

**Presentation of best practices relating to
Articles 5,6 and 7 of United Nations
Convention against Corruption for the
Kingdom of Saudi Arabia**

First: Review of the implementation of Articles 5, 6 7 of the United Nations Convention against Corruption

Article 6

Preventive anti-corruption body or bodies

1. Each State Party shall, in accordance with the fundamental principles of its legal system, ensure the existence of a body or bodies, as appropriate that prevent corruption by such means as:
 - (a) Implementing the policies referred to in article 5 of this Convention and, where appropriate, overseeing and coordinating the implementation of those policies

Article 5

Preventive anti-corruption policies and practices

1. Each State Party shall, in accordance with the fundamental principles of its legal system, develop and implement or maintain effective, coordinated anti-corruption policies that promote the participation of society and reflect the principles of the rule of law, proper management of public affairs and public property, integrity, transparency and accountability.

In this regard The Kingdom of Saudi Arabia achieved the following:

Issued the National Strategy to Protect the Integrity and to Combat Corruption according to the decision of the Council of Ministers Nr. 43 on 19 February 2007, which included:

Establish an Anti Corruption Commission with the following tasks:

- a. Following up the implementation of the National Strategy, as well as monitoring, assessing and reviewing its outcomes, and putting in place the program of action and implementation mechanisms thereof.
- b. Coordination of the efforts of both private and public sectors in monitoring and assessing the anti-corruption programs
- c. Receiving periodical reports and statistics from the entities working within the Commission competencies and examining as well as preparing analytical data thereof
- d. Collecting information, data and statistics in order to identify, classify, examine and exchange them with the competent authorities

The strategy also touched on the importance of the participation of civil society organizations in protecting the integrity and combat Corruption by

- a. The involvement of these organizations” according to their competence” in the study of the phenomenon of corruption and give their proposals to reduce corruption

- b. Urging professional and academic bodies such as Doctors, lawyers, engineers and accountants to provide their proposals about the (regulatory, financial, administrative) systems and submit their proposals about the development and modernization of them.
- c. Urging the chambers of commerce and industry on the preparation of plans and programs to sensitize the businessmen and traders of the dangers of corruption and its causes and effects and submit their proposals about the financial and business systems.

The National Anti-Corruption Commission was established according to the Royal Order Nr. 65/a on 18 March 2011, and was granted full independence from all government bodies. The National Anti-Corruption Commission was organized according to the decision of the Council of Ministers Nr. 165 on 2 May 2011 in order to protect integrity and to combat financial and administrative corruption in all its forms and manifestations. To this end, the Commission holds the following competencies:

- Following and implementing the orders and instructions relating to the common public and the citizens interests to ensure the compliance therewith.
- Investigating all forms of financial and management corruption within the public contacts, operating and maintenance contracts, and other contracts relating to the common public and the citizens interests at the entities working within the competencies of the Commission, and conducting the necessary regular procedures regarding any contract deemed corrupted or was entered into or is being executed with contravention to the rules and regulations applicable provisions.
- Communicating detected irregularities and violations relating to financial and management corruption to the watchdog or investigation agencies as the case may require, along with notifying the Chairman of the Commission to which the contravener affiliates, and the Commission shall have the access to the investigations developments and shall follow up the flow of measures undertaken in this respect, and requests the authorities to conduct whatsoever precautionary or conservatory procedures in accordance with the system's requirements regarding anyone who, through strong evidences and proofs was proved to have committed deeds that fall under corruption. In all cases, the Commission must report such irregularities and violations of any entities working within the competencies of the Commission that it deemed as having institutional dimension, to the King for further action.
- Working on meeting the objectives set forth in the National Strategy to Protect Integrity and Combat Corruption, and following up the implementation thereof with the authorities, as well as monitoring assessing, and reviewing its outcomes, and putting in place the program of action and implementation mechanism thereof.
- Promoting the efforts of both private and public sectors, adopting plans and programs for the purpose of protecting integrity and combating corruption, and follow up the implementation and assessment of the outcomes.

- Following up the recovery of stolen money and returns as a result of crimes of corruption, with the authorities
- Reviewing the work approaches and measures at the entities working within the Commission competencies, for the purpose of identifying the points of weakness leading to corruption , and working on addressing them to ensure the Commission objectives and implementing the competencies.
- Recommending the necessary systems and policies to hold back and combat corruption and conducting a regular review of systems and relevant regulations, to identify its sufficiency, with the view to developing the system, and providing reports regarding its implementation.
- Establishing the necessary controls regarding submitting financial disclosures, and functional oath performance for some staff categories in the kingdom, and reporting such to the King to consider the approval.
- Following up the extent to which the entities working within the Commission competencies, are carrying out their duties towards the enforcement of the systems criminalizing financial and management corruption, and working on enhancing the accountability principle, regardless of the personality or position of the contravener.
- Following up the implementation of commitments stipulated in the international agreements relating to protecting integrity and combating corruption, to which the Saudi Arabia is a party.
- Providing direct communication channels with the public to receive their complaints related to corruption behaviors, and verifying such reports, then taking the necessary actions in this respect.
- Working together with the respective entities, and civil society organizations to enhance the realization of the sense of citizenship, and the significance of protecting the public funds, facilities and properties, to ensure the proper management and maintenance.
- Receiving periodical reports and statistics from entities working within the Commission competencies as per the requirements of the Commission and examining it as well as preparing analytical data, and then taking the necessary action.
- Supporting the researches and studies relating to protecting integrity and combating corruption, along with urging the relevant authorities, specialized research centers and civil societies to contribute to that.
- Conducting studies and benchmarking relating to the effects of corruption on development and social collaboration.
- Collecting information, data and statistics relating to corruption, analyzing and setting up databases and information systems relating.
- Raising awareness of the concept of corruption, establishing and identifying the risks and impacts, as well as demonstrating the importance of protecting integrity, promoting self-censorship, and intolerance with corruption, along with promoting civil society organizations and mass media to cooperate and contribute to that matter.

- Representing the Kingdom in the international conferences and forums relevant to transparency, protection of integrity and combating corruption, as well as cooperating with regional and international authorities and organizations working in this field.
- Organizing conferences, seminars and training courses on transparency, integrity and combating corruption.

2. Each State Party to establish and promote effective practices aimed to the prevention of corruption.

The National Strategy to protect integrity and combat corruption Stipulated in addition to the above, the following:

Public awareness and reinforcement of moral behavior through the following:

- a. Improving the religious influence to urge the integrity and combating corruption through the variable media, religious ministers, religious scholars and other educational institutions, and arranging national awareness campaigns that warn against the disease of corruption.
- b. Emphasizing the role of the family in education the young generation and its fundamental role in establishing a Muslim society resistant to acts of corruption.
- c. Urging the educational institutes to add items to the curriculum of the basic and the academic education, and implement educative awareness programs on periodical basis concerning Protecting Integrity and Combating Corruption and Abuse of Confidence.
- d. Urging citizens and residents to cooperate with the relevant anti-corruption agencies and report corruption crimes and their perpetrators.
- e. Working on setting educative awareness programs in the field of Protecting Integrity and Combating Corruption in both public and private sectors.

The National Anti-Corruption Commission has a special department concerned with awareness and education.

3. Each State Party shall Endeavour to periodically evaluate relevant legal instruments and administrative measures with a view to determining their adequacy to prevent and fight corruption.

Goals of the National Anti-Corruption Commission, as stipulated in 3/8 of its regulation is to recommending the necessary systems and policies to hold back and combat corruption and conducting a regular review of systems and relevant regulations, to identify its sufficiency and develop and report thereof as per the regular measures.

4. States Parties shall, as appropriate and in accordance with the fundamental principles of their legal system, collaborate with each other and with relevant international and regional organizations in promoting and developing the measures referred to in this article. That collaboration may include participation in international programs and projects aimed at the prevention of corruption.

The Commission shall in accordance with its regulation:

1. Representing the Kingdom in the international conferences and forums relevant to transparency, protection of integrity and combating corruption, as well as cooperating with regional and international authorities and organizations working in this field.
2. Organizing conferences, seminars and training courses on transparency, integrity and combating corruption.

The National Anti-Corruption Commission participated in the past year in most of the meetings of the working groups within the Conference of the States Parties to the Convention against Corruption. The Commission organized a workshop in collaboration with the UN Office on Drugs and Crime to train government experts in Saudi Arabia on the required procedures for the presentation of the implementation of the UN Convention against Corruption. Also, the Kingdom of Saudi Arabia is a key member in the agreement establishing the International Anti-Corruption Academy.

b. Increasing and diffusion awareness about the prevention of corruption

The organization of the Commission Provides the following: Recommending the necessary systems and policies to hold back and combat corruption and conducting a regular review of systems and relevant regulations, to identify its sufficiency, and develop and report thereof as per the regular measures.

2. Each State Party shall grant the body or bodies referred to in paragraph 1 of this article the necessary independence, in accordance with the fundamental principles of its legal system, to enable the body or bodies to carry out its or their functions effectively and free from any undue influence. The necessary material resources and specialized staff, as well as the training that such staff may require to carry out their functions, should be provided.

1. According to Article 2 of the Regulation of the Anti Corruption Commission:

“The Commission is directly associated with the King, has a legal status, and complete administrative and financial separation insuring its work impartially, without being influenced by any authority and without any intervention by anybody in its work’.

2. According to Article 7 of the Regulation of the Anti Corruption Commission:

“The president is to take over the supervision on achieving the goals and implementing the specializations on the Commission, the financial and administrative supervision on the Commission and its staff as well as managing its affairs and he is to have the following authorities”

- a. Supervision of the implementation of the financial and functional regulations of the Commission and directing to the King to decide whether to accredit them.
 - b. Issuance of the administrative regulations and the organizational structure of the Commission.
 - c. Representing the Commission before the public and private organizations.
 - d. Supervision on implementing the Commission's project budget and directing it to the King to decide whether to accredit it.
3. The training manual was adopted by the decision of the President of the National Anti Corruption Commission, where the Commission's employee gets a course or more each year. The Commission encourages the study scholarship MS and Ph.D. programs according to the need of the commission. The training is considered as mandatory.

The Commission has prepared a training program in combating corruption in coordination and cooperation with the Institute of Public Administration which is the Academic entity in charge for the training of state employees. The Commission is currently preparing an MS program in combating corruption in collaboration with the Institute of Public Administration.

3. **Each State Party shall inform the Secretary-General of the United Nations of the name and address of the authority or authorities that may assist other States Parties in developing and implementing specific measures for the prevention of corruption.**

The Secretary-General of the United Nations was informed of the Deposit of the instrument of ratification of the UN Convention Against Corruption about the name and the address of the National Anti-Corruption Commission, according to the Royal order Nr. m/5 on 23 January 2013 which stated that the Ministry of Foreign Affairs shall

inform the Secretary- general of the United Nations of the name and address of the National Anti-Corruption Commission according to Paragraph 3, Article 6 of the Convention.

Article 7 of the Convention

“Each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, endeavour to adopt, maintain and strengthen systems for the recruitment, hiring, retention, promotion and retirement of civil servants and, where appropriate, other non-elected public officials:”

a) That are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude;

1- The regulations of the civil service system in the first article states the following: "Merit is the basis of the selection of staff for a job in the public sector", and civil service continues evaluating the adequacy of staff annually.

In addition Article VII states the following:"The Ministry of Civil Service advertises vacancies (tenth step and under), and that all applicants are subject to an assessment which the Ministry of Civil Service decided on its standards and procedures depending on job advertised and service requirements.

It is acceptable, that after the agreement of the Minister of Civil Service and the relevant minister that the administrative body/authority to examine applicants for jobs (5th step and below) in accordance with the standards and procedures set by the Ministry of Civil Service. "

2 - Article IV of the system of the Shura Council of the Royal Order No. A / 91 and the date of 08/27/1412 AH, that the conditions of membership of the Council:

- To be known for their integrity and competency. "

3 - Article Forty-seven from the judicial system of the Royal Order issued Decree No. M / 78 on 19/09/1428 AH which is as follows: " Appointment and promotion in the grades of the judiciary is by royal decree, which is based on the decision of the Supreme Judicial Council that illustrates the statutory conditions in each individual case. The Council takes into account in promotion the order of seniority, and in case of equality competency reports are to be submitted, and in case equality or the unavailability of reports the oldest will be selected . The promotion of a member of the judiciary subject to inspection is prohibited unless they have been inspected at least twice in the step that they should be promoted from, and proved in the last two performance reports adequacy of not less than average. "

4 – The first article of the laws of the members of the Bureau of Investigation and Prosecution included conditions for those who are to be appointed as member:

- Is known for good behavior and ethical conduct.
- Be in possession of the necessary skills and knowledge.
- Must have a certificate from a Saudi college of Shari'ah or other equivalent certificate, or be a holder of a certificate of specialty systems from one of the universities in the

Kingdom or an equivalent certificate. In case of an equivalent certificate, a special exam takes place for this purpose.

- Had not been sentenced by doctrinal punishment or discretionary penalty, convicted of violation of honor or public trust, subjected to disciplinary suspension from Public office, even if he had been pardoned.

5 - Article IX of the organization of the National Anti-Corruption issued under Cabinet Decision No. (165) dated 28/05/1432 AH, states the following:

A person who is assigned to any of the jobs within the specialization of the Commission shall be the following:

1. He must be wise, honest, righteous and impartial.
2. Had not been sentenced by doctrinal punishment or discretionary penalty, convicted of violation of honor or public trust, subjected to disciplinary suspension from Public office, even if he had been pardoned.
3. Provide Financial Disclosure
4. He shall not practice any job - neither directly nor indirectly – with or without pay neither in public nor private sectors so long as he is on-the-job at the Commission.

b) That include adequate procedures for the selection and training of individuals for public positions considered especially vulnerable to corruption and the rotation, where appropriate, of such individuals to other positions;

Article IX of the Council of Ministers of the Royal Court No. A / 13 in 1414 AH, has agreed on the following:

" The duration or period of the Council of Ministers is not more than four years during which a restructuring takes place by a royal decree, in the case of expiration of the period before restructuring the council continues its work and performance until restructuring."

c) That promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party;

The Saudi National Anti-Corruption Authority Strategy, which was adopted by the Council of Ministers resolution states following under article 3:

Improving the domestic, job and living conditions of the citizens through the following:

A- Emphasizing the principle of improving the domestic, job and living conditions of the citizens, particularly the low income citizens, and providing them with the fundamental services.

B- Providing job opportunities in (both public and private sectors) in accordance with the regular increase of population and graduates, considering qualifying them according to the needs of the labor market.

C- Limiting Recruitment of foreign workers.

D- Improving the employers' rates of wages, particularly the minimal wages.

d) That promote education and training programmes to enable them to meet the requirements for the correct, honourable and proper performance of public functions and that provide them with specialized and appropriate training to enhance their awareness of the risks of corruption inherent in the performance of their functions. Such programmes may make reference to codes or standards of conduct in applicable areas.

Article (34) of the civil service system states the following:

"The training of staff is part of the regular work duties, whether inside or outside working hours, and all ministries and government departments have to enable staff to receive training in their respective fields."

2. Each State Party shall also consider adopting appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to prescribe criteria concerning candidature for and election to public office.

The regulations which govern the elections of members of the municipal councils in 1432/2011 was issues, those laws established criteria concerning candidates for the post of member of the municipal council, and those standards are contained in Article XIX of the abovementioned regulations:

Members of the municipal council should not be:

1 – An employee in a ministry and municipal bodies unless he has submitted his resignation or transferred from his job at least one year, with the exception of being a member of the Council due to his job.

2 - Governors, head of the center, and the mayor, the chief of the tribe or the deputy or the identifier that holds official status.

3 - Member or secretary in: Shura Council, or the council of the region, or the local council.

4 - Contractor for a project, which is supervised by the municipality or a contractor for the work of the municipality or responsible for dealing with supplies, whether directly or indirectly.

5 - Investor and the tenant of a property owned by the municipality with the exception of tenants of property allocated for public utility and service activity.

6 - President and Director in a company or institution that has a contractual relationship or municipal projects to secure supplies with or for the municipality or their real estate investment.

3. Each State Party shall also consider taking appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to enhance transparency in the funding of candidatures for elected public office and, where applicable, the funding of political parties.

Article XXIII of the regulations that govern the elections of members of the municipal states the following:

A candidate who is selected within the initial announcement of the election results, should provide a statement of all sources of funding obtained by the campaign to the local committee for elections within a maximum period of ten days from the date of the announcement.

4. Each State Party shall, in accordance with the fundamental principles of its domestic law, endeavour to adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.

1- In order to prevent conflicts of interest, article (13) of the civil service system states the following:

"The employee must refrain from:

A - To engage in commerce, either directly or indirectly.

B - To participate in the establishment of companies or admission of boards of directors or any other related job or in the commercial store except if designated by the government and it may be permissible under an agreement issued by the Council of Ministers to authorize the employee to work in the private sector outside of the working hours."

Also, Article 14 of the civil service system states the following:

"No employee is allowed to combine his job with another one, the employee may be authorized to engage in business for in case of public interest and if it benefits the country and need for their business or other career, the license is granted by the competent minister and regulations shall specify the terms of this license."

2 - The national strategy to protect integrity and anti-corruption, emphasizes on the "adoption of the principle of clarity (transparency) and strengthened within the institutions of the state."

3 - The regulation of the national anti-corruption commission in its third article states the following: "The Commission aims to protect integrity, and promote the principle of transparency...".

4 - Article I of the system of tender and government procurement states the following:

This system is designed to:

A - Organize tender/competition and government procurement carried out by government authorities and prevent the influence of personal interests, and the protection of public money.

B - To achieve maximum economic efficiency for government procurement and implementation of projects at competitive and fair prices.

C – To promote integrity and competition, and to provide fair treatment to general contractors, to achieve the principle of equal opportunities.

D – To achieve transparency in all stages of the proceedings competition/tender and government procurement.

5 - Article XIX of the regulations that govern the elections of members of the municipal states (mentioned above)

6 - Article XVIII of the Rules of corporate governance is devoted for "conflict of interest in Board of Directors," the text of the article is as follows:

Article XVIII: conflict of interest in the Board of Directors states the following:

A- No member of the Board of Directors - without a license from the General Assembly renewed every year – to have any interest directly or indirectly, in business and contracts, which are for the account of the company, with the exception of contracts or business that is chosen by generic competition if the board member presents the best offer. And the member of the Board of Directors has to inform the board regarding his personal interest in the business and contracts, the member cannot participate in the vote on the decision to be made in this regard in the General Assembly or at the Board of Directors. The Chairman of the Board of the General Assembly at the beginning of the session has to be informed of the contracts or business that carries a personal interest of one of the members of the board of directors, and receives a special report from the chartered accountant.

B- No member of the Board of Directors is allowed - without a license from the General Assembly renewed every year - to participate in any action or business that would compete with the company's business, or a related business activity that the company runs.

C- The company may not offer loans of any kind to the members of the Board of Directors nor act as an insurer with the exception of banks and insurance companies.

Second: Some of the requested information contained in the (annex) Note of the United Nations Office on Drugs and Crime, in providing pertinent information on the relevant initiatives and practices to be discussed during the meeting of the Open-ended Intergovernmental working group on prevention to be held in Vienna from 8 to 10 September 2014.

-Establishment of focal points or units within government ministries and departments responsible for the implementation of anti-corruption policies;

The National Anti-Corruption Commission is in permanent contact with all relevant authorities to ensure the implementation of the commitments contained in the Convention, as well as with the regulatory authorities to ensure the implementation of the National Strategy to Protect the Integrity and Combat Corruption. In order to prevent corruption in the Government organs, the General Auditing Bureau issued the consolidated list of internal audit units in government organs

and public institutions based on the decision of the Council of Ministers Nr. 129 on 23 April 2007, in which the Article 2 affirm:

“Each authority shall establish an internal audit unit in the headquarters where its chief is directly associated with the head of the authority. The branches may establish the unit - when needed – on a decision made by the head of the authority. The Unit carries out the internal audit tasks by exercising the powers vested under the provisions of the consolidated list, so as to achieve the following objectives:

- a. Protection of public funds and property, reducing the incidence of fraud and inaccuracy, and detecting them as soon as possible.
- b. Ensure the accuracy and completeness of financial statements and accounting records.
- c. Ensure the effectiveness and the efficiency of administrative and financial processes in order to achieve optimal utilization of available resources
- d. Adherence to the rules, regulations, policies and plans to achieve the goals of the authority in an efficient and systematic manner.
- e. Safety and efficiency of internal audit systems

- Establishment of structures to deal with grievances from citizens about corruption

Yes, it's the National Anti-Corruption Commission, where its regulation provides the following:

Provide direct channels of contact with the public to receive and check complaints about corruption to take what is necessary in this regard.

The National Anti-Corruption Commission issued the Fiscal Year report 2012-2013, which included the receipt of 6 thousand complaints:

1.116 on financial and administrative corruption (18.4%)

414 on misuse of administrative

178 on abuse of power

134 on misuse of public funds

105 on Nepotism and favoritism

100 on Embezzlement of public money

88 on Fraud

66 on job carelessness

31 on Bribe

It has been reported 1.211 complains (20%) relates to poor level of implementation of services and projects, and 295 complains on deficiencies of systems or work procedures.

- Do you require technical assistance in relation to the measures described above?

Yes, to strengthen the cooperation with the United Nations Office on Drugs and Crime, some anti-corruption organs needs the technical support, including training their staff. As well as assist them in answering the review of Chapters II and V, during the second cycle of the review.

Rules and Regulations contained in this Report

1. The National Strategy to Protect the Integrity and to Combat Corruption issued according to the decision of the Council of Ministers Nr. 43 on 19 February 2007
2. The Regulation of the Anti-Corruption Commission, issued according to the Royal Order Nr. 95/a on 18 March 2011
3. The justice system issued by the Royal Order Nr. 87/m on 1 October 2007
4. The Regulation of the Council of Ministers issued by the Royal Order Nr. 13/a on 21 August 1993
5. The Civil Service Regulations issued by the Royal Order Nr. 49/m on 27 June 1977
6. The Regulation on competition and government procurement, issued by the Royal Order Nr.58/m on 27 September 2006
7. Corporate Governance Regulations issued by CMA Board Nr. 1-212-2006 on 12 November 2006
8. Regulations on the municipal councils elections issued according to the Ministerial Decision Nr. 11999 on 14 February 2011
9. The consolidated list of internal audit units in government organs and public institutions based on the decision of the Council of Ministers Nr. 129 on 23 April 2007

Annex:

1. Financial disclosure