



# TRANSPARENCY INTERNATIONAL AUSTRALIA

*Affiliate of Transparency International, the Coalition against Corruption*

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162 Newland Street, Queens Park NSW 2022

18 December 2008

Dr Jacqueline Dewar  
Committee Secretary  
Parliamentary Joint Committee on the Australian  
Commission for Law Enforcement Integrity  
Department of the Senate  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

Dear Dr Dewar,

At the Sydney hearing of your Committee on 18 November 2008 I agreed to provide to the Committee a short statement as to my views on the elements of a strong corruption prevention program.

In my opinion no standard or model program exists since each agency – and in some cases particular divisions of an agency – would ordinarily need to tailor a program to suit its particular needs. For example, the ICAC NSW has prepared a very good framework of a program to strengthen the corruption resistance of the NSW public health sector. From that report practical strategies and programs have been developed.

Each of the standing anti-corruption bodies in the public sector have developed prevention programs and strategies. For instance, apart from the ICAC studies, you will have seen the excellent document from the Crime and Misconduct Commission, Queensland entitled “Fraud and Corruption Control – guidelines for best practice” 2005. The Crime and Corruption Commission in Perth is presently running a series of Education Forums for Public Sector leaders on “Misconduct Resistance: An Integrated Governance Approach to Protecting Agency Integrity” designed to improve corruption resistance and add some missing dimensions to government accountability.

In my view the essential elements of a strong corruption prevention program are to be found in the first instance by turning to AS 8001 – 2008 Fraud and Corruption Control produced by Standards Australia as a second edition on that topic. It is part of the well known suite of governance standards produced by that body. For example, in Table 1 of the standard you will see the list the 12 fundamental elements of an integrity framework. Amongst the many points of practical guidance for the design of the program it contains, are ones on employment screening, supplier and customer vetting with specific measures for countering risk of corruption. I would commend it to the Committee.

Building upon AS 8001 – 2008 are excellent guidance documents towards better practice produced by The Audit Office of NSW.

I can in particular commend their Fraud Control Improvement Kit of July 2006. That kit enables an on-line fraud control health check to be undertaken in advance of a series of improvement workshops with staff of the relevant agency undertaking prevention strategies.

It is of course important to note that while it is all very well to have a quality framework in place, it is the implementation of the framework that is most critical. I gather that organisations sometimes point to highly regarded guidance material to staff to enable them to present as being active in their corruption and fraud management efforts, when in fact their implementation can be sadly lacking.

All of these programs will be well known to Philip Moss and the staff of ACLEI. Agencies of the Commonwealth Public Service will doubtless have and administer corresponding programs but I am not familiar with them.

Finally on this topic, I ought to mention that valuable work is being done by Transparency International particularly to assist those corporations doing business internationally. TI's Business Principles for Countering Bribery provide a 6 step framework for entities which are serious in implementing prevention programs. These in turn link in with the more detailed work referred to above contained in AS 8001 – 2008 with its programs for curbing corruption both by and against an agency.

In these comments I am indebted to Don McKenzie, Principal Lawyer of the ICAC, NSW for assistance in his personal capacity.

I trust that this outline responds in some measure to the question posed at the hearing but if you require any further information please do not hesitate to contact me.

Yours sincerely,

**Michael Ahrens**  
**Executive Director**