

**OSCE Regional Conference
“Preventive measures and enforcing the law: building resilience to corruption in South East Europe”**

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**Keynote speech by
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Distinguished Authorities, dear colleagues and friends, good afternoon.

It is really a great pleasure for me to convey the keynote speech at this seminar.

First of all I wish to thank the Authorities of North Macedonia for welcoming us all in this beautiful city. My gratitude goes also to the Albanian Chairmanship for co-hosting today’s event, which marks my first mission within the OSCE region under the mandate of Special Representative of the Albanian Chairmanship in Office. I am very proud for the trust that also the Albanian OSCE Chairmanship has put in my holding this mandate, after Italy and Slovakia. I am also extremely glad that Albania has given priority to the fight against corruption in the agenda of its Chairmanship, acknowledging the added value that the OSCE can provide in this area within the more general domain of public governance. Last but not least, I would like to commend the commitment and efforts put forward by Amb. Koja and the whole OSCE Mission in North Macedonia in gathering such a distinguished group of experts and senior officers on a topic of strong relevance for the region.

On the outset of my speech, allow me a few general remarks that I believe can provide a solid frame and a guiding reference for the discussions that will take place in the panels that will follow today and tomorrow.

Not being shy of stating the obvious, I deem important to remark how the OSCE attaches great importance to the fight against corruption. Such a commitment has been reflected in several decisions at the highest level of the organization as well as in projects and programs that have been formulated and implemented regionally or at the level of single Participating States.

Indeed, a number of international organizations, from the OECD to the Council of Europe to the United Nations – just to name a few – are offering a valuable contribution to concerted efforts of the international community to counter effectively the phenomenon of corruption.

Yet, after having served more than two years under the flag of OSCE Chairmanships, I have reached the conclusion that, within the international struggle against corruption, OSCE has a unique role to play.

How to measure the added value of the Organization in the fight against corruption? Let’s focus on the core mission of the OSCE – to promote and strengthen security – and on how the Organization translates this objective into actual decisions, initiatives and projects. The OSCE has always pursued an approach to security which makes it uniquely placed to counter the spread of corruption, in itself a serious challenge to security if not an overt security threat. In my view, this challenge is best addressed through the cooperative, holistic approach which the OSCE advocates. Moreover, the OSCE is based on dialogue, respect and co-operation among equals – and for the international fight against corruption to succeed ownership of the countries concerned, as well as respect for the national peculiarities are essential.

Throughout my experience as Special Representative, I have witnessed that the demand for international co-operation from the governments concerned is very high. And I have witnessed that the demand to cooperate with the OSCE is, if possible, even higher.

Distinguished Authorities, dear colleagues, corruption is a complex, multifaceted phenomenon. It is a challenge which can undermine the security of both citizens and States, as well as the relations between States; it is the cause of serious malfunctioning of governments and institutions, striking at the very heart of the social compact; it is a distortion of the level playing field which prevents the optimal allocation of resources between producers and consumers, sapping legality, predictability and confidence. It is a crime that with modern technology has become all the more elusive and critical; and all the more important to tackle it.

It is a phenomenon which changes features from country to country, and at the same time doesn't stop at national borders; 'one size fits all' responses are therefore ineffective. Such a complicated, elusive and ever-changing challenge requires a comprehensive, joined-up response, calling for energies, efforts to be mobilized, and to be put together at all possible levels. Only concerted actions by governments and between governments and international organizations - with the aim at pursuing both operational synergies and, most importantly, processes of regulatory harmonization - can ensure that those efforts are successful.

This is the approach that I feel is mandatory for me to promote and that has informed my work ever since I have taken on the responsibility of Special Representative: focusing on the ownership of the countries concerned, respecting local peculiarities and sensitivities; nurturing the discourse on prevention, alongside the development of measures and instruments for repression; mobilizing the awareness and support from civil society; engaging and ensuring the association of the private sector.

This approach is fully engrained in the projects of co-operation promoted by the OSCE Secretariat which I have been most involved in – included in this region, as I recall the projects that have been implemented in Albania in the fight against corruption and in support to capacity building, transparency and accountability in the Albanian Public Procurement System; as well as the project on regional co-operation in asset seizure, confiscation, management and re-use.

I have been mentioning crucial levers that should be envisaged in any plan to counter corruption and enhance good governance. Among them I would like to single out prevention and incentives, as the perception of their importance is often weakened by the more vivid urge to crack down on an actual criminal behavior.

Commonly, when we think about devising and implementing strategies to tackle and defeat corruption, the exercise firstly conjures up ideas and instruments that do fall within the realm of police and judiciary enforcement. Repression is certainly critical, particularly in Countries and regions where the phenomenon of corruption is strictly linked to that of a strong presence of criminal organizations. I think, in particular, of the confiscation and recovery of assets in the fight against profit-driven crime, but also of the use of innovative para-repressive tools of an administrative nature such as the takeover by the State of companies "polluted" by organized crime, a measure emerged as of recently in Italy.

However, I have been insisting for years that the real winner for good public governance lies in advancing prevention and incentive mechanisms for "compliant" economic subjects.

In this regard, in my opinion, a change in the communication strategies is also needed. It has to be appreciated in fact that these instruments put in place are not a burden, but an important opportunity for both public administration and private companies.

The message must be – and is a winning message in my view - that being a compliant company brings competitive advantages. This is particularly true if we adopt a long-term perspective.

Shifting from an approach based upon the exclusive focus on the punitive/criminal side of the fight against corruption to an approach where the intellectual efforts are equally aimed at prevention and enforcement allows us to enrich the narrative and make any anti-corruption strategy more effective and sustainable.

We use to point to the criminal nature of the corruption phenomenon, which is obvious. But corruption is not only a crime; it is also a “ballast” which drags Countries down and prevent them from developing the full potential of their economic systems. Contrary to a view that often is embraced as a counter-narrative to the call for fighting corruption, I found it extremely wrong to liken corruption to the grease which helps spin the wheels of the economy; instead, as I have stressed many times, corruption should be regarded instead as the sand which prevents those very wheels from revolving more efficiently. Combating corruption, therefore, doesn’t have to be viewed as an economic cost. To the contrary: it is an economic opportunity. Therefore, our communication strategies should stress that fighting this crime is not only a political necessity and a moral imperative: it is also, if not primarily, economically worth pursuing.

Efforts in this direction entails a renewed commitment to increasing public engagement in the fight against corruption, fostering a public discourse on the role of civil society and business communities – Chambers of commerce, business associations – in mainstreaming the principles and motivations of combating corruption into the more general domain of reform and innovation in public governance. I do commend the choice of the organizers to devote one session to civil society anti-corruption regional initiatives, a clear contribution to the recognition of the support that non-State stakeholders can ensure to programs of reform of public governance.

I am glad to point out that over the last few years I have been witnessing positive steps in various national systems and a growing awareness, on the part of the policy makers and administrative authorities alike, of the need for a multifaceted approach to the fight against corruption. This renewed spirit of co-operation has gone hand in hand - and has truly benefitted from - with the increasing internationalization and “multilateralization” of the fight against corruption. The adoption of several international conventions, the work carried out by international bodies such as the OSCE have resulted in a larger convergence toward regulatory uniformity as well as in practical co-operation and exchange of ideas and political views, generating enough momentum for significant achievements.

In this regard, the OSCE has served as a fruitful platform for dialogue, and it will continue to be a key reference point for exchanges of best national practices. International public governance cannot but go with this encouraging evolution, seeking further coordination amongst national legislation to the end of strengthening convergence in the regulations so as to create a level playing field for all players involved. Indeed, interconnected economic environments – and the worrying “proficiency” of organized crime in leveraging on the opportunities offered by the fast pace of globalization - necessarily imply that the “rules of the game” and the law enforcement should also be interconnected and coordinated.

In this regard, I would also like to highlight that the rapid pace of technological development not only affords a great opportunity but can also give rise to significant governance-related issues for public authorities, called upon to make complex regulatory choices. For example, new digital financial mechanisms that enable wealth to be moved around easily, often without specific controls and public regulation.

Although enhancing interconnection between markets and creating new business opportunities, those technological tools, precisely because (often) unregulated, are particularly attractive for criminals, who can exploit them to easily channel illicit funds (used to evade tax, pay bribes, launder money and finance terrorism) that then pollute the legal economy. Therefore, legal systems and law enforcement agencies will be called upon in the coming years to offer adequate responses to emerging demands for protection against the misuse of these new technological tools. In making the indispensable legislative choices in these fields, without relinquishing the opportunities for development offered by these new technologies, once again prevention and above all transparency must be at the forefront.

As witnessed by the scope and agenda of today's event, the OSCE approach to combating corruption in this region has been indeed one aimed at enhancing inter-state co-operation, through reinforced dialogue among the relevant agencies alongside the creation of expert networks that can help and consolidate the integration of policies, regulations and best practices in South-eastern Europe.

The strong accent that recent OSCE Chairmanships have put on the fight against corruption and the praiseworthy efforts devoted by the Office of the Co-ordinator of OSCE Economic and Environmental Activities and the field Missions to foster co-operation and support capacity building in this domain have made the Organization stand out as a prime actor within this region on combating corruption. While I am aware that OSCE is not the only international actor who is focusing on combating corruption in the South-eastern Europe region, the consistency of its approach and the constant promotion of the "ownership" of the beneficiaries of its assistance have generated significant trust and commitment from the regional stakeholders and among themselves. Such reserve of trust and commitment can also serve as a conduit for advancing other regional initiatives, as these can benefit from the positive momentum created by the impact of OSCE projects, particularly in acknowledging the need to pursue a holistic approach that prioritizes prevention and incentives alongside repressive measures.

Distinguished Authorities, dear colleagues and friends, during my speech I have touched upon a number of crucial issues within the conference's agenda. I do reckon that those issues are even more crucial if measured against the impact that the curbing of corruption and the strengthening of public governance, particularly through international co-operation, can have on the stability of the region.

Indeed, fighting corruption remains a mission for the long haul. In order to succeed patience, perseverance and vision are needed. I remain confident that the OSCE can lend an important contribution to this end. I feel privileged and honoured to enjoy the opportunity to be part of this contribution.

I wish you all a fruitful and constructive discussion.

Thank you.