

In the Headlines	2	Recent Reforms	12
Global Initiatives	4	Interview	15
TI Country Work	6	Inside TI	15
Special Report	10	Calendar	16



June 2002



Transparency International's Quarterly Newsletter



FROM THE CHAIRMAN

Prosecutions are vital if the OECD Convention is to deter bribery

Transparency International's new Bribe Payers Index (BPI), published on 14 May, leaves no doubt that multinational corporations from the richest countries, particularly Italy, the United States and Japan, are perceived to be using criminal means to win contracts in emerging markets - and with impunity.

The impact of the BPI 2002 data should not be underestimated. In fact, it immediately led to a response from the Justice Minister of Taiwan that he would introduce legislation to outlaw bribery abroad. Furthermore, the OECD Ministerial meeting in Paris on 15 May made the implementation of the OECD Convention on Combating Bribery of Foreign Public Officials a major focus of its deliberations. This is excellent news, not least because the BPI 2002 revealed that fewer than one in five businesspeople surveyed in 15 leading emerging markets are aware of the Convention three years after it came into force.

OECD member governments should instigate a communications and education programme addressed at the business community, and companies must introduce codes of compliance with the legislation and anti-corruption training programmes for their employees and the staff of their subsidiaries abroad.

The message to OECD countries, including those governments gathering at the G8 Summit in Canada this month, is that it is not enough to pass legislation to outlaw bribery abroad. Despite the Convention, to my knowledge, outside the USA, not a single foreign bribery case has yet been filed, and in many countries there is no indication that investigations are even underway. It is crucial that governments back that legislation up with proper enforcement.

Non-OECD countries should prohibit foreign bribery by their nationals and actively enforce existing laws prohibiting bribery of their own officials. They must also take steps to inform their officials and business community that bribes by companies based in OECD countries are a crime under the laws of OECD countries, and instruct their prosecutors to work with prosecutors in OECD countries when multinational companies pay bribes in their countries.

The responsibility of international companies is clearly highlighted in the new BPI. There is a window of opportunity to introduce a co-ordinated approach against bribery for all exporting countries and companies. This window may start to close if those that support this effort lose confidence in the good faith of their competitors and the feasibility of this common effort.

SPECIAL REPORT

Ethics vs law: an open-and-shut case?

By Professor Charles Sampford

As a former Dean of Law and Director of a large Governance centre bristling with lawyers, criminologists and political scientists, some are surprised that I emphasise the centrality of ethics in designing effective integrity systems and fighting corruption. Ethics seems such a 'soft' tool in dealing with seriously bad people engaged in conduct that can destroy governments, economies and people's lives. We are used to thinking that the key to fighting corruption is a set of strong laws, rigorously enforced by a set of vigilant institutions staffed by untouchables. This leads to puzzlement that a law professor, who daily deals with strong norms backed by a range of institutions and the coercive power of the modern state, should waste his time talking about ethical norms that lack either.

I do not eschew a role for law. I have long argued that dealing with corruption requires a combination of ethical standards setting, legal regulation and institutional reform (what some have called a 'trinity'). Laws unsupported by the values of citizens are very difficult to enforce; ethics without legal support can become

Continued on page 10

Peter Eigen, Chairman, Transparency International

SPECIAL REPORT

Myth: Corruption is a cultural phenomenon

Is gift-giving normal practice in Asia? Is corporate America just plain greedy? TI Vice Chairman **Frank Vogl** explores views from around the world.

See page 11

SURVEY

TIs Bribe Payers Index 2002

The new BPI reveals which countries' firms are perceived to be bribing their way to contracts around the world.

See page 9

INTERVIEW

Zimbabwe's conscience: John Makumbe

The head of TI's Zimbabwean chapter speaks about the challenges facing local NGOs and warns that President Robert Mugabe will not stop until he ruins Zimbabwe.

See page 15

In the Headlines

» A sample of corruption reports from around the world

● AFRICA

• LESOTHO

Corporate bribe-taker jailed

A former senior official in Lesotho found guilty of taking bribes from an international consortium of construction firms has been sentenced to 18 years in prison. Masupha Sole, ex-chief executive of the Lesotho Highlands Development Authority, was convicted last month on 13 counts of bribery linked to the controversial World Bank-financed Lesotho Highlands Water Project. The case threatens to embarrass some of the biggest names in construction engineering. Sir Alexander Gibb and Company, and Balfour Beatty of the UK, ABB, the Swiss-Swedish group, Impregilo of Italy, Acres International of Canada, and Sogreah, Dumez, and Cegelec of France, are under suspicion of paying bribes to Mr Sole. They have denied the charges. But if found guilty they could be barred from World Bank-financed projects. Lesotho's attorney general has already charged the companies or the consortiums with corruption. One trial, of Acres International, is under way and two others are pending.

Financial Times, 21 May 2002;
The Guardian, 21 May 2002;
BBC, 4 June 2002

• NIGERIA

Abachas to return US\$1 billion

The family of Sani Abacha, Nigeria's former dictator, has agreed to return US\$1 billion in funds looted from the country's central bank in return for the dropping of theft and money laundering charges against Abacha's son and one of Abacha's business associates, Swiss authorities announced. The global out-of-court settlement amounts to one of the most successful operations ever mounted to recover assets stripped from a developing world economy by a corrupt leader. But on 18 June the Nigerian senate voted to debate in secret allegations that the government mismanaged finances, including almost US\$100 million of the returned Abacha money. The senate debate centred on a devastating report prepared by the public accounts committee, which scrutinised the country's budgeting and public spending since 1999.

Inter Press Service, 22 April 2002;
Financial Times, 18 April/19 June 2002

● AMERICAS

• CANADA

High-level ethics scandals

Canadian Prime Minister Jean Chrétien, whose government is mired in increasingly serious allegations of sleaze and corruption, abruptly removed two ministers. Defence Minister Art Eggleton was sacked after a newspaper revealed that a former girlfriend had been given a military contract worth US\$ 24,000, and there had been no open tender for the deal. Public Works Minister Don Boudria, who was moved to a less sensitive cabinet post, faced mounting opposition after it emerged he had stayed in a luxury mansion owned by the president of an advertising agency that won government contracts. Chrétien's problems increased dramatically when police launched an official inquiry into how three contracts worth US\$ 1 million had been awarded to a firm which was a major backer of his Liberal party. Struggling to contain the controversy, the prime minister has recently frozen dozens of government contracts, reorganised his cabinet, and issued new rules on political donations and conflicts of interest.

Reuters, 26 May 2002; International Herald Tribune, 31 May 2002

• NICARAGUA

Ex-president Alemán faces corruption charges

On 4 April the Nicaraguan attorney general's office opened investigations into allegations of embezzlement by former president and current speaker of the parliament Arnoldo Alemán. Nicaragua's President Enrique Bolaños has promised to crack down on corruption during his term in office. The embezzlement probe follows the conviction on charges of fraud of his former spokesman, a former television director, and two other top officials of a state television station (Canal 6) and the former Mexican ambassador to Nicaragua. All were found guilty of defrauding Canal 6 of US\$1.5 million.

Bolaños said that the Canal 6 case is only "the tip of the iceberg" of grave corruption committed under Alemán's administration (1997 to January 2002). The Comptroller General recently opened an investigation into the construction of a heliport on Alemán's farm, financed with

state funds. And in late June Nicaraguan newspapers were reporting that Alemán allegedly spent US\$ 1.7 m on jewelry, clothing, hotels and entertainment using a government credit card.

More than 300 civil society groups have organised regular protest marches in support of President Bolaños's anti-corruption initiatives. The civil society organisations are also collecting signatures in an effort to revoke Alemán's parliamentary immunity so that he can be tried for corruption.

The News (Mexico), 4 April 2002; El Nuevo Diario, 5 April 2002; The Christian Science Monitor, 8 May 2002; Business News Americas, 17 May 2002; La Prensa, 27 May and 20 June 2002

• GUATEMALA/JAPAN

Serious doubts over Guatemalan use of Japanese credit

The Japanese embassy in Guatemala said it has doubts as to whether more than a thousand infrastructure projects financed by Japan through a bilateral agreement signed with the Guatemalan government in 1995 have actually been completed. The Japanese credit, worth US\$31 million, was destined to the Guatemalan Social Investment Fund (FIS). According to the local media, major projects such as the construction of several bridges and two drainage systems, which the official FIS reports claimed were completed, never existed. Guatemala's General Accounts Office recently opened an investigation into the matter. The FIS scandal comes at a time when President Alfonso Portillo and four other government officials are being charged with corruption. They are accused of having opened 13 private accounts in Panama, which, according to newspaper reports, were to receive deposits of US\$1.5m monthly from shell companies allegedly controlled by Portillo and others.

Prensa Libre, 13/24 May 2002;
El País, 13 May 2002

• PARAGUAY

Corruption at highest levels

Paraguayan President Luis González Macchi has been formally charged by prosecutors for his alleged participation in the illegal investment of US\$16 million of state funds in high-interest accounts in the US. The case could lead to Macchi's impeachment although he currently ben-

efits from presidential immunity. Ex-president Juan Carlos Wasmosy has been convicted of corruption and sentenced to four years in jail. Wasmosy, who governed the country from 1993 to 1998, was convicted of diverting US\$6m from the government's social welfare institute to a private bank in which he was a secret shareholder.

BBC News, 10 April 2002;
New York Times, 16 April 2002

• USA

Enron top dogs reaped bumper pay

Enron paid its team of 144 senior managers US\$ 744 million in cash and stock in the year leading up to its bankruptcy, the scandal-ridden firm has revealed. That is average pay of more than US\$ 5m for each executive. Kenneth Lay, the firm's former chairman, is estimated to have received more than US\$150m, including his salary, bonus and stock options. The news has infuriated former workers and shareholders who accuse the managers of raiding Enron's coffers at their expense.

BBC, 18 June 2002

● ASIA

• JAPAN

Foreign ministry scandals

Muneo Suzuki, a politician who until recently was a prominent member of Japan's ruling Liberal Democratic Party (LDP), was arrested on 19 June, charged with accepting ¥5m (US\$40,000) in bribes from a lumber company. He had for months swum against a stream of allegations of bid-rigging and meddling in Foreign Ministry affairs. Most of the accusations against Mr Suzuki involve the scandal-ridden foreign ministry, over which he held great sway. In April, Suzuki's political secretary was arrested for allegedly rigging bids for public contracts. Last month, two Foreign Ministry officials close to Mr Suzuki were charged with misappropriating public funds.

The Economist, 22 June 2002

• PAPUA NEW GUINEA

Electoral poll chaos

Just three weeks short of the national poll, the country's electoral funds were indefinitely frozen due to a widespread corruption crisis. In the early days of voting, the general election was in such disarray that even the Prime Minister was denied a vote, allegedly due to missing

ballot papers. The election has been marred by violence, stolen ballot boxes, multiple voting and incomplete electoral rolls since voting started on 15 June.

The Australian, 23 May 2002;

CNN, 17 June 2002;

The New Zealand Herald, 25 June 2002

• VIETNAM

Newspapers ordered to limit coverage of corruption

Communist Vietnam's top ideology official ordered the state-controlled media on 20 June to limit their coverage of a widening corruption scandal, possibly ending a rare episode of relative press freedom. Several newspapers have reported aggressively for months on the scandal, involving an underworld gang that allegedly bribed dozens of police and senior officials in exchange for protection. At least 93 people, including seven police officers, two prosecutors and a journalist, have been arrested for suspected links to the gang, led by Truong Van Cam. More than 30 policemen have been suspended or fired for allegedly accepting payoffs from the group.

Associated Press, 20 June 2002

● EUROPE

• SPAIN

Secret accounts scandal at BBVA

The discovery of US\$200 million of undeclared funds of Banco Bilbao Vizcaya Argentaria (BBVA) in Liechtenstein, Switzerland and the Isle of Jersey has become Spain's biggest financial scandal in a decade. Judge Baltasar Garzón is investigating offshore, off-the-books slush funds controlled by Spain's second-largest bank and its pre-merger precursor banks.

Investigations have unearthed evidence that chief executives had been funneling profits into offshore tax havens since the late 1980s to fatten directors' pensions and allegedly grease the palms of Latin American politicians in exchange for control of national banks. According to reports, the money may have gone to leaders such as Venezuela's Hugo Chávez, Peru's Alberto Fujimori and Vladimiro Montesinos. The bank's board members received fat, tax-free "pensions" from the illegal accounts opened in 1987 - a total of more than US\$20m. More than 25 current and former board members are embroiled in criminal proceedings.

EFE, 19 June 2002; CNN, 1 June 2002, 26 April 2002; UPI, 23 April 2002

• GERMANY

Dirty politics

Two former officials in Germany's Social

Democratic party and a garbage dump operator were arrested recently in a Cologne corruption case that has festered in the midst of Chancellor Gerhard Schröder's re-election campaign. State prosecutors ordered the arrests in connection with an alleged bribe worth DM21.6 million (US\$ 11m) surrounding the construction of a garbage incinerator in the 1990s.

Associated Press, 13 June 2002

• KAZAKHSTAN

President denies misuse of fund

Kazakhstan's President Nursultan Nazarbayev has rejected accusations that his government misused a secret US\$ 1 billion foreign reserve fund set up six years ago and only recently revealed to the public. Mr Nazarbayev said that he saw nothing wrong in the creation of the fund and that no money had gone missing. Kazakhstan's Prime Minister told parliament in April that the government had secreted abroad some US\$1bn in profits from the sale of 20 per cent of the gigantic Tengiz onshore oil field to the US company Chevron in 1996. The admission came as a shock to many observers, and raised questions about Kazakhstan's ability to manage its oil wealth honestly, on the eve of an anticipated boom in investment. The money from the Tengiz sale was deposited in a Swiss account and used to pay off pension arrears in 1997 and to stabilise the national currency in 1998. Since the revelation, the political climate in the country has taken a turn for the worse.

Financial Times, 16 April 2002;
International Herald Tribune, 11 June

● MIDDLE EAST

• SYRIA

Calls to fight corruption

Citing the recent collapse of a dam in northern Syria that killed 22 people and left thousands homeless, a pro-democracy group has called for the introduction of a reform programme to combat what it called rampant corruption in Syria. The group, the Committees for Reviving the Civil Society, said in a statement that the collapse of the Zayzoun dam was possibly the tragic result of corruption.

Associated Press, 10 June 2002

For the latest global corruption headlines, see TI's Daily Corruption News:

www.transparency.org

Global Initiatives

» An overview of work by international organisations

UNITED NATIONS

Negotiations resume in Vienna on a UN anti-corruption treaty

The second session of the Ad Hoc Committee for the Negotiation of a UN Convention against Corruption on 17-28 June is expected to finish the first reading of the draft text of the Convention. During its deliberations, the Committee will examine the issues of sanctions, confiscation, international co-operation, asset recovery, technical assistance, preventing the transfer of funds of illicit origin, and monitoring of the Convention. The Committee will also discuss other aspects of corruption, including protection for whistleblowers and victims, compensation for damages, extradition, mutual legal assistance and bank secrecy. A one-day technical workshop on asset recovery will also take place.

At its first session earlier this year, the Committee made good progress on the first reading of the draft convention, covering issues such as whether the convention would contain a standard definition of "public official", or leave it to national law, how to define corruption, and whether the new pact would cover private-sector corruption. TI has submitted a set of proposals to the UN Committee. These include: strengthening the preamble from a civil society viewpoint; extending the definition of 'public official' to include officials and officeholders of political parties; and ensuring a solid monitoring mechanism. A copy of TI's recommendations can be requested from press@transparency.org.

TI; UN News Service, 17 June 2002

TI AND UN-HABITAT

Working together to improve local government

Co-operation between TI and the United Nations Human Settlements Programme (UN-Habitat), based in Nairobi, continues to grow following the signing of an agreement last year in Bremen between TI Chairman Peter Eigen and Anna Kajumulo Tibaijuka, Executive Director of UN-Habitat. The two organisations agreed to co-operate to foster greater transparency and accountability at the local government level, and TI became a member of the Steering Committee for the Global Campaign on Urban Governance. TI adviser Michael Lippe attended the fifth meeting of this Steering Committee in Nairobi at

the end of April, as well as the World Urban Forum (WUF), an advisory body intended to support governments and other partners in implementing the Habitat Agenda. The Steering Committee heard reports on the launching of the first two national campaigns in India and Nigeria, where TI Nigeria is involved. It is expected that the next two launches will be in the Philippines and Burkina Faso later this year. Meanwhile, TI is contributing to the development of a Toolkit to improve transparency in local government, due to be published by UN-Habitat in late 2002.

UNITED NATIONS

Global Compact reaches initial agreement on transparency

A UN Global Compact Dialogue meeting was held at the UN Headquarters in New York in April to review the role of the private sector in zones of conflict. The Working Group on Transparency, in which TI was represented by Miguel Schloss, made recommendations on transparency and accountability directed at each of the major stakeholders: civil society, governments, multilateral agencies, and multinational corporations. For more information please visit:

<http://www.unglobalcompact.org/un/gc/unweb.nsf/content/reportapril2002.htm>.

In a letter to TI Chairman Peter Eigen dated 30 May, UN Secretary-General Kofi Annan writes that he is "open to critical analysis and thought on ways in which the Global Compact can be strengthened". Mr Annan notes that, in an effort to help promote dialogue on transparency, he will publish a recent paper on the issue written by TI on the Global Compact website.

NEPAD

Revival plan for Africa

The New Partnership for Africa's Development (NEPAD) is an ambitious new revival plan, aimed at bringing in massive investment to Africa from richer countries, in return for democracy and good governance. The initiative was endorsed by the Organisation of African Unity summit of Heads of State and Government in Lusaka, Zambia, on 11 July 2001. The key new element in NEPAD is reciprocity: Africa commits itself to political and economic reforms, monitored by its own institutions, and the G8 states agree to open their markets, boost aid and encourage private inv-

estment in Africa.

Africa Confidential, 22 February 2002

OECD

TI urges OECD and governments to heed Convention

In a letter to Donald Johnston, Secretary General of the OECD, dated 10 May, TI called on the OECD and member states to take the OECD Anti-Bribery Convention more seriously with respect to prosecutions, awareness-raising, monitoring and channelling complaints.

In his response to TI, Donald Johnston promised to bring TI's message to the table at a meeting of the OECD's Working Group on Bribery in June. In his letter, Mr Johnston concedes that "there has been no meaningful increase in prosecutions as a result of the Convention", as implementation within national laws is still relatively recent. Agreeing that "resources are needed to support or accelerate the monitoring process under Phase 2", Mr Johnston reports that the political will now appears to be there, as evidenced by the recent OECD Ministerial meeting (see box).

OECD Ministerial Communiqué

Ministers from OECD countries met in Paris on 15-16 May to review the outlook for the world economy and policy challenges relating to trade, governance, development and the environment. In the final communiqué a great emphasis was placed on transparency, accountability and anti-corruption. Member states were urged to rigorously enforce the OECD Anti-Bribery Convention (Brazil, Chile and Turkey have not yet enacted the implementing legislation), and to take adequate measures to ensure the efficiency of the peer monitoring process. Corporate governance was another important item on the Ministerial agenda and there was also a call for the promotion of the OECD Guidelines for Multinational Enterprises, including in the areas of transparency and anti-corruption. The final communiqué and other information is available at: www1.oecd.org/subject/mcm/2002/press-releases.htm

OECD**Consultation on private sector bribery**

TI, represented by Board member Fritz Heimann, took part in an informal consultation on private-sector bribery organised by the OECD Working Group on Bribery in International Business Transactions on 23 April, along with representatives of the private sector, trade unions and civil society. On this occasion, the International Chamber of Commerce presented the results and recommendations of its study on private-to-private bribery, which served as a basis for discussing the possibility of broadening the scope of the fight against bribery to the private sector. The recommendations included a proposal that a joint consultation group be set up to develop action plans for the private sector, the OECD and national governments.

OAS**TI urges OAS member states to speed up review of Convention**

TI appealed to members of the Organization of American States (OAS) meeting in June at the OAS General Assembly in Bridgetown, Barbados, to accelerate progress in the fight against corruption in the Americas. At the Third Summit of the Americas in Quebec in April 2001, heads of state recognised that "corruption undermines core democratic values, and challenges political stability and economic growth". Yet, six years after the Inter-American Convention against Corruption was adopted, several states, including Brazil, have still not ratified it, and a follow-up process to evaluate implementation is only now getting underway. Moreover, at the current pace of reviewing the implementation of the Convention, many more years will pass before even one review of the key commitments is completed.

In a letter to the OAS Secretary General, César Gaviria, dated 17 May, TI expressed concern that this slow pace threatens to "undermine support for the Convention and the credibility of the follow-up process". TI urges member states to:

- Accelerate the timetable for the first round of evaluations to bring the deadline for completion forward to 31 December 2003 instead of late 2004. Complete a review of countries' progress on all key commitments for a report to the next Summit of the Americas currently anticipated in 2005.

- Show the necessary political will and, together with multilateral financial institutions, provide the resources that are urgently needed for an effective and timely evaluation process.

TI national chapters across the Americas have supported a regional anti-corruption effort since the 1994 Summit of the Americas and have supported OAS efforts to promote implementation and enforcement of the Convention. For more information about the convention, please see www.oas.org.

COMMISSION ON FINANCE FOR WATER INFRASTRUCTURE**TI in action in water financing group**

TI has been participating in a new "Commission on Finance for Water Infrastructure" headed by former International Monetary Fund Managing Director Michel Camdessus. The commission has been addressing how to mobilise more finance for water investments. In February TI Chairman Peter Eigen and TI-S Managing Director Hansjörg Elshorst attended a meeting in Paris where discussions indicated that public money still plays a predominant role and that while more private money should be mobilised, it cannot cure the sector's current financial problems. TI's input into the group may include adaptation of the concepts of the Integrity System and Integrity Pact.

COUNCIL OF EUROPE**Entry into force of the Criminal Law Convention**

The Council of Europe Criminal Law Convention has already been ratified by more than 14 states and will officially enter into force on 1 July 2002. The most recent ratifications came from Lithuania (8 March 2002) the Netherlands (11 April 2002), and Portugal (7 May 2002). Besides these three countries, the Convention will enter into force in Albania, Bosnia and Herzegovina, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Hungary, Latvia, Macedonia, Slovakia, Slovenia and Turkey. The Civil Law Convention has not yet received the 14 necessary ratifications for entry into force. For more information about the Council of Europe Conventions, see www.conventions.coe.int.

COUNCIL OF EUROPE**GRECO review of USA**

The Council of Europe Group of States against Corruption (GRECO) conducted an evaluation visit to the United States in June. TI-USA took part in the process. The GRECO evaluations are led by ad hoc teams of experts who assess the country's anti-corruption measures. The current round of evaluations is based on a questionnaire on the global legal framework in

countries reviewed and on the functioning of the bodies and institutions in charge of the fight against corruption. It is the fifth time a TI chapter has been asked to take part in a GRECO review: TI-UK, TI Germany, TI Slovenia and TI Croatia also played a role in the evaluation visits in their respective countries. GRECO country evaluation reports, as they become available, are posted at: www.greco.coe.int.

TI chapters active in OECD on-site monitoring visits

A team from the OECD Working Group on Bribery conducted a Phase II on-site visit to the United States on 11-15 March, during which TI USA played an active role. The US chapter successfully established a high standard for private-sector participation in future reviews, and emphasised the importance of corporate compliance programmes and stronger accounting and auditing programmes. A report on the review in the US is available on the chapter's website at www.transparency-usa.org. The OECD review team presented its report on the US to the OECD Working Group at its review of the US in June.

After Finland and the US, it was Germany's turn in early June to receive an OECD team for an intensive five-day on-site visit. Again TI made an active contribution. The TI team was led by Michael Wiehen, member of the Board of TI and TI Germany, and TI's presentation (available at www.transparency.de) contained numerous specific recommendations to the government and industry. These included: the need for a federal-level Freedom-of-Information law and generally more transparency of government activities; a centralised nation-wide blacklist of corrupt companies in order to exclude them from public contracts; the appointment of ombudsmen and corruption specialists in federal, state and municipal government; more human and financial resources and more independence for prosecutors; the introduction of the concept of criminal liability for companies; encouragement and safeguards for whistleblowers; several improvements in the accounting and auditing laws and regulations.

TI Germany would be happy to share its experience with other TI chapters preparing for OECD visits in their countries.

TI Country Work

» An A to Z of recent TI chapter activities around the globe

It is widely believed that billions of dollars have been illegally and corruptly appropriated from African nations since the majority became independent in the 1960s and 1970s. At the second TI **ALL-AFRICA**



MEETING in Accra in April 2002, 28 African national chapters agreed to spearhead an international campaign for the tracing, recovery and repatriation of Africa's stolen wealth and the formation of a global coalition of individuals, non-governmental organisations, and community-based organisations to pursue this end. This follows the signing of the Nyanga Declaration on asset recovery by TI African chapters in March 2001. In Accra, African chapters of TI also adopted an action plan on their involvement in regional anti-corruption protocols, conventions and treaties. For more information or a copy of the action plans, please contact Chantal Uwimana at TI-S: cuwimana@transparency.org.

The **BAHRAIN TRANSPARENCY SOCIETY (BTS)**, a recently registered TI contact, carried out its first major activity. The BTS held a seminar with participants from nearly 40 associations and non-governmental organisations with the goal of working out a detailed strategic plan on how to combat corruption in the public sector. This report will be presented to the Administrative and Financial Control of the Public Sector Committee (an *ad hoc* body responsible for recommending methods to improve efficiency in the public sector). BTS is now planning a workshop on election monitoring, organised jointly with the National Democratic Institute (USA).

In May Dieter Frisch of **TI BRUSSELS** addressed a public session of the Committee on Development and Co-operation of the European Parliament on aspects of capacity building in public management. He discussed how corruption is a major obstacle

to development, and argued for higher 'good governance' standards for aid allocation, following the Cotonou model of eradicating poverty in ways that promote sustainable development and the integration of development countries into the world economy. He also insisted on the need to blacklist bribing companies. A follow-up session is planned. For more details, please write to the chapter at: ti.brussels@skynet.be

The first ever international anti-corruption conference was held in Beijing, **CHINA** in April. The conference – entitled "Economic Reform and Good Governance: Fighting Corruption in Transition Economies" – was



aimed at introducing international experiences and instruments in fighting corruption to China. The conference was jointly sponsored by the Graduate School of Public Policy & Management of Qinghua University (TI's contact in Beijing), the Carnegie Endowment for International Peace, the World Bank, and the International Centre for Private Enterprises. The conference was attended by more than 150 participants from across China, including government officials, judges, prosecutors, academics, and representatives of state-owned co-operatives. Debate centred on whether or not decentralisation increases corruption and especially on how to prevent or reduce incentives for corruption. Many participants, including Deputy Chief Justice Liu Jiachen, emphasised the need for broader and deeper international cooperation in the fight against corruption. The *TI Source Book*, newly translated into Chinese by Qinghua University, was launched at the conference (see p.8). The conference was broadcast on the internet by Prosecution Web with 1.7 million visits in two days and was well covered by the media.

A Memorandum of Understanding was signed on 2 April between **TRANSPARENCIA POR COLOMBIA**, the Colombian national chapter of TI, and Colombia's Deputy Comptroller General. The agreement allows for Transparencia por Colombia to gain access to information on the System of Information for the Vigilance on State Contracting (SICE in Spanish).

SICE provides for the sharing of all relevant information about the prices of goods and services acquired by the state in carrying out its duties. The monitoring by Transparencia por Colombia seeks to:

- facilitate the dissemination, knowledge, understanding and training of citizens with regard to the SICE;
- support the formation of an organised, informed and active citizenry in the fight against corruption, and contribute to a culture of respect and collective protection of the public.

TI chapters on their feet in the Americas

TRANSPARENCIA BRASIL supported a recent anti-corruption protest march in the State of Piauí organised by Arimatéia Dantas, a lawyer in the state. The march began in the city of Picos in April and crossed 306 kilometres to reach Teresina, the capital of Piauí, on 1 May. Along the way, presentations and seminars about citizenship and the importance of civic control mechanisms were held in many towns by a local NGO. Another objective of the march was to demand that mayors respect the constitution, which requires municipal accounts to be transparent.

More than 1,500 people in Panama held hands in a Human Chain Against Corruption in March, in an initiative promoted by the Citizens Anti-Corruption Movement. The movement, created in January, is being led by **TI PANAMA** and other NGOs. The main purpose of the event was to protest against the recent corruption scandals in the government and to support an investigation that has stripped 71 congressmen of their immunity from prosecution. The event received wide coverage in the national media and, according to reports, even reverberated inside the government.

A first ever coalition for transparency is forming in **CAMBODIA**. The Centre for Social Development (CSD), TI's contact in the country, initiated a series of workshops in March with representatives from all sectors of Cambodian society, which led to a national workshop in May, where participants agreed to set up the coalition. This coalition will be the foundation for future work on building an anti-corruption programme and policies in Cambodia. The May workshop resulted in agreement on recommendations for effective anti-corruption legislation based on drafts presented by both the National Assembly and Government. The initiative to create a coalition for transparency has its roots in an international conference organised last year by CSD and the Asian Development Bank with the support of TI and the Partnership for Transparency Fund.

A conflict-of-interest draft law, currently under discussion in the Croatian Parliament, was co-authored by **TI CROATIA**'s newly elected president, Prof. Sinisa Petrovic, and TI Croatia Board Member (and former chapter head) Prof. Josip Kregar. The legislation regulates conflicts of interest for the highest state officials in Croatia. The political will to pass the bill is still lacking, says the chapter. While the government, including the Minister of Justice, backs the bill, some political parties in parliament oppose it. The bill provides for the establishment of a special commission

for the resolution of conflicts of interest composed of members elected by the Croatian Parliament. The draft law also provides for sanctions, including fines and the threat of public disclosure of known conflicts.

A new state sub-chapter of **TI INDIA** was recently launched in Chennai, the capital of the state of Tamil Nadu. The former Secretary to the Government of India, Mr Louis Menezes, is the convenor of the new chapter.

In March, **TI JORDAN** organised Part II of the conference "Towards Transparency in Jordan" in Amman. The first such event was held in May 2000 to much acclaim. The conference dealt with a variety of themes, including freedom of the press, the government's economic reform programme, the Aqaba Special Economic Area, and voting and elections. TI Jordan took the opportunity to launch two new publications: the Arabic translation of the *TI Source Book*; and their new study on influence trafficking in Jordan, *Wasta – The Declared Secret*, available in English and Arabic.

A new **TI LATVIA** study has found that the country's legislation on party financing is riddled with shortcomings. The findings, released on 17 April, are based on research on party financing and spending conducted by Delna (TI Latvia) and the Soros

Foundation Latvia ahead of last year's local elections. The chapter has proposed several amendments to legislation designed to secure access for voters to full information about party financing before elections.

BNS news agency via BBC Monitoring Service, 18 April 2002



Cutting through the red tape: The Lebanese Transparency Association, a TI chapter-in-formation, released a booklet outlining the steps to follow in securing a building permit. The building booklet is an attempt to steer citizens safely through the bureaucracy that causes potential builders to either bribe officials or hire a middleman to get a permit or license approved.

New surveys

Surveys are diagnostic tools that lay the groundwork for national strategies and action plans to combat corruption. Three new surveys have been conducted by TI chapters in Madagascar, Morocco, and Senegal, following a similar model.

Senegal

In mid-May, Forum Civil, the TI national chapter in Senegal, published the results of a household and private sector survey, which were conducted by the polling company Orgatech in spring 2001. The conclusions drawn from the results, based on polling 1,227 individuals and 369 companies, generally confirmed already known corruption trends in Senegal:

- Close to 90% of the sample survey acknowledged that corruption is widespread in Senegal.
- Those surveyed declared that corruption has a high cost both for Senegalese businesses and for society in general. In total, 40% of company executives consider bribery necessary to obtain a public contract. A majority of those polled believe that vote-buying is a common practice in Senegal and that access to certain public services is often conditional upon secret "grease payments".

Overall, the survey results indicate a very disturbing state of corruption in Senegal. The findings drew a sharp reaction from the Senegalese government. For more information about Forum Civil's stand-off with the government and the full survey results, please see: www.forumcivil.sn.

Morocco

Transparency Maroc and the TI Secretariat published three surveys in April, including a household survey (sample of 1,000 individuals), a private sector survey (400 companies) and a qualitative survey on the integrity system conducted through focus group discussions. (The latter followed the methodology used in TI's National Integrity Country Studies.) The results indicate that companies see corruption as the second biggest obstacle to the development of the private sector in Morocco (94%), after the level of taxation (cited by 96%). Households consider corruption to be one of the country's worst problems (87%) after unemployment (98%), the cost of living (92%) and waste management. On a positive note: The surveys found that 79% of those polled thought it was possible to fight corruption, while only 21% thought it was not possible.

Madagascar

Transparency International Initiative Madagascar (TI's national chapter-in-formation) has also just completed a set of surveys. The main results include:

- In total, 65% of those surveyed said that corruption has increased in the country in the past 5 years, and 75% said the same of grand corruption.
- Personal gain was considered to be the main motive for corruption, followed by low salaries (74%) and lack of sanctions (74%)
- Tolerance of corruption was found to be greater among households than among businesses
- The sectors found to be most prone to corruption are the traffic police, judiciary and civil service.

In **Madagascar** the TI national chapter-information, **TI INITIATIVE MADAGASCAR**, has expressed concerns over the current political crisis and has called for international support of the Dakar agreement signed on 18 April. The agreement was signed between the two candidates of the controversial presidential elections of December 2001, namely Marc Ravalomanana and former President Didier Ratsiraka, under the auspices of the OAU and the UN. The Dakar agreement clearly stated that a recount of the votes should take place to determine the winner of that election. According to this recount (as published by the High Constitutional Court of the country), Ravalomanana obtained 51.46% of the votes and Ratsiraka 35.90%. The transparency of the recount was endorsed by a group of international observers. But, surprisingly enough, the OAU, which claimed

to represent the international community, has now proposed unwritten clauses that were mentioned nowhere in the agreement. TI Initiative Madagascar is very concerned by the fact that unwritten agreements are proposed to override the transparent official text. Meanwhile the situation on the ground is dramatic. The country's economy is slowly collapsing due in part to the freezing of the Central Bank assets in foreign countries and partly to the economic sabotage undertaken by the supporters of former President Ratsiraka. TI Initiative Madagascar and Transparency International thus call for the respect of the original written agreement.

*TI Initiative Madagascar
press release, 4 May 2002*

TRANSPARENCIA MEXICANA has just concluded monitoring the privatisation of

state-owned health and life insurance company Aseguradora Hidalgo. The civil society monitoring was done through the use of an Integrity Pact (IP). This privatisation was particularly important, and keenly observed, as it was the first of the administration of President Vicente Fox. **Transparencia Mexicana** has monitored the process for the past six months and provided a "social witness" who participated as an observer in all aspects of the privatisation process. Built into the IP was a pledge whereby the bidders affirmed that they were familiar with the content and implications of the OECD Anti-Bribery Convention. The process has now been concluded and the contract with the winning bidder will be signed in June. More information can be found on the web site of **Transparencia Mexicana**: <http://www.transparenciamexicana.org.mx>

TI Source Book: New versions available

The National Integrity Source Book, TI's pioneering work on confronting corruption, has been published in more than 20 languages. Recent translations and adaptations include:

Arabic

An Arabic translation of the *TI Source Book* was recently completed by TI Jordan. This version will form the basis of future *Source Book* adaptation work by TI Arab World chapters. For more information, please contact TI Jordan at saeda@nol.com.jo.

Brazilian adaptation

Transparencia Brasil, TI's Brazilian national chapter, recently published *Caminhos da transparência* ("Roads to Transparency"), a translation and adaptation of the *TI Source Book* to the Brazilian context. The adaptation was co-ordinated by the chapter under the direction of Board Member Bruno Wilhem Speck and involved a broad range of stakeholders such as lawyers, journalists, academics and public sector specialists from four cities across Brazil. The process of adaptation thus provided not only a diagnostic tool, but also served as a channel for mobilising a variety of specialists and partners. *Caminhos da transparência* is available on the chapter's website (www.transparencia.org.br) and in print version. To order a copy, please contact Cláudio Weber Abramo, Executive Secretary of **Transparencia Brasil** (cwabramo@uol.com.br).

Chinese

Under the supervision of Professor Hu Angang, TI's contact in China, the Anti-Corruption Centre of the Graduate School of Public Policy & Management of Qinghua University in Beijing, recently published a Chinese language translation of the *TI Source Book*. The translation will in future be available on the TI website.

Romanian

TI Romania recently launched a Romanian translation of the *TI Source Book* (1999 edition). The *Source Book* has already served as a basis for the drafting of Romania's Anti-Corruption Strategy and Implementation Plan (2000-1) and in 2002, prior to its translation into Romanian, the book served as a reference for the "White Book on Corruption", due to be elaborated in anticipation of Romania's accession to NATO. The translated text will be posted on TI Romania's website: www.transparency.org.ro. In the meantime, a limited number of copies of the translation are available free of charge at the chapters office. Contact: Cristina Sejdini. Tel/fax: (+401) 659-3371. E-mail: transparency@rol.ro or transparency@go.ro.

Francophone Africa adaptation

On 8 July, TI will publish the Francophone African adaptation of the *Source Book* at a press conference in Cotonou, Benin. The book, entitled *Combattre la corruption, enjeux et perspectives*, is an adaptation to the legal, economic and political context of Francophone Africa and is the result of a two-year process involving some 100 participants.

A **TI NEPAL** team led by chapter president Devendra Raj Panday recently visited two cities, Birgunj and Janakpur, in southern Nepal. The team encouraged people to form a "support group" at the local level to raise awareness about transparency among people at the grassroots. Support groups are thought to be an effective instrument for civic education and for monitoring the compliance of local government institutions with high integrity and accountability standards. TI Nepal has noted a proliferation of "support groups" in these two cities.

The **ANTI-CORRUPTION ASSOCIATION OF NIGER**, TI's contact in the country, recently wrote a letter to the Supreme Constitutional Court to require that all members of the government make a declaration of assets, as required under the constitution. This Association also reports that a commission on public procurement has just been created by the government to revise procurement legislation. The group's Mariama Cissé is involved in this commission. Meanwhile, the Association organised a successful national anti-corruption workshop in March in Niamey. The workshop resulted in the adoption of eight recommendations to government, parliamentarians, religious leaders and civil society including that Niger adhere to conventions and legal requirements on the repatriation of laundered or diverted money to the people of Niger. For a copy of the conference papers, please contact Mrs Aissata Fall Bagnan, at aissata_fall@caramail.com.

Despite the violence that is gravely affecting their activities, AMAN, TI's **PALESTINIAN** national contact, will try to establish itself as an independent local observer for the elections which are expected in the coming year. If the elections are indeed to be held (the on-going occupation of the



Mission possible: greater accountability in Pakistan

Pakistan has fared poorly in Transparency International's annual Corruption Perceptions Index (CPI). In a welcome step to broaden its efforts to combat corruption, the Government of Pakistan recently invited TI to visit the country to assess the status of its anti-corruption activities and to make recommendations for action.

*By **Gopakumar Krishnan** and **Michael Wiehen***

A small TI mission descended on Pakistan in April comprising Margit van Ham, TI Secretariat Executive Director, Shaukat Omari, Managing Director of TI Pakistan, and Michael Wiehen, Member of the Board of TI and TI Germany. The team visited Islamabad and Lahore and met with senior officials, representatives of the business and legal communities, the media, donor organisations, and several NGOs.

The TI mission acknowledged that the present government has sent very clear signals that it is determined to fight corruption. Positive steps include: increasing the powers of the National Accountability Bureau, beginning the process of devolution and decentralisation of government, the announcement of an "access to justice" programme, the start of a civil service reform programme, including the publication of the Removal from Civil Service Ordinance, the deregulation process including the abolishment of many price controls, and the separation of the accounting functions from the Office of the Auditor General. Finally, the government has contracted the services of a consultant to develop a comprehensive National Anti-Corruption Strategy.

But more needs to be done. TI identified a set of critical building

blocks that need to be firmly set in place to strengthen and sustain the reform measures. These recommendations were presented at a meeting of the Pakistan Development Forum in Paris in April, where the Pakistani government met with its international development partners under the auspices of the World Bank. TI recommended, first and foremost, the enactment of a bold Freedom of Information law, accompanied by an equally bold pro-active information policy under which most government activities are made public at an early stage, so that citizens can contribute to the development of policies and exercise their control function. Secondly, a broad civil service reform package should be designed. This should address wage revisions, a clear code of conduct for civil servants, clear rules on conflict of interest and nepotism, a significant reduction of discretionary powers, systematic monitoring and enforcement of rules, promotions on merit, a serious "assets disclosure" programme, removal of corrupt officials, an easy complaints mechanism (for both civil servants and the general public) and a whistleblower protection programme. Part of this drive should be a further strengthening of the powers and capacity of oversight institutions such as the Auditor General, the ad hoc Public Accounts Committee and the Ombudsman's Office, and the assurance of an independent, impartial and well-trained judiciary.

TI made a strong appeal to the donor community to make sure that their own assistance procedures do not facilitate or allow corruptive practices, and also to ensure that their companies doing business in Pakistan strictly adhere to the OECD Convention on Combating Bribery of Foreign Public Officials.



territories and internal political disorganisation undermine the chances), the monitoring task will present a formidable challenge for AMAN. Like many other NGOs in Palestine, its work has been seriously disrupted by the ongoing violence. Re-establishing communication and movement between their branches in Gaza and the West Bank is a vital priority. (AMAN is a coalition of six organisations, four in the West Bank and two in Gaza.) The chapter has already run a successful television programme on making the General Budget participatory for the public, and three planned instalments are on hold due to damage at local TV and radio stations. The chapter organised its first national anti-corruption conference in June where it launched AMAN's National Action Plan.

TI POLAND is increasingly gaining visibility. Chapter chairperson Julia Pitera was recently invited by the World Bank to join an Expert Group on the Bank's Assistance Strategy for Poland and the Baltic States for 2002-2005. At the national level, TI Poland was invited to be a member of a new anti-corruption body hosted by the Ministry of Interior. The group has already played an important role in the adoption of access-to-information legislation, which was passed by the Lower House of Parliament on 6 September 2001. The chapter is now planning to monitor implementation of the new law and training

journalists, NGOs, and municipal officials in its provisions. In recognition of its anti-corruption efforts, TI Poland was recently awarded a prize called the "Golden Paragraph" by the Polish daily legal publication *Gazeta Prawna*.

TI TRINIDAD & TOBAGO has long been leading calls for a commission of inquiry into the construction of a new airport terminal. The chapter's early warning signals proved right after six people, including a former Finance Minister and former Security Minister, were charged with corruption and money laundering in March. The charges stem from contracts awarded in the US\$225 million airport project, and followed investigations by the anti-corruption unit of the local police and a Canadian forensic auditor (*Financial Times*, 26 March 2002). The chapter reports that the new government has finally put in place a commission of inquiry into the airport project.

Taiwan mulls making bribing foreign officials a punishable offence

Asia Pulse, 16 May 2002, on the response of Taiwan's Justice Minister to the launch of the Bribe Payers Index 2002 on 15 May 2002.

TIs Bribe Payers Index 2002

835 business experts in 15 leading emerging market countries were asked: In the business sectors with which you are most familiar, please indicate how likely companies from the following countries are to pay or offer bribes to win or retain business in this country? A perfect score, indicating zero perceived propensity to pay bribes, is 10.0.

1	Australia	8.5
2	Sweden	8.4
	Switzerland	8.4
4	Austria	8.2
5	Canada	8.1
6	Belgium	7.8
	Netherlands	7.8
8	UK	6.9
9	Germany	6.3
	Singapore	6.3
11	Spain	5.8
12	France	5.5
13	Japan	5.3
	United States	5.3
15	Hong Kong	4.3
	Malaysia	4.3
17	Italy	4.1
18	South Korea	3.9
19	Taiwan	3.8
20	China	3.5
21	Russia	3.2
	Domestic companies	1.9

Ethics vs law: an open-and-shut case?

By Professor Charles Sampford

Continued from page 1

a 'knave's charter'; and even strong combinations of legal and ethical norms can be undermined by organisations that generate temptations and dilemmas for their staff. In this 'trinity', the role of laws is critical – as a last line of defence to catch and sanction behaviour that has fallen below the socially tolerable minimum. However, last lines of defence should be seen as that – a back up to the main game which lies elsewhere.

Few see ethics and values as at the heart of that main game. However, its centrality can be understood by considering the most perfect – and pointless – anti-corruption system imaginable. If corruption is, as TI has conceived it, the abuse of entrusted power

"Few see ethics and values as at the heart of the main game."

for private gain, the elimination of corruption is simple: do not entrust power to anyone. Abolish government entirely; abolish corporations; abolish all of the institutions in which power is concentrated in, and entrusted to, public and corporate institutions. While there are some anarchists of the left and right who believe in abolishing public institutions and or corporations, they are fortunately in limited supply and even more limited influence.

The reason why we immediately reject this 'simple' solution is that there are reasons for concentrating power in, and entrusting power to, institutions. Those reasons are furnished by the positive benefits to the community that they can and, in some measure, generally do, achieve for the communities in which they are formed and operate. These provide a justification for the concentration of power and resources into the hands of the leaders of those institutions. This justification, in the form of the benefits

that the public agencies and the institution of joint stock companies are supposed to bring to the public, provides the basis for the setting of ethical standards for members of such institutions, the abuses that call for legal remedy, and a basis for criticising or commending institutional reform.

Laws are necessary to deter those who seek to abuse such power: but it is ethics that set out the justified uses of that power and the institutional and individual behaviour that are most likely to assist public and corporate institutions to further the values that justify their continued existence.

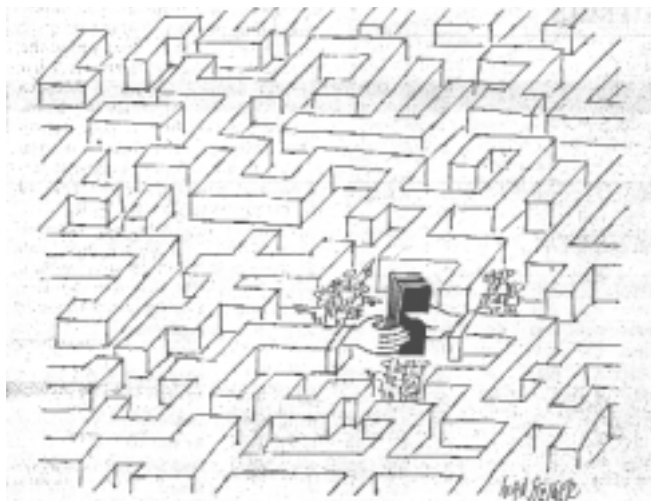
Not everyone will reach the highest standards of individual behaviour: by definition, only one person can ever achieve the 'highest standards'. Individual behaviour falls into a 'normative continuum' from the highest standards, through good work, sub-par work, misconduct and criminality. The goal of the 'trinity' is to raise as many individual officials as far up the normative continuum as possible, especially through the use of financial and reputational rewards.

Thus, in a well-ordered institution, most members will strive for the highest standards of the institution and this focus will keep individuals so far from the sanctionable minimum that there will be very few breaches, even by those who fall below the average. This removes pressure from the law to catch those who fall below the line. However, that limited corrupt behaviour will be easier to detect for two reasons. First, individuals engaging in such behaviour will be more easily visible and more readily subject to peer condemnation because they will be more obviously out of the mainstream. Secondly, the more limited number of breaches means that the resources of regulatory and disciplinary agencies can be concentrated on a small number of more isolated miscreants.

Thus, with ethics leading a push for higher standards, law and watchdog bodies can play a lesser, but more effective role.

ABOUT THE AUTHOR

Charles Sampford



Professor Charles Sampford is Foundation Professor of Law at Griffith University and Director of the Australian Key Centre for Ethics, Law, Justice and Governance. He is also the current President of the International Institute for Public Ethics. In preparing this article, he appreciates the assistance of Dr Magendanz, a Research Fellow with the Centre.

Myth: Corruption is a Cultural Phenomenon

By Frank Vogl

Time and again we have faced journalists, business people, academics and government officials who assert that many countries, especially in the South, have a "culture of corruption". They imply that TI's efforts are useless.

I don't have definitive answers, but when I posed questions to a score of friends around the world with great knowledge of corruption, I received a host of insightful and provocative answers. Nobody disagreed, for example, with Ethics Professor Laura Hartman at DePaul University in Chicago who says: "I don't believe that people have a different understanding of integrity." And Johann Graf Lambsdorff of Göttingen University in Germany, who invented the TI Corruption Perceptions Index (CPI), adds: "On exploring cultural roots for perceptions of corruption we find, at least from the data for the CPI, that there is convergence, irrespective of whether locals or expatriates have been surveyed. We take this as an indicator that cultural factors do not seem to be crucial to the outcome."

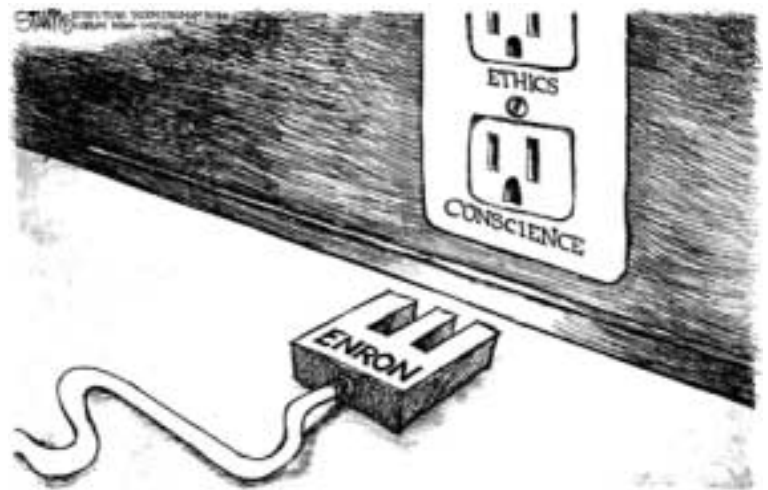
Quill Hermans, a former Central Bank Governor of Botswana and head of TI's national chapter in that country, provides a sense of perspective. He declares: "Bribery and corruption in all their forms are as repugnant to ordinary Batswana as they are in Western Europe and North America. Most Batswana tend to regard corruption as something 'foreigners' initiate, if reports and editorials in the newspapers are any indication of local sentiment."

Far from being ingrained in Southern culture, there is a widespread perception in developing countries that a great deal of today's bribery is imported from the leading industrial countries. Siniša Petrovic, President of TI Croatia, explains: "I sincerely believe that dual criteria applied by multinational corporations are a problem." She and many others who have written to me, state that multinational corporations declare that they are all in favour of good business ethics, anti-corruption and corporate social responsibility, but these same corporations are frequently "ready to 'ease' their investments by 'facilitation payments'".

Shaukat Omari, head of TI Pakistan, is passionate on this matter and notes that the "Culture of Corruption" did not just develop on its own. "The reasons are quite clear. This allowance (facilitating payments) in the US Foreign Corrupt Practices Act (FCPA) must be discontinued, especially for Third World countries. This is a major cause of the development of a culture of corruption and acceptance of the legality of baksheesh, which in Pakistan runs to billions of rupees. These payments not only corrupt governments through bribery but also corrupt society. The excuse of accepting bribery due to need is amply supported by the US FCPA. But where does it end: Greed!"

The connection between greed, corporate ethics and bribery is a vital one that is often overlooked. In recent weeks there has been an avalanche of news stories in the US media of outrageous and unethical self-dealing by US corporate executives, who have pocketed vast sums at the expense of their corporate shareholders and employees. Is this the prevailing ethic in US business? Is greed a central component of US corporate culture?

Of course not. To suggest this is absurd. Just as absurd, state many of my colleagues in TI across the developing world, as to argue that corruption is part of the culture of countries in the South. We have to confront harsh realities. As Cláudio Abramo Weber, Executive Secretary of TI Brazil, stresses: "There is no



"Is greed a central component of U.S. corporate culture?"

country in the world that accepts bribery in its laws. But the key is to reinforce the state in order to guarantee the rule of law. Firms always avoid going to the courts, denouncing attempts by officials to take bribes, etc., because they feel that this could harm their commercial interests. Thus, in practice they tend not to reinforce the rule of law, expecting that things change by some ethereal influence. Meanwhile, they bribe right and left."

We have to find ways to enforce anti-corruption laws in all countries. At the same time we have to press corporations everywhere to "walk the talk" and act with the integrity that they profess to respect. Inese Voika, Chairperson of Transparency International Latvia, says "companies that claim to have anti-corruption standards should say it aloud at the local level". Companies, asserts Inese, are not willing to actively demonstrate their published high ethical standards, and their secrecy gives rise to the suspicion that while these firms have all these standards, their basic attitude is never to jeopardise profit for the sake of ethics.

This is a time for leadership - for civil society to lead business and government to frank exchanges of view that clear away myths about cultural acceptance of corruption and look at the harsh realities in even-handed ways. We need to ensure that our approaches are constantly balanced with emphasis on both the bribe-takers and the bribe-payers. And in elaborating TI positions, we should maximise the opportunity to listen and learn from the growing number of outstanding colleagues in the TI movement who are so generous in sharing their insights in more than 85 countries from Botswana to Croatia and from Latvia to Pakistan.

ABOUT THE AUTHOR

Frank Vogl



Frank Vogl is Vice-Chairman and co-founder of Transparency International and President of Vogl Communications, Inc. of Washington DC.

Recent Reforms

» A global sample of initiatives to increase transparency and accountability

ARGENTINA

Argentine Senate passes law on party financing

The Argentine Senate approved a law on the financing of political parties, which imposes limits on electoral campaign spending and on private donations. It also bans election donations by trade unions. Under the new rules, parties and candidates cannot spend more than one peso per vote (earned in the past election) during their campaigns, with a basic amount allotted in districts with a low number of voters. Individuals can contribute up to 0.5%, and companies or other entities (legal persons) can contribute up to 1% of the entire amount. A further step is the creation of a "permanent party fund", consisting of state budget funds, which will be administrated by the Ministry of Internal Affairs.

The only article not ratified by the Senate was a ban on the acquisition by parties of additional television airtime above the free state-funded advertising. The Senate's failure to pass this article drew criticism from Poder Ciudadano (the TI national chapter).

The law comes at a time of major reform. Recently, the Argentine Senate abolished the Economic Subversion Law, which had been criticised by investors for giving judges *carte blanche* to probe bankers and for allowing financiers to be used as scapegoats for the economic crisis. But opposition leaders have criticised the law's abolition, saying that this would hinder corruption probes into former government officials.

El Clarín, 7/8 /24 May 2002;
Reuters, 29 May 2002

CHINA

More transparent bids

State media said that a fairer and more transparent public bidding process for state-owned land opened for investment purposes would be implemented. The new process includes a 20-day public notice prior to bidding deadlines, equal access to information for all investors and publication of bidding results. The media said the new procedures, which would go into effect on 1 July, are of international standards to comply with the expectations of foreign investors. Meanwhile, without any official announcement, China stopped

blocking access to the websites of several Western news organisations. The sites included those of Reuters, CNN and *The Washington Post*.

Far Eastern Economic Review,
30 May 2002



Pavel Constantin

FINLAND

Last chance to legally bribe a Finnish MP

The Finnish Parliament has passed a bill making it a crime to bribe a Member of Parliament, and for an MP to accept a bribe. In a vote on 4 June, Parliament gave its approval to the wording of the new legislation, and is expected to give final formal approval later. Until now, Finland has not had any laws explicitly banning parliamentary influence-peddling. The debate divided parliamentarians: some argued that the anti-corruption agreement of the Council of Europe requires that Finland pass a ban on bribery in Parliament; others felt that the low level of corruption in Finland rendered such legislation unnecessary.

Helsingin Sanomat, 5 June 2002

GERMANY

Prison for illegal German donors

The German Parliament has approved legislation that tightens party financing rules

and introduces jail terms for those who break them. Under the new law - which will take effect in July - cash donations to parties will be limited to EUR 1,000, while donors giving more than EUR 10,000 must be named. Donations of more than EUR 50,000 must be reported to the President of the federal parliament who is to publish them immediately. Few changes are proposed on the upper limits of permissible donations. Those who falsely declare party income will face jail terms of up to three years. The law also specifically bans parties from accepting money from a donor hoping to win political or economic favour. The law also provides for the protection of whistleblowers. But critics say the law doesn't go far enough. TI Germany have said the limits on donations are still too high and regret that the law does not ban individual politicians from receiving funds.

Deutsche Welle, 20 April 2002

INDIA

Watchdog for defence spending

The Indian government plans to set up defence procurement monitors in response to a number of high-profile arms scandals. The watchdog's members will comprise defence analysts, retired government officials and financial experts. A review of defence spending in the wake of the 1999 Kargil conflict with Pakistan led to the setting up of a defence procurement board to co-ordinate buying for the army, navy and air force with the aim of speeding up deals that usually took years to approve. Other recent changes include lifting a ban on agents acting for arms manufacturers, provided they disclose fees and expenses.

Financial Times, 15 May 2002

INDIA

E-village tackles corruption

The village of Bellandur, near India's high-tech capital of Bangalore, is credited with becoming the first *gram panchayat*, or village-level administration, in the country to introduce e-governance. Many say the introduction of information technology has drastically reduced corruption and red tape. Bellandur's e-governance project started with a single computer that was installed in the village in 1998.

BBC News, 14 June 2002

JAMAICA

Some aspects of Access to Info Bill still found faulty

The Jamaican House of Representatives unanimously passed the Access to Information Bill in May. But a group of civil society organisations has expressed reservations that official documents and departments have been exempted and excluded from public disclosure in the legislation. The group (which includes Transparency International Jamaica) also voiced objections to the time frame put on the declassification of Cabinet documents and won a small concession from Prime Minister P J Patterson who cut from 30 to 20 years the period of exemption from public disclosure of Cabinet documents.

The Jamaica Observer, 4 June 2002

JAPAN

Legal changes in the works to protect whistleblowers

The government plans to draft a law to protect whistleblowers. The revision addresses two main points: protecting employees who expose their companies of wrongdoing; and issuing the right to group litigation. The revised law would protect whistleblowers from dismissal, forced transfer and other unfavourable treatment by their employers. Japan currently provides protection for such individuals but only in the nuclear power industry.

The Asahi Shimbun, 26 May 2002

MAURITIUS

Independent Anti-Corruption Commission appointed

The Prevention of Corruption Act 2002 aims at strengthening anti-corruption laws with the creation of an Independent Commission Against Corruption. New corruption offences have been introduced and steps taken to be able to retrieve the proceeds of corruption and money laundering. The three members of the newly created Independent Commission Against Corruption were finally chosen at the end of May after one was removed due to doubts about his integrity. Members of the commission include the Assistant Solicitor General and the Head of the Government Audit Office.

Le Mauricien, 19 May 2002

MEXICO

New access to information law

On 10 June Mexican President Vicente Fox signed into law the Federal Law for Transparency and Access to Public Government Information. The law guarantees general access to almost all federal government information, including that of the Congress and the courts. Via Internet citizens will be able to look into the files of the federal budget, party financing, internal audits and contracts for public works. Information on private citizens or that which is considered vital to national security, as well as the access to some types of juridical records, will remain restricted. Information classified non-public on national security grounds will remain sealed for 12 years, after which time it would enter the public domain. The law establishes the Federal Institute for Access to Public Information that will administer the information requests. Although experts say the law is a watershed, many also believe that the government may still resist releasing information requested by citizens. The law does not provide for sanctions nor does it regulate how the information must be archived for fast retrieval.

*The News (Mexico), 2 May 2002;
Reuters, 10 June 2002*

MEXICO

Tijuana installs cameras in its police stations

The government of the violent border city of Tijuana has installed closed-circuit cameras in local police stations and jail cells to reassure the public that its officers do not take bribes or torture suspects and prisoners. The cameras will reportedly provide images that will be broadcast 24 hours a day on a public website.

Associated Press, 8 June 2002

NEPAL

Parliament passes four anti-corruption bills

On 12 April the House of Representatives in Nepal unanimously passed four crucial bills. TI Nepal member and Member of Parliament Radheshyam Adhikari was active in recommending changes through the joint parliamentary task force. The Commission of Investigation of Abuse of Authority (CIAA) Bill adds a new provision that requires officials to disclose their property in their departments, whereas the earlier provision required civil servants to disclose property details to the anti-corruption body only. The legislation disqualifies those convicted of corruption charges

Parliamentarians the world over take up the anti-corruption fight

By John Williams



Parliamentarians around the world are eager to take up the challenge to fight corruption. Now they will have their own dedicated organisation to assist them and to provide research and support. Under the umbrella of the Global Organization of Parliamentarians Against Corruption (GOPAC), chapters are springing up in a number of regions around the world. The African chapter (APNAC, African Parliamentarians Network Against Corruption) is already in existence. It is expected that North America, Central America and South America will each have created regional chapters of the global organisation by the start of a GOPAC conference in Ottawa this October. A similar chapter may also be created in Europe by that time.

GOPAC will be an organisation that provides peer support for those in the forefront of fighting against corruption and provides peer pressure to change the ways of those who may have succumbed to the temptation. Through close association with organisations such as Transparency International, and by using the research and information available, parliamentarians can better understand their role as legislators, hold their executives to account and improve openness, transparency and democracy in their own counties.

Civil society is now engaged through organisations such as TI. Parliamentarians are becoming engaged through GOPAC. Developed world governments are now insisting that the issue of corruption be addressed. International financial institutions now recognise that giving aid to a corrupt regime is money wasted, but aid to a nation that wants to improve its government is one of the best investments we can ever make.

The Parliament of Canada is looking forward to a successful conference in October with delegates invited from more than 70 countries.

The author is a Canadian Member of Parliament and Chairman of the GOPAC Interim Co-ordinating Committee

The next GOPAC conference takes place in Ottawa, Canada on 13-16 October 2002.

from contesting political elections for five years and covers all popularly elected bodies from village councils all the way up to parliament.

The Rising Nepal, 13 April 2002;
BBC, 17 April 2002

PERU

Bill tough on those condemned for corruption

The Peruvian executive drafted a law that eliminates diverse penitentiary benefits for persons condemned on charges of corruption. The law is now before Congress. The idea is to eliminate privileges like penalty reduction through work or the possibility of semi-liberty after having served one-third of the penalty term. The elimination of penitentiary benefits is common in cases of grave crimes that are especially harmful to society, like terrorism or drug trafficking. The draft law has led to debate among attorneys, judges and experts in the country. While human rights groups argue that the bill is incongruent with constitutional and penal law principles, former Special Prosecutor and president of Proética (TI's national contact) José Ugaz welcomed the draft law. According to Ugaz the law constitutes an adequate transitional measure to prevent the *de facto* impunity for corruption that resulted from distortions the penal system suffered under the Fujimori regime. But Ugaz says that in the long run the objective should be a general reform of the penal code.

El Peruano, 23 May 2002;
Gestión, 24 May 2002

QATAR

New anti-money laundering law

The Qatari Cabinet approved an anti-money laundering law, becoming the third Gulf state to take such a step since the September 11 terror attacks. The law stipulates that money launderers will receive prison terms of between five and seven years and hefty fines. The new law gives Qatar's Central Bank more authority to inspect local bank accounts it deems suspicious. It will also force Qatari banks to act with more transparency and report suspicious transactions or activities to the Central Bank. The United Arab Emirates and Bahrain have taken similar steps and Oman is set to issue its own law on money laundering. Kuwait and Saudi Arabia haven't announced plans for anti money-laundering laws.

Associated Press, 6 June 2002

ROMANIA

New public prosecutor's office to be set up

The government approved an emergency ordinance on 29 March for the setting up of the National Anti-Corruption Prosecutor's Office. The new structure is to function as of 1 September as an autonomous body within the Justice Ministry and will have a staff of over 300. It will be headed by an anti-corruption prosecutor-general appointed by the country's President at the recommendation of the Justice Minister. The office will only take up cases where the damages caused amount to more than EUR100,000, or the perpetrator is a member of parliament or government, judge, prefect, executive of a public office or state company.

RFE/RL, 30 March 2002,
Neue Zürcher Zeitung, 30 March 2002

RUSSIA

Battles over a code of conduct

Russia's lower house of parliament overwhelmingly approved a Code of Conduct for Civil Servants at its first reading. The code is modelled on a blueprint for European governments suggested by the Council of Europe as a legal framework for stamping out corruption, and was proposed by a group of liberal members of the State Duma. But representatives of President Vladimir Putin and the Russian Government have expressed reservations about the bill, which still has to go through two other readings in the Duma. The bill lays down strict rules and includes sanctions if these are breached.

BBC News, 17 May 2002

SERBIA

High-profile anti-corruption campaign underway

In January, Serbian Prime Minister Zoran Djindjic declared that battling corruption would be at the top of his government's agenda in 2002. Djindjic established an anti-corruption council, fronted by prominent public figures. Djindjic also deployed 26 anti-corruption teams to 26 different cities and towns around the country. Each of the three-person teams is composed of a police officer, a representative from the public prosecutor's office, and a member of Serbia's State Security Service (SDB). In addition, the council set up 26 different hotlines people can call to file complaints about graft.

8 March 2002, RFE/RL

SRI LANKA

Criminal defamation abolished

In a landmark move to promote freedom of expression and media rights, Sri Lanka's Parliament abolished the offence of criminal defamation. Those who believe themselves to be defamed by public actions will henceforth have to seek redress through civil suits for damages. Criminal defamation laws had been used in the past to press charges on editors for news reports seeking to expose corruption in the government and the military.

The Hindu, 18 June 2002

UGANDA

Leadership Code passed but efforts slowed by money woes

In April, the Ugandan parliament passed a new Leadership Code which compels all leaders to declare their personal wealth, along with that of their spouses and any child under 18. Unlike a previous code passed in 1992, the new law prescribes strict penalties for anyone who fails to comply. Under the new law, the Inspector General of Government (IGG) will now have powers to inspect bank accounts of leaders under investigation. MPs also battled successfully to make declarations public. Leaders who make false declarations will forfeit the excess wealth to the State. In early May, the Inspector General of Government published a list of ministers, presidential advisers and senior civil servants who had declared their wealth by his 30 April deadline. But the Inspector General has admitted that a lack of funds is seriously hamstringing progress of this and other anti-graft efforts.

New Vision (Kampala), 25 April 2002;
CNN, 16 May 2002

USA

Vermont orders drug firms to report gifts to doctors

Vermont has become the first US state to require drug company sales representatives to report all gifts to physicians worth more than US\$25. The legislation will put the state's drug sales representatives and physicians into the same category as lobbyists and politicians - people whose financial interactions will be disclosed annually to the public. Doctors and drug manufacturers say they have identified the problem areas and have ethics guidelines in place to address inappropriate gift-giving. But in all, more than 15 US states are considering bills that would control drug company promotions and advertising.

The Washington Post, 15 June 2002

Interview TI Zimbabwe John Makumbe

NGOs have little room for manoeuvre in Zimbabwe



It is dangerous to be a critic of the government these days in Zimbabwe. But John Makumbe, executive director of TI's national chapter, has kept his optimism and sense of humour. Describing the day-to-day work of the chapter, he says that someone from the presidential office attends all of their workshops. "We don't invite them. They just turn up!" The chapter is not suffering from a lack of attention.

Tough new media and security laws passed before President Robert Mugabe's re-election in March have made life harder for civil society groups. Recent months have seen arrests and intimidation of civic leaders. But despite constant pressure and occasional questioning by police of TI-Z staff, the chapter has forged ahead. TI Zimbabwe, founded in 1995, has a board of eight members and has grown to two offices and a staff of nine. Through lectures, workshops and "road shows", TI-Z representatives speak to people in the countryside and encourage them to be active in their communities. But TI-Z does not dabble in politics. "We consider the current government illegitimate, and so does the opposition. Because we speak the same language we are sometimes suspected of supporting opposition parties. But we are non-partisan," says Makumbe. Along with serving as an official election observer for the March elections, which it criticised as "not free and not fair", TI Zimbabwe ran an information centre sending and receiving reports from polling stations across the country. The group works together with five other Zimbabwean NGO coalitions.

But the chapter also works with businesses and government. Their projects have included training the police force in investigation, anti-fraud techniques and transparent accounting. "The police know TI," says Makumbe, adding that police officers who have attended TI workshops are hard pressed to arrest them.

"It's not going to be easy," says Makumbe, when asked about the future. "The economy is crumbling, businesses are closing down and we are seeing a food shortage crisis." He predicts it may take two to three years for the political situation to improve, and that only after the people of Zimbabwe continue to demand a re-run of elections and a new constitution. "But Mugabe would rather see the country collapse than concede. He will ruin Zimbabwe," Makumbe warns. But with individuals like John Makumbe active in the country, Mugabe may just not get the chance.

Inside TI

We have sadly learned that Dr Tihomil Rada, a remarkable and committed founding member of TI Croatia, and President of the Association for Democratic Development, passed away in Zagreb, Croatia on 19 March. We extend our sincere condolences to Dr. Rada's family and friends.

TI strategy retreat

A TI strategy meeting in Berlin in April brought together some 40 participants from the TI movement: national chapter representatives, Advisory Council members, Board members, and TI Secretariat management and staff. It was agreed that a task force on TI's governance structure be established to recommend necessary changes. As regards capacity building, participants recognised the value of more mature chapters giving direct support to newer or faltering groups within the same region. In addition, issues-based partnerships among countries from different regions (e.g. Brazil/Russia/Nigeria) were considered increasingly relevant. It was agreed that a survey would be sent out to all national chapters to capture their views on the issues that they regard as high-priority themes, including those with potential for global campaigns.

TI co-hosts Central Asian anti-corruption workshop

TI and UNDP recently co-organised a regional Anti-Corruption Workshop for Central Asia in Almaty, Kazakhstan, in co-operation with the government of Kazakhstan. Participants included representatives of governments and civil society organisations from Kazakhstan, Kyrgyzstan and Tajikistan, but also Lithuania, Slovakia, Poland, and Finland. The OECD, OSCE, and World Bank also participated. TI is trying to develop a broader network in the region in order to better support the fight against corruption.

TI increases co-operation with Stability Pact

TI has stepped up co-operation with the Stability Pact Anti-Corruption Initiative (SPAI). Following a March visit to the TI Secretariat by SPAI Special Co-ordinator Erhard Busek, TI met with SPAI representatives in Brussels in April. TI was represented by Siniša Petrovic (TI Croatia), Slagjana Taseva (TI Macedonia), Predrag Jovanovic (TI Serbia), and Miklos



Transparency International e. V.
Otto-Suhr-allee 97-99
D-10585 Berlin
Germany

Tel: 49-30-34 38 20-0
Fax: 49-30-34 70 39 12
e-mail: ti@transparency.org
www.transparency.org

Editor

Jana Kotalik

Contributors

Jessica Berns, Benjamin Cerovac, Stan Cutzach, Sergei Chereikin, Stian Christensen, Sarah Cooper, Gillian Dell, Karen Förnzler, Dieter Frisch, Arwa Hassan, Lene Møller Jensen, Lisa Prevenslik-Takeda, Véronique Lerch, Michael Lippe, Jeff Lovitt, Sara Morante, Françoise-Nicole Ndoume, Sandra Pabon, Silke Pfeiffer, Jeremy Pope, Liao Ran, Charles Sampford, Till Skrobek, Stéphane Stassen, Sarah Tyler, Chantal Uwimana, Frank Vogl, Michael Wiehen, John Williams, Folkard Wohlgemuth, Marie Wolkers

Printing

Köllen Druck + Verlag GmbH

Design

www.tanjalemke.com

The Newsletter appears quarterly. Voluntary subscription rates are US\$100 for corporations or institutions and US\$50 for individuals

The publication of this Newsletter was made possible by the generous contribution of the Norwegian Agency for Development Co-operation (Norad).

ISSN 1027-5886

Inside TI continues

Marschall and Sara Morante (TI Secretariat). TI and SPAI explored ways to increase the involvement of civil society in the inter-governmental SPAI process and possibilities of future co-operation. It was agreed that TI and SPAI would jointly design projects to be implemented by TI chapters in the region for which SPAI would facilitate the identification of funds and funding mechanisms. Particular attention will be given to the design of regional projects. For more information about SPAI, please see:

<http://www1.oecd.org/daf/SPAIcom/>

Seven Anti-Corruption Resource Centres planned

Within the next two years, Anti-Corruption Resource Centres will be established in seven Central and Eastern Europe/Former Soviet Union countries. The 30-month programme will be implemented jointly by TI-S and TI national chapters. The resource centres will comprise a website, library and media archive, and will be adapted to the specific needs and circumstances of each country. The centres will be linked to TI's Corruption Online Research and Information System (CORIS). The target audiences are NGOs, the private sector, media, domestic and international policymakers and the general public.

TI-S welcomes Sarah Cooper, TI's new Project Manager for this programme. Before joining TI, Ms Cooper, a British citizen, worked as a project manager for European Commission and DFID funded overseas development projects worldwide.

Promoting transparency in Central America

Strengthening civil society anti-corruption work in Central America will be a priority for TI in Latin America in 2002 and 2003. To this end, a regional programme has been designed to assist selected civil society organisations in building their capacity on anti-corruption matters. The programme focuses on El Salvador, Honduras and Nicaragua, countries where TI does not yet have national chapters. TI will work with the regional think-tank Estado de la Región. Estado will carry out National Integrity Country Studies in the three countries, which will provide an analytical basis for the development of effective anti-corruption strategies. The first phase of the programme was concluded in March 2002 with a joint TI Secretariat/TI Mexico fact-finding mission to Nicaragua and El Salvador.

Calendar

See updated events on the TI website:

<http://transparency.org/activities/events/events>

- Late August/early September 2002

Launch of TI's Corruption Perceptions Index 2002

- 18-20 September 2002, London, UK

Transparency, Accountability and Honest Government

An intensive three-day workshop devised by the Adam Smith Institute to help senior officials identify and combat corruption. Designed in conjunction with the World Bank and Transparency International, a combination of theory, case studies and practical exercises will ensure participants gain all the tools needed to implement cohesive reform. www.adamsmithinstitute.com

All TI representatives qualify for a 10% discount

- Muscat, Oman, 23-25 September 2002

Prevention of Financial Abuse Conference & Exhibition

Conference held under the patronage of the Royal Oman Police. The target audience are Finance, Accounting and Managerial personnel from the private and public sectors in Oman, UAE, Bahrain, Saudi Arabia, Qatar and Kuwait, but the conference is open to all. Contact: Mrs S. Riyami. Email darran@omantel.net.om, tel: + 968 607 311

- 26 August - 6 September 2002, Johannesburg, South Africa

UN World Summit on Sustainable Development

<http://www.johannesburgsummit.org/>

- 4-7 October 2002, Brisbane, Australia

2002 International Institute for Public Ethics (IIPE) Biennial Conference

Contact: IIPE Conference Secretary, Dr Douglas Magendanz, Griffith University,

Key Centre for Ethics, Law, Justice and Governance, Tel: +61-7-3875 5301,

Fax: +61-7-3875 6634, Email: d.magendanz@mailbox.gu.edu.au

<http://www.iipe-online.org/conference2002/>

- 12-13 October 2002, Casablanca, Morocco

International conference and Annual General Meeting of TI

- 25-28 May 2003, Seoul, South Korea

11th International Anti-Corruption Conference

"Different Cultures, Common Values"

The 11th IACC will be hosted by the Korean Government and organised by the Korean Ministry of Justice in co-operation with the IACC Council, Transparency International and Transparency International Korea. The conference will be immediately followed by the Global Forum III, to be held on 29-31 May 2003. To make proposals for the programme, please contact Gillian Dell at TI (gdell@transparency.org). For more information please visit the conference website at www.11iacc.org or contact the conference sec-

Website Tips

<http://www.syenco.com/FINindex.html>

Website of the Forest Integrity Network (FIN) including links to FIN newsletters

www.worldbank.org/evidence

New website for joint World Bank/International Records Management Trust project, Evidence-Based Governance in the Electronic Age, aimed at facilitating global co-operation on managing electronic records to enable e-government

<http://www.globalreporting.org/>

Website of the Global Reporting Initiative (GRI), an international effort with the mission of developing globally applicable guidelines for reporting on economic, environmental, and social performance, initially for corporations and eventually for any business, governmental, or non-governmental organisation.

<http://www.internationalbudget.org/>

The International Budget Project assists civil society organisations around the world to improve budget policies and decision-making processes.