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The diverse approaches to countering the many faces of corruption are exemplified by the 2007 Integrity Awards winners – a Vietnamese grass roots activist, Le Hien Duc, and a leading legal expert working against international bribery, Professor Mark Pieth. >> read more

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Transparency International's national chapter TI Georgia has been monitoring the potential misuse of administrative resources during the pre-election period of the presidential elections on 5 January. >> read more



To assess the situation at the national level, Transparency International undertook National Integrity System (NIS) country studies in seven Southern African countries. >> read more



Transparency International chapters and partners took part in the 12th expert meeting of the Follow-up Mechanism of the Inter-American Convention against Corruption (IACAC) in December. >> read more

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CORRUPTION IN QUOTES

"Corruption is the oil in the machinery that allows these systems to work" >> read more

INTERVIEW OF THE MONTH

Rafael Espada, Vice President of the Republic of Guatemala

By Manfredo Marroquín

On 14 January, Rafael Espada stepped into office as vice president of Guatemala, alongside Alvaro Colom Caballeros, the new president and leader of the social-democratic party National Union of Hope (UNE). The UNE party won the closely run 2007 presidential election on 9 September with 52.7 percent of the votes, making it Guatemala's first left-wing government in 53 years. Transparency Watch was able to catch up with Espada to ask him about the fight against corruption in Guatemala and the region, and how the new government plans to counter the problem.

Transparency Watch (TW): *How relevant is the fight against corruption in Guatemala, taking into account the poverty and inequality levels in your country?*

Rafael Espada (RE): We are conscious that corruption is a phenomenon that reduces the resources needed by the state and its institutions to address the needs of the people. State resources are already very limited in Guatemala, so in order to make public expenditure more efficient we need to focus on its quality. One example of how we can work towards achieving this is by enforcing the fiscal agreements already in place.

Our government is firmly committed to combating corruption and is intent on establishing a dedicated institution to tackle corruption issues. It is clear to us that corruption condemns the most vulnerable part of the population to poverty, and, at the same time, hinders the State from successfully promoting both domestic and foreign investment, which are crucial for generating jobs and economic development.

The anti-corruption efforts to date are not enough. They have lacked coordination and for this reason they have had a minimal impact on the high levels of corruption still prevalent.

TW: *What results do you expect to achieve in the country regarding the fight against corruption? What are your strategies?*

RE: We are the first political party to win an election with transparency and anti-corruption being a specific electoral promise. In line with our government agenda, we have made efforts during the governmental handover period to ensure that from the very first day in office we could implement the necessary preventive, legislative and control measures, necessary to having a real impact on reducing corruption levels.

Our main goal is to create a solid and strong institution that coordinates, promotes and executes a national transparency plan. This institution could be a Secretary for Transparency in the public administration, or a similar body, to create which we will need support from Congress.

We will be proactive in drafting laws and regulations to create the necessary conditions to sanction and prevent corrupt practices. One of our first concrete actions will be to send to Congress a law proposal on access to information - classifying all crimes present in international anti-corruption conventions, such as the illicit enrichment and money laundering.

Our government will have a very strong social focus, overhauling all expenditure and public investment structures to eliminate political clientelism and corruption, which siphon off resources meant for poor people into private pockets. We will open all possible channels to promote the condemning of corruption and strengthen the internal control mechanisms, as well as ethical and preventive regulations.

TW: *The first anniversary of the Guatemala Declaration for a Corruption Free Region took place on 15 November 2007. The declaration confirms that the fight against corruption has to be tackled from a regional level as well. How will your government contribute to making the Central America region free of this problem?*

RE: Many of our problems require regional solutions. For example, security issues and organised crime need to be confronted together with neighbouring countries, such as Honduras, El Salvador and Mexico. As the roots of these problems promote corruption in the institutions responsible for security in our countries, it is very important to have a regional approach to combating corruption. We will utilise all the cooperation mechanisms available (e.g. United Nations Convention against Corruption and Inter-American Convention against Corruption) to be more effective in investigating and prosecuting corruption crimes and asset recovery, among other issues.

The Guatemala Declaration includes 14 measures which our government will enact and promote. Our goal is to become a leader in this area and promote the strengthening of the follow-up mechanisms to ensure the implementation of the commitments stated in the declaration.

About Rafael Espada

Espada is a world renowned cardiac surgeon with more than 20 years professional medical experience at the Methodist De Bakey Heart Center in Texas. During his time in the United States, Espada returned to Guatemala nearly every month to carry out free surgeries. He also founded the Unidad Cardiovascular Hospital, the first cardiac hospital in the country. This dedication to Guatemala is responsible for Espada entering politics and becoming the first physician in the country's history to be elected Vice President.



SPOTLIGHT STORY

Integrity Awards 2007: inspiration and encouragement

By Mike Sidwell



On 21 January, Transparency International (TI) held its 2007 Integrity Awards ceremony in Berlin. Now in its sixth year, the Integrity Awards have honoured the bravery of individuals and organisations around the globe whose efforts in fighting corruption have made a distinct difference. The goal of the Awards is to highlight the efforts of journalists, civil society activists and whistleblowers who work to investigate and unmask corruption, often at great personal risk. The diverse approaches to countering the many faces of corruption are exemplified by the 2007 Integrity Awards winners – a Vietnamese grass roots activist, Le Hien Duc, and a leading legal expert working against international bribery, Professor Mark Pieth.

Described as “a one-woman anti-corruption central” by the chair of the Integrity Awards committee and board member of TI, Sion Assidon, Le Hien Duc is a perfect example of how just one person really can make a difference in the fight against corruption. Since she retired from teaching in 1984, Duc has striven tirelessly to expose corruption and confront injustice in her beloved Vietnam.

Working from her home in Hanoi, Duc devotes her time to filing complaints with the authorities and helping fellow citizens to challenge corruption on all levels. Most of her US \$80 a month pension is spent on internet, telephone, photocopying and taxi bills - necessary for waging, as she terms it, her ‘war against corruption’. And it is certainly a full-time campaign - she has a backlog of requests and petitions for help from nearly every province in Vietnam.

Whether it is allegations of petty bribery or large-scale graft, Duc pursues the claims until they are dealt with in a just manner. Her determination to ensure that citizens’ complaints receive the appropriate attention from the authorities has seen Duc track down and confront officials even at their own homes.

While Duc’s tireless efforts have brought her much gratitude and praise, she has simultaneously become the enemy of many. Along with death threats, she has received funeral wreaths and an empty coffin. Yet, despite such intimidation and warnings from her concerned family, the sprightly 75 year old refuses to give up her fight against corruption: “Someone must stop it, for the sake of justice,” she has told the [Associated Press](#).

It is this steadfastness in the face of opposition and unflinching perseverance for justice that has made Duc an inspiration to many ordinary Vietnamese. Her work and success show that corruption often taken for granted can not only be confronted, but that it can also be beaten.

The same tenacity and dedication has been demonstrated by Professor Mark Pieth. A Swiss professor of Criminal Law and Criminology at the University of Basel, Professor Pieth has devoted almost his entire career to fighting corruption on an international scale.

He has been at the centre of the OECD’s anti-corruption efforts from the very beginning - from putting a stop to the tax-deductibility of foreign bribes in 1995, to the proposal and ratification processes of the OECD Anti-Bribery Convention. It is Professor Pieth’s bold leadership as chair of the OECD Working Group on Bribery in International Business Transactions that has been crucial in driving the group and making the Convention a reality.

Cobus de Swardt, managing director of TI, praised Professor Pieth as being a key reason why the Convention is, “not just a tool but a weapon – a weapon to stop foreign bribery, to stem the supply-side of corruption and to hold people accountable for their bribing deeds.” De Swardt also commended Professor Pieth for his “courage to criticise even the most powerful parties” and opening up the monitoring process to civil society and the media, which he described as, “the gold standard for other treaty monitoring programmes.”

Despite high level attempts to remove him from the working group and suppress his blunt criticism, Professor Pieth has proven resilient to pressure and resolute in his condemnation of behaviour that undermines the Convention.

Other anti-corruption bodies and initiatives that Professor Pieth has been involved with include - among others - serving on the Independent Inquiry Committee into the Iraq Oil-for-Food scandal and organising and leading the Financial Action Task Force on Money Laundering. He is also a board member of the World Economic Forum Partnering against Corruption Initiative.

On the academic side, Professor Pieth is the founder and director of the Basel Institute on Governance and has published extensively on the subject of economic and organised crime, money laundering,

corruption, sentencing and criminal procedure.

Le Hien Duc and Professor Mark Pieth join a list of prominent anti-corruption workers to win an Integrity Award. Past winners have come from Asia and Africa, Europe, Latin America and the Middle East. They have included journalists and public prosecutors, accountants, government officials and leaders of civil society.

To read more on the Integrity Awards and the current and past winners please click [here](#).

ANTI-CORRUPTION WORK AROUND THE WORLD

TI Georgia: promoting a free and fair electoral environment

By Georg Neumann



The Transparency International national chapter TI Georgia has been monitoring the potential misuse of administrative resources during the pre-election period of the presidential elections on 5 January 2008. The monitoring started on 8 November after then president Mikheil Saakashvili announced the early presidential elections to relieve the tension after the dispersal of the November protests. TI Georgia focused upon the ruling National Movement party and its candidate because of the party's access to administrative resources during the pre-election period. Five types of hard and soft resources were monitored: coercive, regulatory, institutional, financial, and media.

TI Georgia has summarised findings to date into two interim reports, which cover the periods of 8 November to 4 December and 5 December to 26 December. The major alleged problems identified include: the introduction of a number of unplanned social initiatives shortly before the elections by the ruling party, including increased pensions, increased salaries for teachers, and one-time vouchers for socially vulnerable groups; the initiation of a number of legislative initiatives that directly contradicted earlier stances, e.g. abolishing cash registers, giving amnesty for property disputes and releasing prisoners convicted of petty crimes; the active participation of public officials in the ruling party's campaign with blurred distinctions between official and party activities; and the intimidation of opposition party supporters, regional campaign headquarters and voters. TI Georgia will publish a final report on the misuse of administrative resources at the end of January, documenting findings and providing recommendations for preventing the future misuse of administrative resources.

In addition to this monitoring, TI Georgia conducted media monitoring in the pre-election period, focusing on: the frequency of presidential candidates' appearance on TV and in print media; the tone of coverage; frequency and pricing of political advertisements; equity of interviews, editorials and other print media materials, as well as TV stories about the candidates; and photos of presidential candidates in print media. The first report on media monitoring was published on 27 December 2007. The final data will be included in TI Georgia's final report.

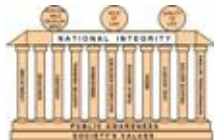
TI Georgia also conducted election day monitoring in preliminary detention facilities throughout the country, finding that only 7 percent of preliminary detainees were able to vote, as only 7 percent of them had identification cards required by Georgian legislation to cast a vote.

To read TI Georgia's report please click [here](#).

ANTI-CORRUPTION WORK AROUND THE WORLD

Seven new National Integrity System studies analyse corruption risks in Southern Africa

By Georg Neumann



Corruption in Africa is costing the continent nearly US \$150 billion a year, according to the African Union (AU). Corruption creates barriers to democracy, hinders access to services, increases the cost of goods by as much as 20 percent, deters investment and holds back development. Corruption in Africa causes and deepens poverty and its impact is felt most by the poor.

In December, Transparency International (TI) published its National Integrity System (NIS) country studies, giving a detailed assessment of the situation of corruption at the national level in seven Southern African countries: Botswana, Democratic Republic of Congo, Mauritius, Mozambique, Swaziland, Zambia and Zimbabwe. TI's NIS studies analyse the key institutions, laws and practices that contribute to integrity, transparency and accountability in a society. The seven studies together with a regional overview study were presented in a launch event in Harare, Zimbabwe.

The regional overview study, coordinated by TI Zimbabwe, identified four underlying trends: legislation is not sufficient, political corruption is on the rise, a corrupt judiciary blocks anti-corruption efforts, and accountability for public resources is low. The report specifically highlights areas of regional concern and particular regional frameworks for cooperation, such as the AU Convention on Preventing and Combating Corruption, the Southern Africa Development Community and the African Development Bank, and their relevance to the NIS in the region.

For more information on the different countries and to access the regional survey please click [here](#).

ANTI-CORRUPTION WORK AROUND THE WORLD

Inter-American Convention Against Corruption progress reports

By Georg Neumann



In December, representatives of Transparency International (TI) chapters and partners from Colombia, Chile, Dominican Republic, El Salvador and Panama joined the 12th expert meeting of the Follow-up Mechanism of the Inter-American Convention against Corruption (IACAC).

They presented reports analysing implementation progress of the IACAC in their countries. These reports serve as an additional and independent source of information to assess country performance. During the meeting, TI also presented recommendations to strengthen the follow-up mechanism, including greater civil society participation.

Together with the Center for Strategic and International Studies in Washington, TI organised a round table discussion on the topic 'Fighting Corruption in the Americas: Is the Inter-American Convention Living Up to its Potential?'. National chapters used the opportunity to present the anti-corruption work done in their respective countries, as well as discuss progress and challenges related to the implementation of the Convention. TI also presented a regional study on challenges to implementing the IACAC.

CORRUPTION IN THE NEWS

Kenya: presidential elections result in bloodshed amidst allegations of rigging

By Nadja Kostka



Violent protests erupted in Kenya following the announcement of Mwai Kibaki's victory in the presidential election on 30 December. [AFP](#) reports that more than 700 people have died and as many as 250,000 have been displaced.

Raila Odinga, leader of the opposition party, the Orange Democratic Movement (ODM), has protested that he was robbed of victory, describing the elections as "marred by a lack of transparency in the processing and tallying of presidential results, which raises concerns about the accuracy of the final results" ([BBC](#)).

The [Associated Press](#) notes that in the run up to the elections "allegations of corruption - including voter intimidation and violence - was a dominant issue, with both Kibaki and Odinga vowing to end the graft that has scared off foreign investment and cost taxpayers millions of dollars."

Alexander Graf Lambsdorff, chief of the European Union Observer Commission, commented that the election fell short of the UN Charter on Civil and Political Rights which Kenya is signatory to, [The Nation](#) reports. The [BBC](#) notes that both Kibaki and Odinga's parties accuse one another of result rigging at polling stations and constituency offices.

[AFP](#) reports that talks in the first week of January, led by the African Union and Ghanaian President John Kufuor, "ended in failure", and Odinga "is refusing to recognise Kibaki's re-election or to sit down with him until he admits to fraud." According to [Time](#), Odinga rejected an invitation from Kibaki to meet as "public relations gimmickry."

[Reuters](#) reports that the ODM party is filing a complaint with the International Criminal Court in The Hague, charging Mr. Kibaki with "crimes against humanity." Meanwhile, the government "has taken out full-page adverts in newspapers accusing Western powers, the international media and rights groups of fanning unrest by questioning the election result" ([Reuters](#)).

Former United Nations Secretary-General Kofi Annan arrived in Nairobi on 22 January to lead a new push for a resolution to the crisis. An EU source told [Reuters](#) that if nothing positive emerges from Annan's mission, the EU would "seriously review" its relations with Kenya, including the issue of sanctions.

To read Transparency International's press release on the situation, please click [here](#).

CORRUPTION IN THE NEWS

South Africa: newly elected ANC president, Jacob Zuma, to appear in court on corruption charges

By Mike Sidwell



On 28 December, Jacob Zuma beat South African president Thabo Mbeki to win the African National Congress (ANC) party elections, making him favourite to become the country's next president after the 2009 elections, according to the *Financial Times (FT)*. However, ten days later he was charged by the South African National Prosecuting Authority (NPA) with "corruption, fraud, money laundering and racketeering" (*Reuters*).

The investigation has centred on "a [US] \$7.1 billion deal [in 1999] for the government to buy ships, submarines, helicopters, jets and other arms," reports the *Associated Press*. According to *Bloomberg*, "Zuma, 65, is accused of trying to secure bribes from two South African units of Thales SA, Europe's largest military electronics maker, in exchange for protecting them from a probe into arms purchases by the state. He is also alleged to have used his political influence to help an advisor win contracts in exchange for money." Zuma and Thint Holdings SA and Thint PTY Ltd (the two subsidiaries of Thales in question) "face a total of 18 charges" (*Bloomberg*).

The *FT* reports that "many of Mr Zuma's supporters in the party's grassroots and radical fringes have long alleged that he is the victim of a political conspiracy orchestrated by his old friend turned political enemy Mr Mbeki, and have threatened to protest and demonstrate if charged." Zuma's lawyer, Michael Hulley, has commented that the timing of the serving of the indictment lends "credence to the long-held view that the Scorpions [the investigating unit] were influenced and their prosecution informed by political considerations" (*South African Broadcasting Corporation*). The NPA spokesperson, Tlali Tlali, has rejected the allegations stating: "Our only allegiance is to the constitution of the country, which compels us to prosecute serious matters such as the present one, without fear, favour or prejudice" (*Sunday Independent*).

Pierre de Vos, a constitutional law professor at the University of the Western Cape, believes that if convicted, Zuma will "be sentenced to a 15-year minimum [jail term]...He will be caught up in court cases for the next two or three years. It will make it very difficult for him to have authority and govern the country" (*Bloomberg*). According to the *FT*, Zuma has made it clear that he will not run if convicted. In this event, Kgalema Motlanthe, the new deputy president of the ANC, is the most likely replacement for Zuma, according to the South African *Business Day*.

The trial has potentially far reaching effects. *Reuters* highlights the concerns that the charges "look set to deepen political uncertainty in Africa's biggest economy and fuel tensions between the ANC rank-and-file backing Zuma and Mbeki's government."

CORRUPTION IN THE NEWS

United Nation's investigative task force fights on

By Mike Sidwell



As part of the United Nation's (UN) budget discussions at the end of 2007, the General Assembly agreed to extend the mandate of the UN Procurement Task Force (PTF) for a further twelve months.

The future of the PTF had been uncertain. [The New York Times](#) reported in December: "The effort to scuttle the panel is not a budget matter so much as a political one, and it represents the continuing suspicion developing countries have about international intervention in their affairs." In contrast, Imtiaz Hussain, a Pakistani diplomat, said that many in the developing world, "resent that the United Nations can find funds for initiatives pushed by wealthy countries but not anti-poverty projects favored by poor nations", reports the [Washington Post \(WP\)](#). Other critics argue that although the PTF has uncovered corruption, "it has also tarnished the reputation of some honest officials who simply bent U.N. rules to quickly launch multibillion-dollar missions" ([WP](#)).

The PTF hit the headlines in December when the [WP](#) published an article detailing a report by the task force, which identified "multiple instances of fraud, corruption, waste and mismanagement at U.N. headquarters and peacekeeping missions, including ten significant instances of fraud and corruption with aggregate value in excess of [US] \$610 million." In addition, the report notes a "collapse of ethical culture and extensive corruption in procurement in the [Congo] Mission which has existed for years," according to [Reuters](#). Inga-Britt Ahlenius, who, as head of the UN Office of Internal Oversight Services, is responsible for the PTF, told [Reuters](#), "We can say that we found mismanagement and fraud and corruption to an extent we didn't really expect."

UN spokesperson Michele Montas is quoted in [AFP](#) acknowledging that: "We are well aware that there have been problems in procurement... This is why we are moving full steam ahead with procurement reform in order to have a system that is much tighter and transparent, leaving less room for abuse." According to [Reuters](#), UN Secretary General Ban Ki-moon has told reporters that he wants the UN "to be as transparent as possible in its management and procurement activities."

NEWS FROM THE ANTI-CORRUPTION MOVEMENT

Global Corruption Report 2007 in Spanish

On 3 December, Transparency International Latin America and Caribbean (TILAC) launched the Spanish edition of the 2007 edition of the TI Global Corruption Report during the 'Week against Corruption' celebrations in El Salvador. The report offers an annual, systematic analysis of corruption, reporting on the state of corruption around the globe. The GCR 2007 focuses on corruption in judicial systems and includes recommendations for practitioners, and actors in the judiciary and civil society, on how to fight corruption in the sector. The Spanish edition of the report includes country analyses for Argentina, Chile, Colombia, Costa Rica, Guatemala, Mexico, Panama, Paraguay and Spain.

Crinis – Now available in English!

According to a new study developed by TI in 2007, political party and election campaign financing is a murky field in eight Latin American countries. Launched in Spanish in June 2007, the study found deep flaws in the rules and practices governing transparency and accountability in party and campaign financing systems in Argentina, Colombia, Costa Rica, Guatemala, Nicaragua, Panama, Paraguay and Peru – the countries covered by the study. The main problems include: a lack of oversight for private donations, low candidate accountability and unreliable party data. These shortcomings are in addition to the fact that political financing information is not made public in most of the countries studied. For more information please click [here](#).

Reminder: Journalists can now apply for the best investigative report on corruption award worth US \$25,000

The Press and Society Institute (IPYS) and TILAC launched the 6th edition of the only Latin American award aimed at promoting investigative journalism on corruption. Funded by the Open Society Institute, the US \$25,000 prize will be awarded to the best investigative report on corruption published in Latin American or Caribbean media. A further two awards, worth US \$5,000 each, will be given for valuable investigative works. To be eligible, reports must have been published between 1 January and 31 December 2007. The deadline for sending the reports (print, TV/broadcast, radio or electronic media) is 30 March 2008. The jury will meet in June 2008. For further information about applications please click [here](#).

Follow-up to the Guatemala Declaration

One year after signing the "Guatemala Declaration for a Corruption-Free Region", the first follow up meeting was held in Guatemala City in December. TI national chapters and contact groups in Central America and the Dominican Republic met with government representatives from Costa Rica, Guatemala and Panama to assess to what extent the Declaration has been implemented. Although further efforts are needed, the participants ratified the importance of this political instrument as a complement to international conventions and national anti-corruption initiatives. A formal follow-up mechanism for the Declaration was discussed and will be established. The assessment reports presented by TI and the government during the meeting are available [here](#).

New Malaysian government guidelines on accountability

The TI national chapter in Malaysia welcomes and supports the new guidelines introduced by Malaysia's National Audit Department. The national chapter also submitted a set of proposals on how to further improve the initiative, recommending for the rating systems to be undertaken yearly, rather than every three years. The aim of the guidelines introduced is to ensure that government officials, entrusted with making investments with public funds, follow new guidelines on accountability and have the necessary credentials. The new directive also requires that members of committees responsible for government tenders should be qualified and present during all meetings to ensure procedures are correctly followed before a final decision is made. It also entails the introduction of an 'Accountability Index' rating system, which consists of four performance rankings, ranging from "poor" to a "four star excellent". The index will be applicable for the participating government ministries, government agencies and statutory bodies, and local authorities.

Reaching out to the provinces in Papua New Guinea

Coinciding with International Anti-corruption Day on 9 December, the TI chapter in Papua New Guinea (TIPNG) launched its 'Anti-corruption Crusade'. The campaign, which aims to interact with communities in the country and garner support for TI PNG's fight against corruption, marks the 10th anniversary of

the national chapter. As part of the campaign, members of the board of directors took part in forums across the country, organised by the Chamber of Commerce. The main event, which took place in the capital city Port Moresby, involved a discussion between a panel of experts and interested members of the public on issues of national significance, with an emphasis on the theme "Fighting corruption as a means to alleviate poverty".

Large sum of Sri Lanka tsunami aid unaccounted for

TI Sri Lanka published a statement on aid funds received following the 2004 tsunami. According to TI Sri Lanka, the Sri Lankan government has failed to account for as much as 44 percent of the international aid it has received. Figures up to March 2007 detail that the international community, including governments, multilateral institutions and civil society organisations, had pledged Sri Lankan Rs.241 billion (US \$2.2 billion), out of which Rs.122 billion (US \$1.1 billion) were disbursed. Of the disbursed amount, Rs.68.5 billion (US \$625 million) was spent. TI Sri Lanka calls for a special review of the tsunami expenditure by the country's auditor general and for the appointment of a separate committee by the public accounts committee of parliament to investigate the spending.

For more information see TI Sri-Lanka's press release [here](#).

Member of TI national chapter killed in Algerian bombings

Mr. Chadli Hamza, a member of the Algerian TI national chapter, the *Association Algérienne de lutte contre la corruption* (AACC), was killed in the car bomb attack on the United Nations (UN) offices in Algiers on 11 December 2007. The UN building was the target of one of two bombs in the Algerian capital that left more than ten dead. Mr. Hamza was a brilliant economist, working as an expert for the AACC, and a consultant for the UN Development Programme. TI would like to express its most sincere condolences to Mr Hamza's family and his colleagues at the AACC.

Palestinian National Action Plan draft launched

The TI chapter in the Palestinian Authorities, the AMAN coalition, launched a draft National Action Plan against Corruption for the Palestinian institutions during its annual conference in December to mark International Anti-corruption Day. The plan is based on the principles and goals of the United Nations Convention against Corruption (UNCAC). The conference was attended by Prime Minister Dr Salam Fayyad and was held at the Grand Park Hotel in Ramallah. Video conference technology was employed to connect with Gaza. Other participants included representatives of the international community, the private and public sectors, political parties and civil institutions. The prime minister announced that "starting next year, 2008, the Ministry of Finance will resume releasing detailed reports about the Palestinian treasury on a monthly basis." He also promised that new measures will be taken in the management department that will ensure transparent handling of public funds. For more information please click [here](#).

"My question to future president" programme

In November, the TI national chapter in Armenia, the Center for Regional Development (CRD/TI), with the support of the British Embassy in Yerevan, initiated a project "My Question to Future President". Part of the project involved a student competition, in which high school students from Armenia's major cities each addressed one question to the future President of Armenia. In total, 411 high school students from 57 schools expressed willingness to participate in the contest. Through a two-stage selection process 21 students were chosen to participate for the first time ever in a series of television programmes with the presidential candidates.

In January, CRD/TI finished shooting the television show on the threshold of the upcoming presidential elections. Six of the nine nominated candidates accepted CRD/TI's invitation to participate in the show. Students' questions covered social, political, human rights, gender, security, environmental and other issues. The programme will be aired during the pre-election campaign from 11-17 February.

Curbing political corruption

Since 2007, the Center for Anti-Corruption Research and Initiative Transparency International Russia, has been implementing its project: Curbing Political Corruption: Monitoring the Use of Public Resources in Electoral Campaigns - Russian Federal Elections - 2007-2008. The main purpose of the project is to contribute to deterring political corruption during electoral periods in Russia with a focus on the abuse of public and state resources for electoral purposes.

The first phase of the project, which commenced in 2007, focused on monitoring the 4 December parliamentary elections. The project team found that significant levels of institutional administrative resources were used in favour of the United Russia party, in addition to the party having a high level of media dominance. There was also a significant number of reported and documented cases of voters being pressurised - especially in the state and municipal institutions, universities, and social services.

In the report, the project team included a number of cases related to the use of budget, which were used to promote ruling and state supported parties, such as the construction of sport centres, renovation of municipal housing and municipal rounds. The project will continue until the presidential elections in March and the complete final report will be published in May.

Michael Wiehen honoured by German government

On 17 December, Michael Wiehen, Individual Member of TI and former chairperson of the TI

Deutschland e.V. board, received the German Federal Cross of Merit on Ribbon (Bundesverdienstkreuz am Bande). Michael Wiehen was honoured for his merits in fighting corruption on a national and international level. He used the opportunity to urge the German parliament to take the necessary steps for ratifying the United Nations Convention against Corruption. Mr Wiehen has worked at the World Bank in Washington D.C. for more than 30 years.

Hungary NIS launch

On 12 December, the TI national chapter in Hungary launched a new National Integrity System (NIS) Country Study for Hungary in Budapest. TI Hungary highlighted that corrupt behaviour is often tolerated in Hungary by both society and the institutional system, and that due to a lack of political will, the corruption situation in Hungary has not improved in recent years. A number of key recommendations to effectively combat corruption were presented at the launch. TI Hungary pushed for urgent legislative amendments to address both a lack of transparency in party financing, as well as irregularities in the public procurement system. In addition, the enforcement of the Freedom of Information Act and the strengthening of law enforcement agencies' work, were seen as essential measures in tackling corruption effectively.

Speakers at the launch event included Miklos Marschall, Regional Director for Europe and Central Asia at TI; Peter Hack, Professor at ELTE University; and Akos Peter Bod, former President of the Central Bank. They addressed a broad group of stakeholders, including key government representatives, ambassadors and other members of civil society. The event received extensive print and TV media coverage. The NIS Hungary Country Report and its summary are available in both Hungarian and English. All documents can be found online on [TI Hungary's website](#), as well as the central [TI NIS Study web page](#).

Breaking the spell on Anti-Corruption Day

To mark Anti-Corruption Day on 9 December, TI national chapters organised events around the world to raise awareness of the many people believing in and fighting for a world free of corruption. This year, many national chapters focused on engaging young people: In Bangladesh, essay and poster competitions as well as national seminars were held as part of a youth education and support programme; in India, 13 schools participated in an organised debate; Papua New Guinea organised a youth democracy camp; the programme "Learning from Children" was released in Sri Lanka. Algeria's national chapter put together a celebration programme, which included youth activities and debates in Kenchela city; in Taiwan, the chapter organised an anti-corruption poster competition, a youth award ceremony for website design, and a university anti-corruption speech contest; a rock concert in Croatia brought together people of all ages. Other examples of events include TI Bangladesh and Lebanon's nation-wide campaigns under the motto "Say No to Corruption". While TI Paraguay, celebrating its 10th anniversary, declared December to be the 'Month of Transparency', and organised a wide range of activities.

This is just a snapshot of the TI chapter activities that took place around Anti-corruption Day in countries all over the world. Many other chapters took this occasion to organise discussions and lectures, and to honour people in their countries bravely fighting corruption.

Peter Eigen wins prestigious German award

Peter Eigen, founder of TI, was honoured with the Gustav-Heinemann Citizen Award 2007. The prestigious annual award is presented to individuals or organisations that, on one's own initiative, have made significant contributions towards a free and just society. In a laudatory speech, former UN Secretary General Kofi Annan summarised Eigen's anti-corruption work and its importance, citing corruption as a basic problem for good governance and sustainable development. Annan also made special mention of the UN Global Compact, a programme designed to engage businesses in addressing social issues. Annan said that Eigen had fought for a tenth principle to address corruption and, as a result, labelled it, "the Peter Principle". The ceremony was held on 17 December at the party headquarters of Germany's social-democratic party (SPD).

Death of anti-corruption fighter and Integrity Award winner Ana Cecilia Magallanes

In December 2007, Dr Ana Cecilia Magallanes Cortez, one of Peru's most respected prosecutors, a dedicated anti-corruption fighter and winner of the 2006 TI Integrity Awards, died after a long illness. Dr Magallanes was the leading force in the prosecution of approximately 1,500 members of a criminal network. Her efforts led to the arrest of -among others- former Peruvian President Alberto Fujimori, army generals, Supreme Court justices, judges and media magnates, and helped initiate the recovery of US \$250 million. Dr Magallanes' courage, iron will and selfless dedication to the anti-corruption and human rights causes left an indelible mark on democracy and justice in Peru. Dr Ana Cecilia Magallanes was and will without a doubt remain a source of inspiration for a new generation of judges and prosecutors in Peru and beyond.

TI television advertisement "The Magician"

In time for Anti-Corruption Day 2007, TI released a new public service announcement. The film "The Magician" raises awareness on corruption and encourages people to question the abuse of power. With the help of a non-profit production agency, TI filmed "The Magician" to raise awareness about corruption and to encourage people to question the abuse of power. The clip shows a fast-talking magician who makes a hundred-dollar bill – "your money" – disappear in a puff of smoke. The money has apparently

disappeared without a trace. But watch again in slow motion and you see where the money really went.

Just as the mystery has been lifted here, TI encourages citizens across the globe to challenge the inevitability and the impenetrability of corruption. Watch "The Magician" in English, Spanish, French, Mandarin, Arabic and Russian here:

- [Transparency_Magician_2007.mov](#) 1.09 MB
- [Transparency_Magician_2007.avi](#) 4.44 MB
- [Transparency_Magician_2007.mp4](#) 2.59 MB

Or on youtube.com at www.youtube.com/watch?v=PBYTh19gi7g

CORRUPTION IN QUOTES

"Vietnam has won every war it has fought ... There is no reason it cannot win the war against corruption"

Le Hien Duc, Transparency International Integrity Award winner 2007, on the fight against corruption in Vietnam.

[The Independent](#); UK; 15 December 2007

"legal nihilism"

Dmitry Medvedev, Russian presidential candidate, describing the state of corruption in Russia.

[The Guardian](#); UK; 23 January 2008.

"I would rather not speculate about that"

Peter Löscher, Siemens CEO, on the likelihood that other countries will impose moratoriums on doing business with Siemens as the Nigerian government has done.

[Spiegel Online](#); International; 12 December 2007

"Corruption is the oil in the machinery that allows these systems to work"

Doris Buddenberg, head of the United Nations Global Initiative to Fight Human Trafficking, acknowledging that human trafficking networks could not function without corruption.

[Channel NewsAsia](#); Asia; 30 January 2008

"The probe has revealed unacceptable indicators of fraud and corruption"

World Bank President Robert B. Zoellick on the World Bank discovery of corruption in health projects it funds in India.

[The Wall Street Journal](#); US; 12 January 2008

MASTHEAD

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