

We need to go beyond institutional and legal approaches by incorporating behavioral approaches, focusing on values, and restoring the balance between normative approaches and cultural ones. Values and ethics are at the heart of the fight against corruption.

The decline of trust in our societies has to do with the collapse of the basic value consensus in our societies. This coincides with the devaluation of the idea of truth. Only on the basis on a culture of integrity will we be able to strengthen democracy, protect freedom and peace, and guarantee a sustainable future.

*“We need to work for more information, more integrity, less impunity and less indifference.”*

**Gary Kalman – Executive Director, Transparency International USA**

We face an extraordinary time with a multitude of challenges worldwide, including:

- climate change and increased weather-related disasters,
- the rise of authoritarianism and the resulting threats to national sovereignty and security,
- violence against journalists and activists across all regions of the world,
- a global pandemic that is still ongoing, and
- rising levels of national debt, inflation and distorted financial systems that divert billions of dollars away from sustainable and green growth.

Corruption undermines the response to every single of these challenges and the US is not immune to the effects of corruption: a recent academic study that consisted of sending fake solicitations to agents that form companies in over 100 countries around the world determined that the US was the easiest place in the world to form an anonymous company with the potential to help launder illicit funds.

Despite this bleak picture, there is some room for hope, as there has been some significant progress in the fight against corruption over the past two decades:

*“Two decades ago, few people in the US saw corruption as a fundamental, cross-cutting problem. Today, there is widespread recognition that countering corruption is a cross-sectoral endeavor essential to combat the climate crisis, achieve economic sustainability and protect basic human rights.”*

This has only been possible thanks to the work of governments, investigative journalists, academics and civil society organizations such as Transparency International.

The increased interest in multistakeholder conventions, such as the Summit for

Democracy or the IACC, are also starting to pay off:

- more than 100 countries have committed to create beneficial ownership registers to counter the abuse of anonymous companies,
  - the EU has passed, updated and improved its anti-money laundering directives several times,
  - FATF is updating recommendations to better tackle dirty money,
  - US government has recognized corruption as a national security threat
- corruption as a security threat.

Kalman also stressed the importance of sustained investment into anti-corruption. While recognizing that corruption is a difficult problem to solve, he warned of the danger that shifting support for anti-corruption to a different area would have for the hard-won achievements of the past decades:

*“I have heard some say corruption problems are intractable and speak of moving on to other issues. This, I do not understand... It would be like buying shares in a start-up company which... loses money while building its brand and then pulling the investment just when it starts turning a profit.”*

Kalman finished his speech by reminding the audience that addressing corruption addressing corruption is a pre-requisite to achieve success in a list of many other issues.

#### **Huguette Labelle – Chair of the IACC**

Criminal groups are finding ways to keep control of governments. Without due regard of Rule of Law, these individual de-stabilize their countries.

For too long journalists and civil society activists have been the one of the main victims of corruption, particularly when they speak out against it and against all other forms of injustice. Many of them pay with their lives.

New information technologies have been a great help for the anti-corruption work, but these technologies have also contributed to discord and violence and have become vehicles to steal assets and rob countries of their financial resources. We must recall that there has been success that we can build on. There are a number of initiatives that have started but need to be fully implemented.

World leaders have held several major meetings to discuss the issues such as beneficial ownership or to the prevention of bribery. While these instruments are important, there is still work to be done when it comes to their implementation.

At this conference we come from different backgrounds and everyone brings their own experiences, let's work together to find a way forward.

**Main outcomes of session (include quotes/highlights and interesting questions from the floor)**

- *“The fight against corruption is part of the fight for democracy and it needs champions”* **Jake Sullivan- National Security Advisor**
- *“We need to work for more information, more integrity, less impunity and less indifference”* **Delia Ferreira, Chair of the Board, Transparency International**
- *“Two decades ago, few people in the US saw corruption as a fundamental, cross-cutting problem. Today, there is widespread recognition that countering corruption is a cross-sectoral endeavor essential to combat the climate crisis, achieve economic sustainability and protect basic human rights”* **Gary Kalman  
Transparency International USA**

## Key recommendations for the future and concrete follow-up actions

- Continue to prioritize corruption and keep investing in it to avoid losing the hard-earned gains of the last decades.
- Redouble efforts to properly enforce the existing international anti-corruption commitments.
- The anti-corruption coalition needs to be extended. Progress has been made to include more women in the fight against corruption, but we must do more to reach out to the younger generations and build bridges to other sectors, particularly ICTs.
- Anti-corruption needs to be recognized as a threat to national security around the globe.

**Is there a specific call to action to key stakeholders, such as governments, businesses, funders, civil society, young people, journalists or any other stakeholder that should be noted?  
Please specify if relevant.**

- Governments need to continue investing in anti-corruption and not abandon the fight. This is crucial to keep moving forward in this topic and avoid losing the progress made so far.

## Rapporteur's name and date submitted

**Roberto Kukutschka, 07.12.2022**