

Summary of IMF Side Event at HLPF on *Corruption: Costs and Mitigating Strategies*

Wednesday 20th July, 2016, 18:15-19:30, Conference Room A

The International Monetary Fund held a side event in the margins of the UN High Level Political Forum. The aim of the event was to promote the full ambition of the 2030 Agenda, with a special focus on the SDG16 target to ‘substantially reduce corruption and bribery in all their forms.’ Attendees included representatives of Member States, Civil Society and Parliament.

Mr. Bernardin AKITOBY, senior official at the IMF presented a recently published paper entitled ‘Corruption: Costs and Mitigating Strategies’, which, based on our experience in a number of countries, explores the economic costs of corruption and discusses corruption-mitigating strategies. While designing and implementing an anti-corruption strategy requires change on many different levels, the Fund's own experience in assisting member countries suggests that several elements need to be given priority. These include transparency, rule of law, and economic reform policies designed to eliminate excessive regulation. Perhaps most importantly, however, addressing corruption requires effective institutions. In this regard, the objective is clear: the development of a competent civil service that takes pride in being independent of both private influence and public interference. The paper can be found here:

[http://www.imf.org/external/pubs/cat/longres.aspx?sk=43888.](http://www.imf.org/external/pubs/cat/longres.aspx?sk=43888)

Ms. Mercedes de Freitas and Mr. Craig Fagan, representatives from Transparency International Venezuela and Transparency International, respectively, made the point that bribe seeking by public officials disproportionately affects the poor and urban residents. They presented geographic data from Colombia showing that corruption prevalence and poverty rates are correlated.

Melissa Tullis of the UN Office of Drugs and Crime expressed great satisfaction that this issue is getting much wider attention now than it has since the inception of the UN Convention Against Corruption (UNCAC), and looks forward to supporting member states and other stakeholders in their efforts to tackle corruption.

Ambassador Martin Shearman, the UK Government representative recalled the London Corruption Summit commitments and emphasized the need for hard data to adequately measure and monitor progress in tackling corruption. He also noted that the National Voluntary Reviews taking place in the formal sessions of the HLPF did not touch upon on SDG 16 as much as they possibly could have.

A rich and lively set of questions were raised from the floor, including on tracking illicit financial flows, incentives for civil servants to combat corruption, dealing with non-democratic regimes,

banking sector impunity (in developed countries), and the importance of the oversight role of parliaments (and limited official support for this).