



Global Group Urges Anti-Corruption Help for Poor Countries

Transparency International publishes annual corruption perception index

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A global anti-corruption group is calling on wealthy nations to increase their support for developing countries fighting to end corrupt practices.

"Rich countries must provide practical support to developing country governments that demonstrate the political will to curb corruption," Peter Eigen, chairman of the Berlin-based Transparency International (TI) said upon release of TI's annual survey on perceived levels of corruption in 133 countries.

"Those countries starting with a high degree of corruption should not be penalized, since they are in the most urgent need of support," he said in an October 7 news release outlining the results of TI's 2003 Corruption Perception Index (PCI).

Bangladesh, Nigeria and Haiti were perceived to have the worst records of corruption by public officials and politicians and received the lowest rankings. At the other end of the spectrum, Finland, Iceland, Denmark, New Zealand and Singapore were the top five countries in terms of perceived low levels of corruption. The United States was 18th on the list.

The TI survey is an analysis of polls reflecting the perceptions of academics, risk analysts and business people. The 2003 report was based on 17 surveys by 13 independent institutions, TI said.

Seven out of 10 countries scored less than five out of a perfect score of 10 in the survey. Among developing countries, half scored less than three out of 10.

Eigen urged developed countries and international companies to fulfill their obligations under the anti-bribery convention drawn up by the Organization for Economic Cooperation and Development (OECD).

"The OECD convention came into force in 1999 but we are still awaiting the first prosecutions in the courts of the 35 signatory countries," Eigen said.

Following is the text of the news release and a table showing the rankings of the 133 countries in the TI survey:

Transparency International

7 October 2003

"Rich countries must provide practical support to developing country governments that demonstrate the political will to curb corruption. In addition, those countries starting with a high degree of corruption should not be penalised, since they are in the most urgent need of support," said Peter Eigen, Chairman of

Transparency International (TI), speaking today on the launch of the TI Corruption Perceptions Index 2003 (CPI).

"The new CPI points to high levels of corruption in many rich countries as well as poorer ones, making it imperative that developed countries enforce international conventions to curb bribery by international companies, and that private businesses fulfill their obligations under the OECD [Organization for Economic Cooperation and Development] Anti-Bribery Convention, namely to stop bribing public officials around the world," said Eigen. But, he continued, "nine out of ten developing countries score less than 5 against a clean score of 10 in the TI CPI 2003. Their governments must implement results-oriented programmes to fight corruption, but they also urgently require practical help tailored to the needs of their national anti-corruption strategies."

For these strategies to succeed, said Eigen, "such support must go hand in hand with international backing for civil society to monitor the implementation of these strategies". In addition, he insisted, "donor countries and international financial institutions should take a firmer line, stopping financial support to corrupt governments and blacklisting international companies caught paying bribes abroad."

"Seven out of ten countries score less than 5 out of a clean score of 10 in the TI CPI 2003, which reflects perceived levels of corruption among politicians and public officials in 133 countries," explained Eigen. "Five out of ten developing countries scores less than 3 out of 10, indicating a high level of corruption." The annual CPI, published today by TI, the leading international non-governmental organisation devoted to fighting corruption worldwide, reflects the perceptions of business people, academics and risk analysts, both resident and non-resident. The statistical work was coordinated by Prof. Dr Johann Graf Lambsdorff at Passau University in Germany, advised by a group of international specialists.

Corruption is perceived to be pervasive in Bangladesh, Nigeria, Haiti, Paraguay, Myanmar, Tajikistan, Georgia, Cameroon, Azerbaijan, Angola, Kenya, and Indonesia, countries with a score of less than 2 in the new index. Countries with a score of higher than 9, with very low levels of perceived corruption, are rich countries, namely Finland, Iceland, Denmark, New Zealand, Singapore and Sweden.

Some changes highlighted in the CPI were identified by Peter Eigen. "On the basis of data from sources that have been consistently used for the index, improvements since last year's index can be observed for Austria, Belgium, Colombia, France, Germany, Ireland, Malaysia, Norway, and Tunisia. Noteworthy examples of a worsening are Argentina, Belarus, Chile, Canada, Israel, Luxembourg, Poland, USA, and Zimbabwe."

"There are many countries, where there is now a high-level political commitment to fight corruption," said TI Vice Chair Rosa InÃ©s Ospina Robledo, speaking in Bogota, Colombia, today. "In such countries, international support, especially for transparency in public contracting, is essential to build solid foundations for removing corruption from government and public services. In particular, the private sector must take full responsibility for its conduct at home and abroad, and take urgent steps to stop paying bribes. To make this a reality, TI and private sector companies have worked together to develop a set of Business Principles for Countering Bribery, advocating anti-bribery training and codes of conduct within companies. TI has also implemented no-bribes Integrity Pacts in public contracting."

"We can begin to close the rift between developing and rich countries, which was so evident at the WTO [World Trade Organization] meeting in Cancn, Mexico, last month," said Peter Eigen, "if WTO negotiations are launched on a multilateral framework agreement on Transparency in Government Procurement (TGP). For less developed countries, it is in their own interests to introduce transparency

measures in public procurement because the waste of their own scarce resources is at stake. If corruption in procurement is not contained, poverty will grow."

"Today's CPI demonstrates that it is not only poor countries where corruption thrives," said Laurence Cockcroft, Chairman of TI (UK), in London today. "Levels of corruption are worryingly high in European countries such as Greece and Italy, and in potentially rich oil-rich countries such as Nigeria, Angola, Azerbaijan, Indonesia, Kazakhstan, Libya, Venezuela and Iraq."

"To turn around this situation so that ordinary people share in the oil wealth of their country, TI is campaigning, along with other NGOs, for international oil companies to publish what they pay to governments and state oil companies. This will enable citizens and civil society organisations in countries such as Nigeria, Angola, Iraq, Indonesia and Kazakhstan to have a clearer picture of state revenues," said Cockcroft, a member of TI's international Board of Directors, "so that they can call their governments to account where the state budget is not used to improve scarce public resources, but instead disappears on expensive vanity projects or into the secret offshore bank accounts of politicians and public officials."

"Political parties, the courts and the police were identified as the three areas most in need of reform in TI's Global Corruption Barometer, a survey of the general public in 48 countries, launched in July 2003," said Cockcroft. "This indicates a serious lack of confidence in those in authority worldwide."

The CPI 2003, published today, is a poll of polls, reflecting the perceptions of business people, academics and risk analysts, both resident and non-resident. First launched in 1995, this year's CPI draws on 17 surveys from 13 independent institutions. A rolling survey of polls taken between 2001 and 2003, the CPI 2003 includes only those countries that feature in at least three surveys. "It is important to emphasise that the CPI, even with 133 countries, is only a snapshot," said Peter Eigen. "There is not sufficient data on other countries, many of which are likely to be very corrupt."

The CPI 2003 complements TI's Bribe Payers Index (BPI), which addresses the propensity of companies from top exporting countries to bribe in emerging markets. The BPI 2002, published on 14 May 2002, revealed high levels of bribery by firms from Russia, China, Taiwan and South Korea, closely followed by Italy, Hong Kong, Malaysia, Japan, USA and France -- although many of these countries signed the OECD Anti-Bribery Convention, which outlaws bribery of foreign public officials.

"The OECD Convention came into force in 1999, but we are still awaiting the first prosecutions in the courts of the 35 signatory countries," said Eigen. "The governments of these countries have an obligation to developing countries to investigate and prosecute the companies within their jurisdictions that are bribing. Their bribes and incentives to corrupt public officials and politicians are undermining the prospects of sustainable development in poorer countries."

For full details of the TI CPI 2003, visit <http://www.transparency.org/cpi/index.html#cpi>

Country Country CPI 2003 Surveys Rank Score Used

- 1 Finland 9.7 8
- 2 Iceland 9.6 7
- 3 Denmark 9.5 9
- New Zealand 9.5 8
- 5 Singapore 9.4 12

6 Sweden 9.3 11
7 Netherlands 8.9 9
8 Australia 8.8 12
Norway 8.8 8
Switzerland 8.8 9
11 Canada 8.7 12
Luxembourg 8.7 6
United Kingdom 8.7 13
14 Austria 8.0 9
Hong Kong 8.0 11
16 Germany 7.7 11
17 Belgium 7.6 9
18 Ireland 7.5 9
USA 7.5 13
20 Chile 7.4 12
21 Israel 7.0 10
Japan 7.0 13
23 France 6.9 12
Spain 6.9 11
25 Portugal 6.6 9
26 Oman 6.3 4
27 Bahrain 6.1 3
Cyprus 6.1 3
29 Slovenia 5.9 12
30 Botswana 5.7 6
Taiwan 5.7 13
32 Qatar 5.6 3
33 Estonia 5.5 12
Uruguay 5.5 7
35 Italy 5.3 11
Kuwait 5.3 4
37 Malaysia 5.2 13
United Arab
Emirates 5.2 3
39 Tunisia 4.9 6
40 Hungary 4.8 13
41 Lithuania 4.7 10
Namibia 4.7 6
43 Cuba 4.6 3
Jordan 4.6 7
Trinidad
and Tobago 4.6 6
46 Belize 4.5 3
Saudi Arabia 4.5 4
48 Mauritius 4.4 5
South Africa 4.4 12
50 Costa Rica 4.3 8
Greece 4.3 9
South Korea 4.3 12
53 Belarus 4.2 5

54 Brazil 3.9 12
Bulgaria 3.9 10
Czech Republic 3.9 12
57 Jamaica 3.8 5
Latvia 3.8 7
59 Colombia 3.7 11
Croatia 3.7 8
El Salvador 3.7 7
Peru 3.7 9
Slovakia 3.7 11
64 Mexico 3.6 12
Poland 3.6 14
66 China 3.4 13
Panama 3.4 7
Sri Lanka 3.4 7
Syria 3.4 4
70 Bosnia
& Herzegovina 3.3 6
Dominican Rep. 3.3 6
Egypt 3.3 9
Ghana 3.3 6
Morocco 3.3 5
Thailand 3.3 13
76 Senegal 3.2 6
77 Turkey 3.1 14
78 Armenia 3.0 5
Iran 3.0 4
Lebanon 3.0 4
Mali 3.0 3
Palestine 3.0 3
83 India 2.8 14
Malawi 2.8 4
Romania 2.8 12
86 Mozambique 2.7 5
Russia 2.7 16
88 Algeria 2.6 4
Madagascar 2.6 3
Nicaragua 2.6 7
Yemen 2.6 4
92 Albania 2.5 5
Argentina 2.5 12
Ethiopia 2.5 5
Gambia 2.5 4
Pakistan 2.5 7
Philippines 2.5 12
Tanzania 2.5 6
Zambia 2.5 5
100 Guatemala 2.4 8
Kazakhstan 2.4 7
Moldova 2.4 5

Uzbekistan 2.4 6
Venezuela 2.4 12
Vietnam 2.4 8
106 Bolivia 2.3 6
Honduras 2.3 7
Macedonia 2.3 5
Serbia
& Montenegro 2.3 5
Sudan 2.3 4
Ukraine 2.3 10
Zimbabwe 2.3 7
113 Congo,
Republic of 2.2 3
Ecuador 2.2 8
Iraq 2.2 3
Sierra Leone 2.2 3
Uganda 2.2 6
118 Cote d'Ivoire 2.1 5
Kyrgyzstan 2.1 5
Libya 2.1 3
Papua
New Guinea 2.1 3
122 Indonesia 1.9 13
Kenya 1.9 7
124 Angola 1.8 3
Azerbaijan 1.8 7
Cameroon 1.8 5
Georgia 1.8 6
Tajikistan 1.8 3
129 Myanmar 1.6 3
Paraguay 1.6 6
131 Haiti 1.5 5
132 Nigeria 1.4 9
133 Bangladesh 1.3 8

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