

## **Resolution on the global financial crisis**

Adopted by the Transparency International Annual Membership Meeting  
Athens, Greece, 29 October 2008

The 2008 Annual Membership Meeting of Transparency International, particularly concerned about the humanitarian and broad economic impact of the consequences of the financial crisis, calls on global leaders to recognize clearly that this crisis is the result of an enormous mismanagement of funds entrusted by the public to financial institutions. This crisis, which started with the collapse of the sub-prime mortgage market in the United States, is also a failure by public authorities to ensure the integrity and stability of the system and the safety and soundness of banking.

The Transparency International movement calls on leaders of the upcoming Group of 20 meeting on the crisis, to be held on 14-15 November in Washington D.C. USA, to ensure that transparency, integrity and public accountability become the foundation of the vital reforms needed to rebuild the world's financial system. TI's members emphasise the importance of the authorities engaging civil society in the process of reform.

Specifically, the Transparency International movement calls on the leaders of the G-20 to:

- 1) **Regulation and supervision.** Secure greater transparency and public accountability in order to restore public trust and adopt a far more consistent and internationally coordinated framework of regulation and supervision of all financial institutions.
- 2) **Rescue measures.** Ensure effective safeguards with transparency and accountability at the forefront, in all aspects of public management of taxpayers' funds in support of efforts to restore the sound functioning of financial institutions and markets.
- 3) **Offshore havens.** Halt evasion of all tax and financial regulations and the facilitation of illicit activities through use of "offshore havens" and ensure that these centres cooperate fully with other national and international authorities on the exchange of information.
- 4) **Governance.** Build strong corporate governance, including board accountability, with emphasis on executive compensation, risk management and disclosure of financial products.

- 5) **Conflicts of Interest.** Take measures to prevent conflicts of interest in the activities of credit rating agencies, auditing firms, and in relationships between financial firms and the public sector.
- 6) **Investigations and Sanctions.** Pursue appropriate criminal investigations in compliance with existing laws and regulations and impose strong sanctions where corruption, insider trading and other abuses are found.
- 7) **Aid.** Take urgent action to address rising global poverty resulting from the current crisis by increasing official development assistance, with particular emphasis on those in greatest need and with the necessary accountability mechanisms.

**The members of the G-20:**

Argentina

Australia

Brazil

Canada

China

France

Germany

India

Indonesia

Italy

Japan

Mexico

Russia

Saudi Arabia

South Africa

South Korea

Turkey

United Kingdom

United States of America

The European Union is also a member, represented by the rotating Council presidency and the European Central Bank.

(Observers: the Managing Director of the International Monetary Fund (IMF) and the President of the World Bank, plus the chairs of the International Monetary and Financial Committee and Development Committee of the IMF and World Bank.)