

## **UN General Assembly Special Session on Corruption Preparatory Process**

### **Contribution by Liechtenstein**

Corruption corrodes the fabric of society by undermining people's trust in political and economic systems, institutions and leaders. The erosion of trust in public institutions was also identified as the top international security risk by United Nations Secretary-General Antonio Guterres in his first briefing on COVID-19 to the Security Council on 9 April 2020. Trust in democracy, the rule of law, and state institutions are at the heart of SDG 16 and a priority for Liechtenstein.

Corruption undermines all three pillars of the United Nations: international peace and security, sustainable development as well as human rights. The COVID-19 pandemic may further accentuate the negative consequences of corruption. A successful fight against corruption is thus a precondition to progress in all these areas. While practices involving corruption can constitute human rights violations, corruption itself is a structural obstacle to the enjoyment of human rights and sustainable development.

Multi-sector partnerships are essential to a successful fight against corruption. Public-private partnerships and a strong role for civil society, independent media and academia have proven to be effective in identifying and preventing corruption in all its forms. Liechtenstein has championed successful public-private partnerships, most prominently the Liechtenstein Initiative on "Finance Against Slavery and Trafficking" (FAST) equipping the financial sector with concrete tools to respond to these crimes that often involve corruption.

Liechtenstein is fully committed to preserving the integrity of the United Nations Convention Against Corruption (UNCAC), the universal international legal framework to fight corruption. Regional anti-corruption frameworks also play an important role in the fight against corruption. It is of utmost importance that existing anti-corruption frameworks are effectively implemented. Any new initiative should be complementary

and help implement the existing legal frameworks without duplicating, fragmenting or diluting existing efforts.

The promotion of due diligence standards and the development of responsible investments are essential tools in the fight against corruption. Liechtenstein sees great potential in new technologies such as the blockchain technology to increase transparency and thus help fight corrupt practices. There are also challenges associated with such technologies, especially if services provided with these new technologies are not subject to appropriate regulation. The UNGASS declaration should reflect both dimensions appropriately.

In light of the above considerations, the political declaration should contain the following principles:

- Reaffirm that corruption is an obstacle to the enjoyment of human rights, sustainable development and peace and security;
- Acknowledge the indivisible and integrated nature of the 2030 Agenda and in particular SDG 16 on peace, justice and strong institutions;
- Reaffirm the essential role of UNCAC as the relevant international legal framework in the fight against corruption. The declaration should not in any way contribute to a weakening or dilution of that framework;
- Reaffirm the important role of the Conference of States Parties of UNCAC, assisted by its substantive secretariat UNODC, to further develop its framework as well as promote its implementation, as a tangible contribution towards the implementation of SDG 16;
- Call on national implementation of SDG 16, such as investing in transparent and accountable governance, in particular in light of the COVID-19 pandemic, as well as promoting public-private partnerships in effectively fighting corruption;
- Reiterating the commitment made in the Addis Ababa Action Agenda to establish transparent public procurement frameworks as a strategic tool to reinforce sustainable development, based on transparency, competition and objective criteria in decision-making that are effective in preventing corruption;

- Stress the importance of a safe and enabling environment for civil society and human rights defenders in which they can operate free from intimidation and reprisals;
- Underline the importance to protect the freedom of expression and the freedom of the media;
- Emphasize the gender-dimension of corruption and address gender inequality as the cause and consequence of corruption, including non-monetary corruption;
- Strengthen the fight against corruption in all its forms and at all levels, including petty corruption that disproportionately affects the poorest members of society; corruption by persons (indicator 16.5.1) and corruption by businesses (indicator 16.5.2);
- Reaffirm the need for an independent judiciary and access to justice for all on a national level and committing to concrete measures to reduce the number of those without effective access to justice, in line with SDG 16;
- Address the lack of accountability for corrupt practices, including for grand corruption;
- Stress the importance of close cooperation and mutual assistance between regulatory, investigative and judicial bodies, both at national and international level;
- Highlight the crucial role of multi-stakeholder initiatives to analyze trends and share information on methods used to launder proceeds of crime;
- Enhance the understanding of links between corruption and modern slavery and human trafficking;
- Address the specific risks for corruption in light of the COVID-19 pandemic and response measures.

Besides these key messages, Liechtenstein will focus in the elaboration of the political declaration on the following concrete elements:

- Stress that different types of Illicit Financial Flows (IFF) require distinct analyses with respect to their source and support addressing those relevant to the fight against corruption within the legal framework applicable to them;

- Focus in the context of the United Nations Convention Against Corruption exclusively on stolen assets and the implementation of the relevant United Nations Convention Against Corruption provisions;
- Address new and emerging trends in corruption, including the use of new technologies;
- Highlight the potential of the blockchain technology to fight corruption and increase transparency of financial transactions and ownership in technical terms, while not neglecting the challenges associated with the potential abuse of such technologies;
- Positively consider options at the international level how to assist States in the investigation and prosecution of persons responsible for corruption. Questions of jurisdiction and activation need to be carefully assessed against existing legal framework, national needs and in light of recent experience;
- Ensure complementarity to and avoid duplication or weakening of existing efforts and dilution of the existing legal framework to fight corruption.