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## **United States Mission to the OSCE**

# **Statement on the Importance of Combating Corruption in the OSCE Region**

As delivered by Ambassador Ian Kelly  
to the Permanent Council, Vienna  
April 22, 2010

Thank you, Mr. Chairman.

The United States would like to highlight the continued importance of sustained efforts to combat corruption throughout the OSCE region. Corruption has significant implications in each of the three dimensions. It does not respect borders. It is perhaps impossible to eliminate corruption entirely, but we should all strive to make steady progress toward that goal. We can begin by putting in place the right frameworks and institutions for deterring and controlling corruption, by strengthening the rule of law and democratic institutions to ensure accountability, by fostering a culture of zero-tolerance, and by encouraging the participation of all elements of society, including government, civil society, and the private sector, in efforts to combat corruption.

We primarily treat anti-corruption as a second dimension issue in the OSCE, though we note the important role that the rule of law and democratic institutions play in stamping out corruption. Corruption adversely affects economic growth by slowing infrastructure development, increasing business costs, and distorting economies by altering competitive business outcomes. It prevents citizens from sharing in the wealth gained from the exploitation of natural resources when that wealth is instead channeled instead to the few who control those resources. The Extractive Industries Transparency Initiative, as highlighted in our March 23 food for thought paper, is one proven effort intended to prevent such diversion.

Transparency is a critical ally in the battle against corruption, and media freedom is key to facilitating that transparency. A free and unfettered media sector can help uncover corruption and ensure that it is thoroughly investigated and prosecuted. Free media also serves as a deterrent by conveying to would-be offenders the consequences of engaging in corrupt activity.

The international community has made progress on combating corruption. Of the OSCE's participating States, the majority have ratified or signed the United Nations Convention Against Corruption. Many of us are also parties to the OECD Convention on Combating Bribery. However, implementation is not complete. While most states have the laws in place, creating institutions with independent and trained persons able to impartially execute anti-corruption laws is still a work in progress.

Combating corruption requires far-reaching shifts in political culture in order to instill the precepts that corruption will not be tolerated. The U.S. has its own challenges, of course, and its own mechanisms for fighting corruption internally. Our adoption of the Foreign Corrupt Practices Act of 1977, which criminalized a range of corrupt practices by U.S. firms overseas, is an example of a policy that sends a strong message of zero-tolerance.

The OSCE has a mandate to work on combating corruption. The 2010 action plan of the Coordinator for Economic and Environmental Activities lays out a significant agenda in support of anti-corruption goals. We also encourage the continued incorporation of anti-corruption efforts in the work of field missions, and in the work of other institutions and executive structures of the OSCE. The OSCE continues its coordination in this area with other organizations active in the region on anti-corruption, such as UNODC, UNDP, and the OECD. The U.S. stands ready to provide significant bilateral assistance in anti-corruption efforts when requested.

Thank you for this opportunity Mr. Chairman.