

**UNECE**  
**Project International Standard in Zero tolerance to corruption in PPP procurement**

**DRAFT - Minutes teleconference discussion notes and decisions**  
**Monday, 22 September 2014 (14:00-15:30 CET)**

Paris, October 15th 2014

First of all, I would like to apologize for my difficulty to access to the first Webex conference which took place on September 22, I have been unable to hear half of the proceedings but I thank very much UNECE team and my colleagues who reported to me.

I know that some of the team members have had similar problems and I will do my best with the help of the UNECE Secretariat to have everything fixed for the next Webex conference.

## **1. Team membership**

It is reminded that only by signing and agreeing to the Intellectual Property Rights (IPR) and Code of Conduct you automatically receive full access to every web page of the Project and to follow up the discussions.

So far, out of a list of 40 candidates meeting the UNECE requirements, roughly 17 have signed the requested forms.

A reminder will be sent to the participants who have not yet signed the forms. It is expected that our project team will comprise about 30 members.

## **2. Proposed action plan**

### **2.1 Comments on the checklist of issues and on project methodology**

It is important to focus on real and significant practical issues with the objective of addressing situations which deserve to be governed by an innovative set of guiding principles and eventually standards.

I would be happy to have any comments on the existing List of Issues and Methodology before the next Webex conference.

### **2.2 Comments on the Project purpose**

In the Project Proposal adopted by the UNECE our purpose is limited to zero tolerance to corruption in PPP procurement.

More specifically its aim is to develop universal standards, voluntarily implemented in legislation in the legislation of the member States, to develop competitive procurement having the best chance to be efficient and free of corruption.

In this respect we should rather focus on very practical preventive measures guided by the practice than on curative principles or standards which already exist in many countries.

When the legal environment appears to defuse properly the risk of corruption (which is not really the case in LDC and emerging economies) our focus, as proposed by Doris, could be to develop guidelines, to facilitate public and private compliance with anticorruption principles in the complex PPP Procurement process.

This could take partly the form (again as proposed by Doris) of a list of “Do and Do Not” with different target audiences.

### 3. Definition of corruption

The question is whether we should attempt to define corruption early on or if this definition should rather be the result of the identification and analysis of the issues at stake and not sufficiently addressed in the existing regulations.

I quote in full the excellent contribution of Doris, which is as follows:

“My definition of corruption within PPPs would be: **“any action at all stages of the PPP, from origination to full completion of operation benefiting to a private party or a group of private parties to the detriment of tax payers”**. Intentionally, I used the term of Tax Payers instead of public partner.

As it sounds a little obvious I think I should linked it to the table below, tentatively trying to identify the moment when the risk of corruption is the highest in the absence of any dedicated guidelines.

Risk of corruption If no framework High, Medium, Low	Public partner	Adviser to public	Private sponsors (industrials & investors)	Advisers to private sponsors	Financiers
<b>Phases of a PPP</b>					
Origination	H	H	M	L	L
Public studies	H	H	L	L	L
Draft of tender documents	H	H	H		
Tender phase	L	H	H	H	M
Competitive Dialogue	H	H	M	M	L
Preferred bidder stage	L	H	M	L	L
Financial close phase	L	L	M	H	H

### 4. Development of the work program: proposed work stream

Taking into account the preliminary list of key issues identified during our program preparation phase, we propose to allocate each group of issues to a particular work sub-group gathering 5 to 6 members of our team.

Alternatively, those work stream and related sub-groups could be divided by procurement phase, following more or less the phases identified by Doris (With a caveat for the financial close phase).

## 5. Summary

Each team member is invited to give his views to the following:

- Checklist of issues and project methodology
- Project purpose
- Definition of corruption in PPP procurement context
- Work stream and sub-group
- State of affairs in your countries of what is happening with corruption

**Comments on any of the above are expected before our next Webex conference.**

**In order to permit anyone to react and to test the Webex system, I propose to hold our next Webex conference on Wednesday 27th October, at 3 PM Paris time.**