



United States Department of State

*Washington, D.C. 20520*

**MAR 13 2015**

Dear Mr. Co-Chairman:

Thank you for your December 9 letter on the creation of an international anti-corruption court. We noted with interest the November 13 Commission briefing on this subject, and we met with one of the witnesses, U.S. District Court Judge Mark Wolf, to discuss his ideas on the matter.

As Secretary Kerry has noted, the “moral and practical costs of corruption are no longer debatable.” Corruption facilitates a wide range of other crimes, undermines the rule of law and respect for democratic institutions, and hinders economic development and U.S. business interests. Corruption can also drive instability and be exploited by terrorist groups to gain popular support. Without any doubt, corruption endangers U.S. national security.

We welcome the efforts of those who thoughtfully seek new and innovative approaches to addressing the scourge of corruption internationally, including advocates who have proposed the idea of an international anti-corruption court. While the proposal is not yet fully defined, the idea has many implications, including potential difficulties in the areas of national sovereignty, barriers to practical implementation, and limits on international jurisdiction.

Our efforts focus on helping other countries to build strong national laws and independent national institutions as the most sustainable and efficient way to pursue justice. We provide extensive support to enhance the capacity of law enforcement, prosecutors, and the judiciary to independently and fairly investigate and prosecute corruption. We also provide extensive programmatic and political

The Honorable

James P. McGovern, Co-Chairman,  
Tom Lantos Human Rights Commission,  
Committee on Foreign Affairs,  
House of Representatives.

support to enable political processes, citizen organizations, and journalists to hold public officials accountable. Where local institutions are not yet able to take on entrenched corruption, we have supported international involvement in investigation and prosecution, such as our support of the International Commission Against Impunity in Guatemala (CICIG).

We launched a new initiative, the Open Government Partnership (OGP), in September 2011 to promote anti-corruption, transparency, and citizen engagement. OGP has grown rapidly from eight to 65 countries, and has generated thousands of new commitments to improve government for more than two billion people around the world. This year, as co-chairman of the G-20 Anti-Corruption Working Group, we will pursue high-level and impactful actions.

We leverage regional and multilateral frameworks to establish international standards and press for their application and enforcement in practice. For example, we led the establishment of several conventions addressing corruption, such as the *UN Convention Against Corruption*. We were also the driving force behind the creation of the *OECD Anti-Bribery Convention*, to prohibit companies from bribing foreign officials to advance their business interests, promoting a more level playing field for U.S. business. Through the *Anti-Bribery Convention* and related measures, we are addressing the “supply-side” aspect of kleptocracy. These conventions and other instruments are transforming countries’ legal systems and institutions, and often serve as the framework for legal cooperation across borders.

We are leaders in promoting strong frameworks internationally to combat money laundering, including of corruption proceeds. Through U.S.-launched multilateral initiatives we help build capacity and cooperation to trace and return stolen proceeds of corruption, to benefit citizens in victim countries. Our efforts to deny safe haven to corruption proceeds are complemented by our use of visa authorities to deny entry to the United States to corrupt officials and their enablers.

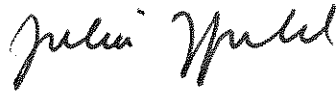
Domestic reform helps us lead by example worldwide, including in the area of combatting illicit finance related to corruption and other crimes. President Obama has proposed legislation that would require companies created in the United States to identify their beneficial ownership and make that information more readily available to law enforcement to facilitate criminal investigations and enhance transparency. Likewise, the Department of the Treasury published a notice of proposed rulemaking to strengthen customer due diligence obligations for U.S. financial institutions. This included a requirement for U.S. financial

institutions to identify the beneficial owners of customers that are companies-- which is important to prevent the misuse of anonymous shell companies.

In line with that domestic and international leadership, President Obama has directed the inter-agency community to bolster anti-corruption efforts globally. Through the inter-agency policy process, the National Security Council is coordinating a senior-level review of our global anti-corruption efforts, in order to bring all the tools wielded by our various agencies into an even more coordinated effort in the fight against global corruption.

Thank you for your support in the battle against global corruption. We hope that this information is helpful to you, and that you will support the key elements of the President's anti-corruption agenda, such as his beneficial ownership proposal. Please do not hesitate to contact us if we can be of further assistance on this or any other matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Julia Frifield". The signature is written in a cursive, flowing style.

Julia Frifield  
Assistant Secretary  
Legislative Affairs