



ICGN

International Corporate Governance Network

By e-mail: uncac.cop@unodc.org

FAO: Mr Antonio Maria Costa, Executive Director

Secretariat of the Conference of the States Parties to the
United Nations
Convention against Corruption
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27 October 2009

Re: ICGN Statement and Guidance on Anti-Corruption Practices

Dear Mr. Costa,

In advance of the Third Session of Conference of States Parties to be held in Doha in November 2009, the International Corporate Governance Network (ICGN) would like to express its support for the United Nations Convention Against Corruption (UNCAC), and underscore the growing concerns of institutional investors about corruption.

The ICGN is a not-for-profit body founded in 1995 which has evolved into a global organisation of 450 leaders in corporate governance in 45 countries, with institutional investors representing assets under management of around US\$9.5 trillion. The ICGN's mission is to raise standards of corporate governance worldwide. In doing so, the ICGN encourages cross-border dialogue and promotes best practice guidance through publications and the ICGN website. ICGN members include institutional investors, business leaders, policy makers and professional advisors.

We are addressing this letter to the Conference of States Parties to raise its awareness with regard to concerns of global investors about the problem of bribery and corruption in the corporate sector – and between the corporate sector and the public sector. This is growing area of focus in the investment community, particularly given recent high profile cases of corruption in both developed and emerging markets.

Corruption matters to investors. The ICGN believes that bribery and corruption are incompatible with good corporate governance and harmful to the creation of value. Where corruption is present, efficient markets, fair competition and economic development are undermined to the detriment of investors and other company stakeholders—including governments and civil society more broadly.

The ICGN believes that investors should engage with companies to ensure that appropriate anticorruption policies and systems become a standard part of good company governance. In this context the ICGN recently published the "ICGN Statement and Guidance on Anti-Corruption Practices". It was launched in March 2009, following a period of deliberation dating back to the ICGN's annual conference in South Africa in 2007. We enclose a hardcopy of this Statement with this letter, and a soft copy can be found at:

[http://www.icgn.org/files/icgn_main/pdfs/best_practice/guidance_on_anti-corruption_practices/2009_anti-corruption_practices_\(march\).pdf](http://www.icgn.org/files/icgn_main/pdfs/best_practice/guidance_on_anti-corruption_practices/2009_anti-corruption_practices_(march).pdf)

This Statement is a short document which underscores why bribery and corruption is a concern for investors, and it also provides guidance for investors on anti-corruption issues along the lines of policy, procedures and enforcement, transparency and voluntary initiatives.

Our message is simple, but important. The investor community wishes to communicate its concerns and own initiatives relating to engaging with companies on anti-corruption. In turn, we also are looking for governments to enforce anti-corruption laws more robustly—or to consider tightening laws, as required. By working together in a complementary way we believe that there is scope for investors and governments to make tangible improvements in reducing corruption in the corporate sector.

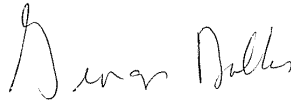
In this context we extend our best wishes for a successful conference in Doha, and hope that UNCAC is able to progress its agenda by developing a robust review mechanism for signatories to the Convention. While investors need to become more active in engaging with companies in areas of anti-corruption, a critical requirement to combating bribery and corruption is strong and effective legal enforcement.

We kindly request that you transmit this letter to all States Parties in advance of the Doha meeting.

Yours sincerely,



Carl Rosen
ICGN Executive Director



George Dallas
Convenor, ICGN Anti-Corruption Working Group

cc. Mr. Dimitri Vlassis
Chief
Crime Conventions Section
Division for Treaty Affairs
United Nations Office on Drugs and Crime