



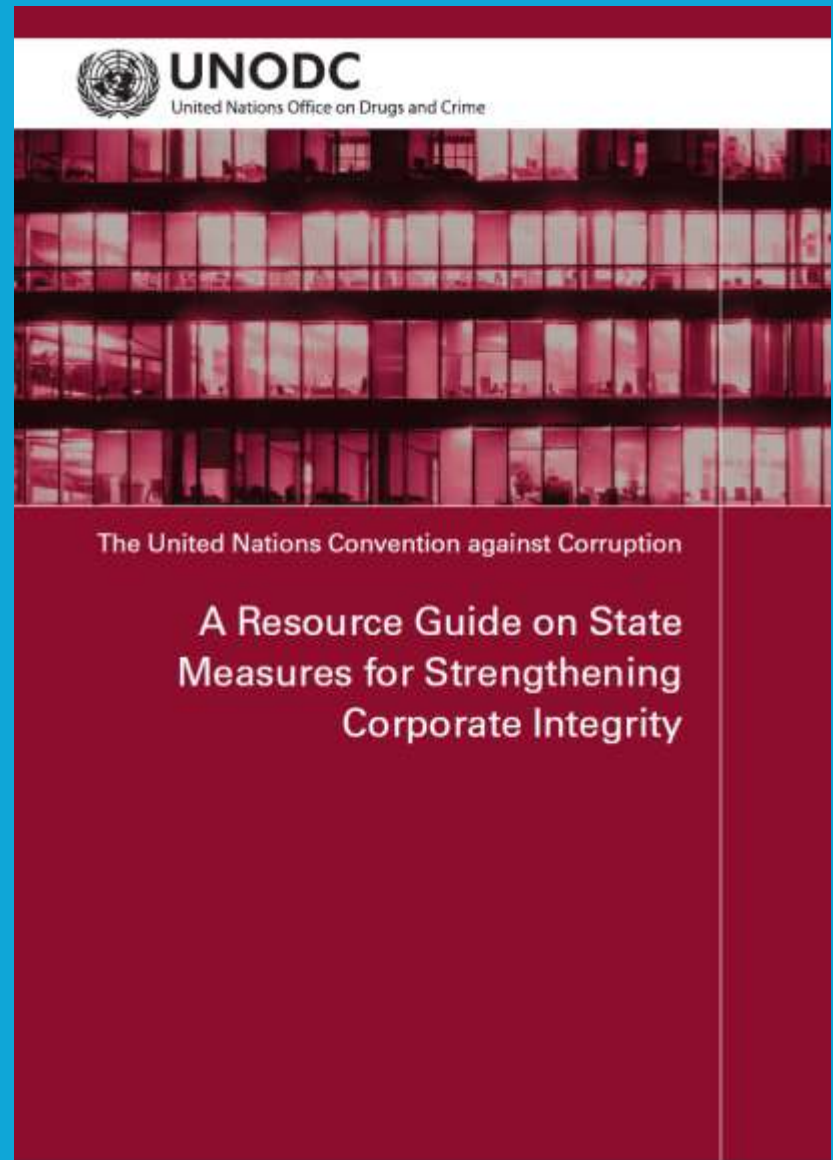
**UNODC**

United Nations Office on Drugs and Crime

# State Measures for Strengthening Corporate Integrity

**UNODC/IACA Legal Incentives for  
Corporate Integrity and  
Cooperation Project**

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## Strengthening Corporate Integrity

- Strengthening corporate integrity is an important key to UNCAC success
- States can encourage corporate integrity through a combination of sanctions and incentives.
- Sanctions are most effective when combined with incentives that reward good practice



## Forms of Corruption relevant to the Private Sector in UNCAC

- Bribery: Articles 15/16, 21
- Trading in influence: Article 18
- Embezzlement of property in the private sector: Art 22
- Laundering of proceeds of crime: Art 23
- Concealment: Article 24
- Obstruction of justice: Article 25



## UNCAC Provisions relevant to Corporate Integrity

- Liability of legal persons: Art 26
- Protection of reporting persons: Art 33
- Consequences of acts of corruption: Art 34
- Compensation for damage: Art 35
- Cooperation with law enforcement authorities: Art 37
- Cooperation between national authorities and the private sector: Art 39



<b>SANCTIONS</b>	<b>PURPOSE</b>
Monetary fines	Punish misconduct and deter future violations
Incarceration	Punitive and deterrent, focused on individuals
Confiscation	Used to deprive wrong-doers of ill-gotten gains and deter future violations
Contract remedies	A tool for communicating, enforcing anti-corruption contract requirements
Suspension and debarment	Used to bar unreliable contractors from government procurement process
Loss of benefits	Limits wrong-doer access to other government benefits, services
Liability for damages	Compensates victims of corruption
Reputation	Holds wrong-doers publicly accountable



INCENTIVES	PURPOSE
Penalty mitigation	Encourages self-reporting of offences, credits company prevention efforts
Procurement preference	Rewards good practice through procurement preference
Preferential access to benefits	Rewards good practice with preferential access to government benefits and services
Reputation	Encourages good practice through public recognition
Whistle-blower awards	Encourages reporting by individuals of potential violations



ADDITIONAL MEASURES	PURPOSE
Integrity pacts	A tool for raising integrity standards on project or sectoral basis, through contractual commitments and third-party oversight
Code-based initiatives	Voluntary “collective action” initiatives by business used to raise awareness and strengthen integrity practices on a local, regional or sectoral basis
Public sector reform	Cooperative public/private initiatives that target the demand side of corruption, through civil service and regulatory reforms
Public education	Activities that raise public awareness about the harm from corruption



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## **For further information:**

UNODC Corruption and Economic Crime Homepage

Publications: Corruption and the Private Sector

<https://www.unodc.org/unodc/en/corruption/publications.html>