

Congratulatory Address: JFCCT Chairman **DRAFT v 1.2**

Seminar to Exchange Information on Corruption Prevention and Corruption Suppression *between* Office of The National Anti-Corruption Commission *and* Joint Foreign Chambers of Commerce in Thailand

Wednesday 13 September BE 2560 (AD 2017)

Welcome to

- Pol.Gen.Watcharapol Prasarnrajkit, NACC President
- Distinguished members of the NACC and its office
- Officers of the Royal Thai government
- Directors and Members of foreign chambers of commerce & business associations
- Representatives of industry organizations
- Ladies and gentlemen

It is now three years since JFCCT and NACC signed an MoU for mutual collaboration. In that time, the government has stepped up changes in reforms and economic and social development, parliament has passed changes to anti-corruption laws, respect for overall anti-corruptions efforts has increased and JFCCT and NACC have formally met annually to share experience and learning. Longer term projects continue.

And in that time, NACC has continued its sometimes lonely efforts to champion anti-corruption. Although internationally published perceptions about corruption may not have greatly changed so far, improvements are felt and are well acknowledged.

For example, toleration of corrupt practices and acceptance as the norm have reduced and more prosecution cases appear. Corporate Governance

standards of SET listed companies commands respect. The Thai IoD continues to champion anti-corruption.

In just about all cases, corrupt practices always takes at least two parties. In the private sector we need to continue to do our part to reduce corruption. We continue to:

- Make members aware of the various effects of corruption, and move away from the view that some corruption is OK as long as the economy continues to do well, or that someone may 'miss out' if they do not engage.
- Engage in meaningful and not just token ways in anti – corruption organisations. Take responsibility to achieve outcomes.
- Bring to members' attention legal and policy changes
- Provide recommendations on measures to reduce corruption.
- We are developing an anti – corruption Code of Conduct.

JFCCT is not an enforcement body but we can (and do) aim to make an impact.

For example promoting the Rule of Law and really understanding what it means is one way to support respect for the laws in force in Thailand. That process means consultation about the laws is important for buy-in and overall effectiveness of the law. Our JFCCT website has a new glossary which not just defines but explains various concepts such as Rule of Law.

There is only so much which can be done by increasing penalties. Many believe they can get away with various practices for example by not being caught in the first place. Awareness of laws and implementing changes in our companies so that they are respected is a positive step.

In addition to Thai laws, we must be aware of foreign laws which due to some connecting factor, apply here in Thailand. The US Foreign Corrupt Practices Act, the UK Bribery Act and the OECD model law (adopted in many countries) are relevant. Thailand now has its own version of this kind of law which looks at action of Thai nationals or Thai companies doing business abroad.

Again let us offer our sincere congratulations to the NACC for its efforts and let us champion the reduction or corruption so that practices are absolutely minimal and the negative impact is removed.

I will now hand back to the MC and wish all an excellent and useful seminar.

SOME BACKGROUND NOTES FOR SPEAKER

In the 2016 Corruption Perception Index, Thailand ranks with the Philippines equal 101 / 176 countries and raw scores for Thailand do not show material change. Change in this CPI (about perception) does not occur overnight.

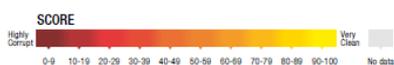
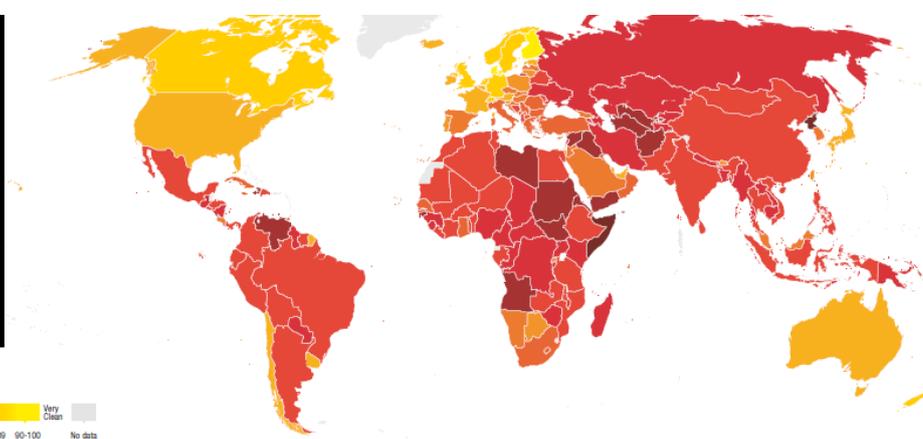
THAILAND

Corruption Perceptions Index 2016

Rank
101 / 176

Score
35 / 100

Thailand's raw score has hovered around this level for some years. The 2015 ranking was 76 – raw score 38. Thus the 2015 ranking at 76 was much better than 2016 ranking at 101..



| RANK | COUNTRY/TERRITORY | SCORE | RANK | COUNTRY |
|------|-------------------|-------|------|-------------------|-------|------|-------------------|-------|------|-------------------|-------|------|---------|
| 1 | Denmark | 91 | 21 | Uruguay | 74 | 81 | Italy | 44 | 99 | Djibouti | 34 | 139 | Guinea |
| 2 | Finland | 90 | 22 | Catar | 71 | 81 | Leotho | 44 | 99 | Gabon | 34 | 139 | Kenya |
| | | | 23 | Orile | 70 | 81 | Montenegro | 44 | 99 | Niger | 34 | 139 | Lao |
| | | | | | | | | | | | | 139 | Guinea |
| | | | | | | | | | | | | 139 | Kenya |
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| | | | | | | | | | | | | 139 | Guinea |

All levels of Thai society suffer from endemic corruption. Even though Thailand has the legal framework and a range of institutions to effectively counter corruption, companies may regularly encounter [bribery](#) or other corrupt practices. The [Organic Law on Counter Corruption](#) criminalises corrupt practices of public officials and corporations. The Thai [Penal Code](#) criminalises [active](#) and [passive](#) bribery of public officials by persons operating in the public or private sector but excludes [facilitation payments](#). Anti-corruption legislation is inadequately enforced, and facilitation payments and [gifts](#) are common in practice.

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Rule of Law

<http://www.jfcct.org/reports/glossary/>

| Term or Acronym | Description |
|-----------------|--|
| Rule of Law | The concept that Laws enacted by a recognized process, as part of a system of law, rule over all other means of power and control. More and More . 'Law and Order' is a different concept. |

Changes to laws

Leave this to Tileke & Gibbons