

*REGIONAL CONFERENCE ON
PROMOTING INTEGRITY IN CUSTOMS AND IN
BORDER SERVICES
IN CENTRAL ASIA AND SOUTH CAUCASUS*



Almaty – Kazakhstan, 12-13 July 2010



WORLD CUSTOMS ORGANIZATION

WHAT IS INTEGRITY ?

“A positive set of attitudes which foster honest and ethical behaviour and work practices”



WHAT IS CORRUPTION ?

“The abuse of the entrusted power for private gain”

- Market corruption v. Parochial corruption ?*
- Petty corruption v. grand corruption?*

Corruption all the same !



WHAT ARE THE CONSEQUENCES OF CORRUPTION ?

«Corruption exhausts governmental legitimacy, supports the wrong kind of leadership, and sets the wrong kind of example for future generations. It contaminates...Corruption undermines political decisions, leads to inefficient use of resources, increases the opportunities for organized crime, adds to tax payers' burden.

It is something everybody pays for at huge cost (Caiden, 2001) »

> «



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WHAT ARE THE CONSEQUENCES OF CORRUPTION IN CUSTOMS ?

- Loss of public trust and confidence
- Significant revenue leakage
- Deterrent to voluntary compliance
- Obstacle to international trade, FDI, economic development and economic competition
- Threat for national security and community protection



Factors that make Customs vulnerable to corruption

- Direct contact with goods, people and money
- Important decisions on duty/tax or admissibility of imports/exports
- Customs personnel often work in remote border stations
- Clearance of many goods is time sensitive
- Expectations of social networks



EXISTING TOOLS AND INSTRUMENTS

INTERNATIONAL CONVENTIONS :

- UN Convention against corruption (UNCAC)
- OECD Anti-Bribery Convention

▫ DECLARATIONS

- WCO Revised Arusha Declaration for Customs

▫ TOOLS

- Transparency International's Corruption Perception Index
- International institutions tools
- WCO Integrity Development Guide



OUTCOME

- Increased awareness of the nature and consequences of corruption
- Better standardization of the assessment of the scale of corruption
- Identification of basic tools for fighting corruption
- No longer a taboo subject

➤ **BUT**



FAILURE TO DELIVER DRAMATIC CHANGES

Due to

- Lack of know-how,
- Lack of coordination
- Lack of cooperation
- Lack of in-depth diagnostic
- False picture of corruption
- One size fit all solutions



WCO APPROACH

- Focuses on Customs
- Partnerships
- Tailor-made solutions
- Long-term solutions
- Research
- Focused programmes but as part of an overall CRM process



WCO Integrity Development Strategy

- Revised Arusha Declaration (2003)
- Integrity Development Guide (2003)
- Model Code of Ethics and Conduct (2002)
- Integrity Workshops
- Integrity pilot projects



ELEMENTS OF AN INTEGRITY STRATEGY

Revised Arusha Declaration

1. Leadership and Commitment
2. Regulatory Framework
3. Transparency
4. Automation
5. Reform and Modernization
6. Audit and Investigation
7. Code of Conduct
8. Human Resource Management
 - Remuneration and conditions of service
 - Recruitment, promotion
 - Rotation, relocation and deployment
 - Training and professional development
 - Performance appraisal/management
9. Morale and Organizational Culture
10. Relationship with the Private Sector



Code of conduct

1. Element of Revised Arusha Declaration
2. Code of conduct **specific to Customs**
3. Describe in **clear and practical** terms behaviour expected of Customs officers
4. **Regularly reinforced** with staff
5. **Sanctions** for Customs staff
6. Violations must be dealt with equally across public sector
7. Training and communication
8. Not a stand-alone solution



What works

- **Comprehensive Reform**
- **Political will**
- **Ownership from all stakeholders**
- **Cooperation**
- **Development of a new professional culture**
- **Performance measurement**

TIME- TIME- TIME-TIME



Corruption - a hidden phenomenon

- **How to combine general tools with the local context ?**
- **Study and understand the local context**
- **Experiments**



Thank you for your attention !

+ INFO :

Capacity Building Directorate

World Customs Organisation

patricia.revesz@wcoomd.org

00 32 2 2099422



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