



**ANNUAL  
REPORT  
2011.**

Transparency International is the global civil society organisation leading the fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, we raise awareness of the damaging effects of corruption and work with partners in government, business and civil society to develop and implement effective measures to tackle it.

[www.transparency.org](http://www.transparency.org)

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This report provides a snapshot of how the Transparency International movement was active in the fight against corruption in 2011. For further information please visit: [www.transparency.org](http://www.transparency.org)

Cover image: Egyptian demonstrators in Tahrir Square, Cairo. From 25 January 2011 millions of Egyptians took to the streets to protest poverty, unemployment and corruption. The photo was taken on day 16 of the protests and is titled "Not Giving Up". Two days later, then-President Hosni Mubarak stepped down.

# CORRUPTION. INEVITABLE? UNSTOPPABLE? WE DON'T THINK SO.



**“I HOPE 2011 WILL BE REMEMBERED NOT JUST AS A YEAR OF DEMONSTRATIONS, BUT AS A TURNING POINT TO A MORE TRANSPARENT AND ACCOUNTABLE SOCIETY”**

2011 will be remembered for the demonstrations that arose across the world - from India to Athens, from the Arab Spring to Occupy Wall Street. The grievances that drove people to the streets were particular to each country, but corruption was a common denominator throughout. As we work to fulfil the ambitions of our Strategy 2015, our resolve to free people from the devastating effects of corruption only increases.

Experts surveyed for our 2011 Corruption Perceptions Index saw public sector corruption as a serious problem in the vast majority of 183 countries. As states gathered in Morocco to discuss progress of the UN Convention against Corruption, our alliance of 330 civil society organisations let governments know that more accountability and openness is needed.

Amid celebrations marking the OECD's 50th anniversary, we revealed that implementation of the OECD Anti-Bribery Convention had been at risk of stalling in 2010. Since then, we have seen a welcome return to progress, as several governments stepped up their enforcement. They must now ensure this momentum is maintained. Bribing to win business abroad is still seen as too common a corporate practice, as highlighted by the 3,000 business executives we surveyed for our 2011 Bribe Payers Index.

It is encouraging to see new measures being taken to criminalise bribery in some Group of Twenty countries, and we are now looking to all G20 states to make good on their promises. We must also ensure our financial markets are shielded from the illicit proceeds of organised crime, asset theft and tax evasion. Submitting recommendations to the group, we gathered the signatures of hundreds of national and international civil society organisations.

Our values have never been more important than they are today, and our organisation has never been more powerfully placed to turn our vision into a reality. With determination, innovation and passion, the many thousands of people who make up our global movement continue to work tirelessly to end the injustice and indignity that affect the lives of so many.

I hope 2011 will be remembered not just as a year of demonstrations, but as a turning point to a more transparent and accountable society. From India to Athens and beyond, it is the future we all deserve.

**Huguette Labelle, Chair**



**“POLITICIAN, JOURNALIST, CONSTRUCTION WORKER, BANKER, DOCTOR OR STUDENT, EVERYONE CAN PLAY A ROLE IN IMPROVING TRANSPARENCY AND ACCOUNTABILITY”**

Engaged, empowered and informed – these are the drivers needed to bring everyone into the fight against corruption. Realising this ambition goes to the heart of our Strategy 2015.

Since the unanimous endorsement of the strategy by our membership in Bangkok in 2010, our global network of chapters has been advancing our shared goals at the national level in more than 100 countries worldwide. Regional and thematic issues are being tackled as chapters join forces to ensure local action benefits from our global reach and knowledge. The Secretariat's Strategy 2015 Implementation Plan means we are better positioned than ever to support and further these collective efforts.

More and more people are being empowered to stand up to corruption through support from our legal advice centres. Around the world, the centres are building on these individual victories to create societal change, engaging governments and businesses to design better policies and practices. Today, these services are available in more than 50 countries. The overwhelming public response proves the need for such growth to continue.

We continue to forge anti-corruption coalitions around our integrity agreements. The benefits of bringing politicians, officials, business leaders and civil society together around these public pledges to zero corruption is clear to see: better quality, greater trust, more innovation and massive savings. From big ticket public procurement tenders to corporate responsibility programmes and local public services, the approach is being effectively adapted across diverse sectors around the world.

We brought together the insights and analysis of more than 50 leading experts for our Global Corruption Report on climate change. As we develop anti-corruption solutions to safeguard climate and carbon finance and make sure affected communities have a say in how funds are spent, we are translating this pioneering research into meaningful change, from the top-down and bottom-up.

Never before have so many people been able to make such a difference against corruption. Politician, journalist, construction worker, banker, doctor or student, everyone can play a role in improving transparency and accountability. Guided by Strategy 2015, our task is to help foster this participation, meaning more engagement and more opportunities to rid our daily lives of corruption - locally, nationally and globally.

**Cobus de Swardt, Managing Director**

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## “LONG LIVE THE VOTE, LET THE VOTE WIN!”

How we’re using technology to give citizens a voice.

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“I’ve met people who care passionately about corruption, and I’ve learned hugely from them.”

How we’re teaching future leaders about transparency.



US\$5 MILLION WORTH OF SPORTS CARS SEIZED IN PARIS. WHY?



## 3,000 PALESTINIAN CHILDREN

entered drawings, plays and short stories to our anti-corruption competition. [READ MORE P.60](#)



## “We’re no longer living under threat from water-borne diseases”

How we’re using video to break the cycle of poverty and corruption. [READ MORE P.39](#)

## 14% OF HOUSEHOLD INCOME

in Mexico goes on bribes to pay for basic services. [READ MORE P.42](#)

## 375 MILLION PEOPLE

could be affected by climate disasters annually by 2015.

Why more transparency is needed urgently.



## CROOKED MARKETS, FAKE PAYMENTS, EMBEZZLED FUNDS.

Exposing corruption in 2011. [READ MORE P.64](#)

## “NO MONEY, NO SERVICE!”

Why we’re fighting to end corruption in healthcare.

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## 400 BANGKOK SCHOOLS

took part in the *Growing Good* curriculum that teaches Thailand’s next generation the principles needed to fight corruption: honesty, responsibility and fairness.



3,500 volunteer election monitors were recruited through social media prior to the Guatemalan elections.



## HOW DID WE SAVE INDIAN TAXPAYERS US\$70 MILLION?

[READ MORE P.22](#)

# CORRUPTION NEVER WON AN ELECTION FAIRLY.

## [ PROBLEM ] Political corruption doesn't begin at the ballots.

People or companies with their own agendas can skew election results when they secretly give political parties big donations. Or parties and candidates can buy votes instead of winning them.

And political corruption doesn't stop when elections are over. Once in power, corrupt politicians can steer away from good government. Their decisions can benefit those who fund them, putting the public interest second. Political corruption steals scarce resources from those who need it most. In countries where democratic institutions are weak or absent, policy can be dictated by private interests. When this happens democracy can't function. Our trust in politicians is damaged, we become disillusioned and political corruption continues unchecked.

## [ SOLUTION ] Politicians and public officials need to know that we will hold them accountable for their actions. We need regulations in place to make sure they act openly.

How can we trust them if we don't know what they're doing? When leaders show us clearly what they do and stand for, we can make informed choices come election time. And we can hold them to their promises once elected.

From local community groups to international NGOs, civil society has a crucial role to play. We can monitor electoral campaigns and parties' activities. If state resources are abused, we must report it. If regulations to prevent corruption aren't in place, we must demand them. Rules about politicians' conflicts of interest, for example, or regulations to keep corporate lobbying and political funding in check. By speaking out, we can show that everyone gains from honest elections and open decision-making. Even the politicians.

## AFRICA AND THE MIDDLE EAST

Along with several civil society partners, we created a new coalition to campaign against the high cost of living in **Burundi**. Prices for food and fuel rose steeply in 2011, pushing many people into poverty. At the same time, highly-paid state dignitaries remained exempt from paying taxes. Through media outreach and public meetings, the coalition successfully lobbied the government to tackle these issues. The government suspended its rapid increases in utility costs, and a new bill was submitted to parliament proposing uniform income tax requirements for all state employees.

We engaged the next generation in the fight against corruption in **Lebanon** with the election of 15 Youth Shadow Councils. By providing training in advocacy, budgeting and access to services, we help the young councillors analyse real municipal budgets and propose ways in which their authorities could become more accountable and transparent. In the next phase, the Youth Councils will receive grants of US\$10,000 to carry out a small development project they have proposed. For example, one group will soon begin work on the rehabilitation of a community clinic.



01

## AMERICAS

As **Guatemala** prepared for its general election, we used a range of social media to promote fair results. Through Facebook and Twitter we managed to recruit more than 3,500 volunteer election monitors. To increase engagement, we created an online platform where members of the public could report suspected offences. Mapping the results visually, the platform also served as a hub for news and civil society articles about the electoral process. Voters used the system to report allegations such as vote buying, voter intimidation and illegal campaigning, which we have now passed on to the electoral complaints body.

# THE COURT RULED THAT THE ARTICLES SHOULD BE ABOLISHED.

Out of 70 municipalities in **Venezuela** only 13 have adequate transparency measures, according to our research. Every two years, we evaluate the levels of transparency in areas such as budgeting, business licensing and construction permits. With only 16 municipalities scoring more than 50 points out of a possible 100, there is still plenty of room for improvement, but many offices have made great progress since our last assessment. One state has now approved an access to information law, while others have created new processes for appealing against unfair hiring, archiving state information and overseeing bank transfers.

**“I've met people who care passionately about corruption, and I've learned hugely from them.”**

How we're teaching future leaders about transparency. [READ MORE P.61](#)

**WHY DID WE PLAY GOLF IN FRONT OF CROATIA'S MINISTRY OF TOURISM?** [P. 51](#)

## ASIA PACIFIC

The independence of **Bangladesh's** Anti-Corruption Commission was put at risk by a proposed legal amendment in 2011. Among other changes, the commission would have needed to seek government approval before taking action against public officials accused of corruption. Following our concerted campaign, the new provisions were dropped. In doing so, we helped the government develop new legislation to protect those who speak out against corruption, which came into force in June.

In 2011, the people of the **Maldives** went to the polls to elect the country's first ever local councils. To help keep voting fair, we coordinated the only nationwide network of election monitors. Once the results were in, we set about promoting the values that will be pivotal to the councils' success. We held workshops on accountability and transparency for participants from 25 different islands, and organised specialist anti-corruption training for newly-elected councillors. As the councils begin their activities, our manual for community organisations is on hand to provide the public with the tools and methods needed to hold their new leaders to account.

## EUROPE AND CENTRAL ASIA

When we took a closer look at political funding in **FYR Macedonia**, alarm bells rang. Examining how the state distributes annual funding to political parties, we found that the underlying legislation was in violation of the constitution. The legal criteria for funding was vague, the money was not officially earmarked in the budget, and there was no public information on the



02



03



04

size of allocations. When we took our concerns to the Constitutional Court, they ruled that the offending articles should be abolished, prompting the government to introduce important amendments.

In the wake of **Portugal's** financial rescue package, we raised concerns about the heightened risk of corruption. Meeting with delegations from the European Central Bank, the European Commission and the International Monetary Fund, we shared detailed recommendations for increasing transparency and minimising risk during the reform process. Offering a reference point for journalists and activists as they carry out monitoring exercises, our work has already helped expose the government's opaque privatisation of a major energy company. In response, the national anti-corruption council has promised to increase its oversight of privatisation reforms.

**01** Elections for Youth Shadow Councils in Lebanon. With grants of US\$10,000 the groups carry out small development projects and monitor municipal budgets.

© The Lebanese Transparency Association

**02** 3,500 Guatemalans helped us monitor national elections. They reported vote buying, intimidation and illegal campaigning.

© Acción Ciudadana

**03/04** Latvian demonstrators gather before parliament to call for change following corruption allegations.

© Transparency International Latvia DELNA

## FERRARIS, MASERATIS AND A UN CONVENTION

In a fashionable district of Paris, only minutes from the Champs Elysee, a pick-up lorry pulls up in front of an elegant six storey townhouse. While passers-by look on in amazement, a team of police officers remove 10 sports cars from the garage, load them onto the truck, and drive away.

Worth a staggering US\$5 million, these luxury cars represent a mere fraction of the assets accumulated by the owner, Teodoro Obiang, son of the president of Equatorial Guinea – one of the world's most unequal societies.



Despite oil reserves that give Equatorial Guinea greater wealth per head than the UK, more than 70 per cent of its people live on less than a dollar a day. One in seven children dies before the age of five. Meanwhile, President Obiang has reportedly accumulated assets worth as much as US\$700 million in just one American bank. His son owns a Malibu mansion, a Gulfstream jet – and Michael Jackson's crystal-studded white glove.

The raid followed a landmark legal decision allowing Transparency International France to bring judicial proceedings against the president and members of his family. Supported by partner organisation Sherpa, the complaint was first lodged in France in 2008, calling for an investigation into how President Obiang and his family financed their acquisitions. After a three-year struggle in the courts, we finally won permission for the case to proceed.

The decision has significance far beyond Equatorial Guinea. "Recognising the rights of NGOs to bring cases under the UN Convention against Corruption is a major breakthrough," says Daniel Lebègue of Transparency International France. "With 160 countries having ratified the convention, this case should point the way for other anti-corruption initiatives around the world."

In 2011, the Arab Spring propelled these issues to the forefront. The citizens who took to the streets wanted accountability from their leaders. Working with Sherpa, we lodged a complaint against deposed Tunisian president Ben Ali. According to reports, the former president and his inner circle may have controlled almost US\$15 billion of Tunisia's economy.

"NGOs wouldn't need to resort to legal procedures if governments did more to protect assets from being stolen, or better yet, prevent money laundering, embezzlement and bribery in the first place," says Daniel.

That's why we're pushing the Group of 20 leading economies to make reforms. These include creating registries of financial devices often used to hide laundered assets, and making banks liable if they accept dirty money. We're also urging better cooperation with countries whose assets may have been stolen. Only then can corrupt leaders be blocked from benefiting at their people's expense.

**01** Parisian police remove cars belonging to Teodoro Obiang, son of Equatorial Guinea's president.

© Flickr/Pa\_Le

**"Rob a bank, go to jail.  
Rob a country, go to a tax haven."**

Cobus de Swardt, Managing Director, Transparency International

**"No money, no service!"**

Why we're fighting to end corruption in healthcare. [READ MORE P.43](#)

## LIVING UP TO THE EU'S POTENTIAL

A recent European Union survey found almost three-quarters of its citizens believe corruption exists in EU institutions. Two-thirds think it's a major problem in their country. It's a sharp wake-up call to those who think corruption occurs mostly outside Europe.

In 2011 we continued to call for a stronger EU stance against corruption, both regionally and within the 27 member states. Located in Brussels, our EU office provides decision-makers with specialist research and best practice guidance to increase transparency in European politics.

When the 'cash for amendments' scandal exposed regulatory gaps at the European Parliament, we advised the president on necessary reforms. Many of our recommendations are reflected in the Parliament's improved code of conduct. Our expert feedback also informed the design of the EU's new anti-corruption package. Including a mechanism to assess the 27 member states' anti-corruption efforts from 2013, the package will help countries identify weaknesses and improve transparency measures.

We also advocate for strong anti-corruption efforts during the EU accession process. When countries apply for EU membership, it offers a unique opportunity to support anti-corruption reforms. We work to ensure accession policies tackle corruption effectively, and our on-the-ground experience is often included in annual progress reports.

From organised crime to financial services, our work in Brussels extends beyond Europe's institutions – and its boundaries. The European

## THE EU IS POWERFULLY POSITIONED TO HELP BEAT CORRUPTION WORLDWIDE.

Commission recently published proposals endorsing our demand for open reporting of payments by oil, gas, mining and forestry companies to governments in countries where they work.

As a global trading force and the largest international development donor, the EU is powerfully positioned to help beat corruption worldwide. We aim to ensure that potential is realised.

## FROM AGENDA TO ACTION

Home to two-thirds of the world's population, the Group of 20 (G20) economies are responsible for 80 per cent of world's trade and more than 80 per cent of its gross national product. When they released an anti-corruption action plan in 2010, it presented a huge opportunity to increase financial integrity across international markets.

The nine-point agenda, which drew directly on many of our previous recommendations, called on members to recover stolen assets, curb the flow of illicit funds into G20 markets and

protect whistleblowers. Coming in the wake of the financial crisis, measures like these recognised that a lack of transparency contributed significantly to global economic instability.

In 2011 we pressed member states to make good on their pledge. With an active presence in 16 G20 countries and an office at the European Union, we coordinated three joint civil society submissions to the G20 Anti-Corruption Working Group, signed by as many as 300 national and international organisations. As a result, we were invited to speak at two major G20 private sector consultations. When the group released its anti-corruption monitoring report at the 2011 summit, it commended the contribution made by civil society.

These are encouraging steps, but there is still much to be done. While governments work on implementing their plans, the illicit revenues from organised crime, asset theft and tax evasion continue to pass through international markets and off-shore financial centres. The world's leaders have promised to change this – we will continue to make sure they do.

# CORRUPTION LOVES TO HEAR EXCUSES.

**[ PROBLEM ]** In our globalised world, resources and information move easily. But so can corruption.

It can cross national boundaries with ease and find safe haven in countries with lax rules. But with a joint worldwide response, it can be contained. Countries need to agree on national and cross-border anti-corruption measures. International conventions such as the UN Convention against Corruption provide a crucial framework. They set out what countries need to do, both internally and together. But signing up to a convention is only a first step. Governments also need to put their promises into practice or their commitments will go unfulfilled. They'll still be missing the regulations needed to stop corruption and the conventions will be meaningless.



**[ SOLUTION ]** We need to make sure governments live up to their promises.

Effective monitoring systems need to be in place to make sure commitments are being met. A good system should be impartial, transparent and cost-effective. Civil society involvement is needed for the process to be credible. Governments should receive expert feedback on their performance and have deadlines set for compliance. To make sure we keep moving in the right direction, regular follow-up reviews should be conducted and published. To support all of this, we coordinate a global coalition of more than 330 civil society organisations from more than 100 countries. As a result, non-governmental insights on governments' performance are heard - both the good and bad.

## AFRICA AND THE MIDDLE EAST

When member states of the UN Convention against Corruption gathered for a conference in **Morocco**, we coordinated activities for a global coalition of civil society organisations. Running parallel to the conference, our discussion series gathered international experts to debate the role of anti-corruption agencies, whistleblower protection and access to information. In the run-up to the events, we co-produced a short film with Moroccan filmmaker Farida Belyazid. Screened for the first time during the conference, *Le Sac* (The Bag) provided a sharp insight into the endemic nature of corruption. We also organised a meeting for civil society organisations from Arab countries. Following the discussion, the group issued a press release calling on all Arab states to sign up to the convention.



01 When parties to the UN Convention against Corruption gathered in Morocco, we coordinated the work of the UNCAC Coalition, an alliance of more than 330 civil society organisations. Here, a coalition member calls for increased transparency and accountability.

© Transparency International

02/03 A demonstration of UNCAC coalition members calls on leaders to end impunity. © Andrea Figari

## AMERICAS

In **Nicaragua**, we organised 14 workshops on the Inter-American Convention against Corruption, attended by more than 500 municipal and civil society representatives. These resulted in a set of key recommendations on how and where to reform the convention, with special emphasis on access to information.

As calls for transparency gain momentum in **Venezuela's** parliament, we helped a group of new politicians increase their anti-corruption skills. Working with parliamentarians belonging to the country's Network of Transparent MPs, we held specialist training sessions for them and their office staff. The participants, who were all signatories to Venezuela's agenda for legislative transparency, learned new methods to put their ideas into action. Moving forward, we will be focusing our attention on the national finance commission and finance office to help them meet the requirements of the Inter-American Convention against Corruption.

## ASIA PACIFIC

Since the Group of Twenty released its anti-corruption action plan at the 2010 summit in **South Korea**, we have been keeping a close watch on progress in the host nation. Meeting with the country's civil rights and anti-corruption commission, we provided advice and recommendations on implementing the plan. Our intervention paved the way for other civil society organisations: following our recommendations, the commission invited other groups to present their ideas and views.

## EUROPE AND CENTRAL ASIA

We pressed the government of **Armenia** to comply with anti-corruption commitments stipulated by international conventions. In addition to providing evidence of weaknesses in Armenian anti-corruption policy to a visiting delegation from the OECD Anti-Corruption Network, we provided feedback on the draft report that was reflected in the final version. Our work also informed a new report by the Group of States against Corruption. In their most recent evaluation of the fight against corruption in Armenia, the group discussed our efforts to monitor campaign finance during national elections.

When an OECD delegation arrived in **Italy** to check progress in combating foreign bribery, we used the opportunity to generate debate on business and corruption. At the invitation of the Ministry of Justice, we organised a high-level discussion forum in Milan's central courthouse. Featuring speakers from across the judiciary, media, public sector and business, the event offered a wide range of ideas on tackling private sector corruption. Another opportunity arose when the Group of States against Corruption gathered in Rome to discuss collaborative measures. We submitted detailed recommendations to the group, including calls for a comprehensive anti-corruption law and ratification of the Council of Europe's anti-corruption conventions.

**"If a bank has stolen assets, it is a handler of the ill-gotten gains of corruption. This is an issue whose time has come."**

Akere Muna, Vice-Chair, Transparency International



## OPEN TO IMPROVEMENT?

It's the world's leading anti-corruption legal framework, but without greater civil society input on the ground, it risks limited success. The UN Convention against Corruption (UNCAC) is a binding agreement by 160 countries on standards for preventing and sanctioning corruption. Civil society plays a vital role in ensuring governments ratify the treaty, enact measures to meet its terms – and ensure those measures are enforced.

When government representatives gathered in Morocco for the 2011 Conference of States Parties to the convention, we coordinated the work of the UNCAC Coalition, an alliance of more than 330 civil society organisations which promote the convention in over 100 countries. Our message to governments was clear: they must be accountable to their citizens, they need to include citizens and civil society groups in the implementation and review process, and key documents must be made public. With the Arab Spring in mind, we called for action to strengthen anti-corruption enforcement, asking parties to step up the recovery of stolen assets and deliver more robust anti-money



laundering measures. Our calls were reflected in the final results of the conference.

With the official review process fully under way in 2011-2012, we worked with other civil society groups around the world on contributions to the country reviews, including 13 country review reports that were also submitted as official documents to the Marrakesh conference. As we and the coalition recommended, most countries are now inviting review teams for in-country visits, and accepting input from civil society. It remains uncertain, however, whether the full reports will be made publicly available.

As even more countries join, civil society involvement is more crucial than ever to its success. With our coalition partners, we will continue to push for a stronger role in ensuring the convention is properly enforced worldwide.

**US\$5 MILLION WORTH OF SPORTS CARS SEIZED IN PARIS. WHY?**

[READ MORE P.10](#)

## WAKING UP TO FOREIGN BRIBERY

As ministers gathered in 2011 for the OECD's 50th anniversary meeting, not a single additional member country had implemented the OECD Anti-Bribery Convention in the previous year. In the seven years that we have reported on the convention, this was the first time that zero progress had been made.

Our report showed that of 37 countries, 21 were doing little or nothing to enforce the convention, which outlaws foreign bribery and money laundering. Only seven were actively enforcing it and nine doing so moderately. These findings are supported by the OECD's own extensive review, which found that only five members had sanctioned individuals or companies in 2010.

Countries cannot afford to be so lax. Only with effective enforcement will companies be deterred from bribing abroad. Our research shows that bribery adds up to 25 per cent of total costs in government procurement. According to the World Bank, bribes worth US\$20-40 billion are received annually by public officials in developing and transition countries. There is also damage being done among developed nations. Our report showed many OECD-based companies are under investigation for suspected bribery in other OECD states. "Failure to enforce the convention will allow corruption to flourish," said Transparency International Chair Huguette Labelle, "meaning resources are diverted from the poor and honest companies lose out."

Where political will is lacking, high-level pressure is needed – only then will real progress begin.

# CORRUPTION IS AFRAID OF THE TRUTH.

**[ PROBLEM ]** Information is power. Where it's not provided freely and accessibly, corruption can thrive.

The corrupt can hide their activities behind a wall of secrecy, while those with privileged information can demand bribes from others that need it. Governments can control or gag the media. When the facts can't be reported, we don't know what is true.

When our right to know is denied, we can't hold politicians to account for what they do or say. We have no way of knowing who to vote for come election time. We're blocked from participating properly in political life. Our trust in politicians can collapse. We might not even be sure of our rights in certain circumstances. We can never know what's really going on.

**[ SOLUTION ]** Governments must be open about what they do and we need to make sure we can access the information.

Our laws must guarantee public access to information. This way we can spot any dishonest practices in areas important to us all, such as water, health and education. They also allow us to check that other laws are being met, such as public spending in electoral campaigns.

Global anti-corruption treaties, such as the UN Convention against Corruption, stress how important free access to information is and set out what is needed. Governments should not just be signed up to these conventions, they should be living up to them. And we need to check that they are. Only then can we be sure that our right to know is fulfilled.



# MANY CITIZENS AND OFFICIALS ARE UNAWARE THAT THAILAND'S ACCESS TO INFORMATION LAW EXISTS.



01

## AFRICA AND THE MIDDLE EAST

We uncovered the need for better access to information in **Israel** when we measured the performance of 50 municipalities. While some scored highly, we found that many authorities were not fulfilling their obligations, particularly with regard to environmental and budgeting issues. We released the results at a public conference, and sent an individual letter to each municipality explaining what they were doing well, as well as what they needed to improve. Many authorities got in touch to ask for our help, and we are now supporting them in their efforts to improve public information channels and introduce new ethics codes.

Working across four counties, our 'Right to Know' campaign in **Liberia** led discussions on access to information and how to speak out against corruption. Through town hall meetings and informal forums, we reached more than 1,500 people in person, and countless more via community radio. Together, these activities go towards closing the information gap that has prevented Liberians from having a say in how they're governed.

## AMERICAS

Photographers across **Argentina** helped us monitor campaign spending in the run-up to the general election. Inviting people to take photos of campaign posters, we received 500 images via text message, Facebook and Twitter. Using the photos as evidence of campaign spending, we approached candidates to find out where their funding came from and how it was being spent. Their responses have been published online, along with findings showing that much official

**"Opening the door to government is only the first step. We have to make sure that citizens know the doors are open."**

Elisabeth Ungar Bleier, Board Member, Transparency International

advertising was used to support candidates already in office.

To uphold the rights of citizens in **Colombia**, we worked with partner organisations to draft a new bill on access to information. Under the new law, governments would be compelled to respond to requests in a timely and adequate manner and proactively disclose information about their activities. The bill was submitted to the senate, supported by parliamentarians from across the political spectrum. The new legislation is the latest step in a drive to promote greater transparency and accountability in the country.

## ASIA PACIFIC

In 1997 **Thailand** became the first country in the region to pass a law on access to information. Fourteen years on, we examined how well it's working. The results were mixed. While the legislation is comprehensive, many citizens and officials remain unaware of its existence, and others don't respect

it. The government has created a national authority dedicated to putting the law into action, but has not given it the authority it needs to carry out its work effectively. Releasing our recommendations, we called on the government to revamp the institution, and encouraged the media and civil society to highlight the value of freedom of information. Responding to our recommendations, the World Bank is now initiating projects to support civil society initiatives and raise public awareness of the law.

## EUROPE AND CENTRAL ASIA

We put **Bosnia-Herzegovina's** access to information law to the test by sending more than 300 requests for information to public institutes. While the response rate has improved since our last survey in 2009, only half came within the statutory deadline of 15 days (53 per cent compared to 37 per cent in 2009). We launched the findings at a

## 375 MILLION PEOPLE

could be affected by climate disasters annually by 2015. [READ MORE P.47](#)

conference on International Right to Know Day to highlight the need for better legislation and practice.

With the arrival of a new website, access to information in **Germany** took an important step forward. Developed in partnership with several other organisations, *Frag den Staat* (Ask the State) invites the public to exercise their right to public data. Using a simple online form, citizens can submit a freedom of information request in a matter of minutes. When the response comes through, the website displays the answer - or the rejection - on the homepage. By the end of the year, the website had generated hundreds of requests, many relating to corruption issues such as patronage in ministries and bribery of parliamentarians.



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**01** Lupita, our anti-corruption heroine in Peru, keeps watch over public spending.

© Proética

**02** We campaign against corruption in Niger's education sector. According to reports, US\$8 million worth of education funds have been lost to corruption.

© Association Nigérienne de lutte contre la Corruption

**03** Taking to the streets in India, we raise awareness about access to information.

© Transparency International India

**04** Telling the public about our free anti-corruption legal advice services in Madagascar.

© Transparency International Initiative Madagascar

**05** On Right to Know Day in Bosnia-Herzegovina, a passer-by fills in an access to information request.

© Transparency International Bosnia and Herzegovina

# CORRUPTION DOESN'T LIKE TO COMPETE FAIRLY.

## [ PROBLEM ] Big budgets and complex plans make for ideal corruption opportunities.

From schools and hospitals, to power plants and dams, trillions of dollars are spent each year buying goods and services for public projects. Contracts to suppliers can be awarded without fair competition, allowing companies with political connections to triumph over their rivals. Companies within the same industry can rig their bids, so each gets a piece. Such practices add to the overall bill, sometimes as much as 50 per cent, and it's us, the public, that foot these costs.

It's not just about money though, corruption also reduces the quality of work or services. And it can cost lives. People in many countries have suffered when buildings have collapsed or counterfeit medicines found their way into hospitals.

## [ SOLUTION ] Governments are responsible for providing good quality services, bought at a fair price.

Strong and transparent procurement systems mean we can see what's going on and can hold governments, bidders and contractors to account. Procurement rules should meet international standards and be overseen by strong institutions that make sure these rules are followed. Channels need to be in place both for us to access information and to report any concerns safely and confidentially. Speaking out about suspected corruption hasn't just saved money in the past, it's saved lives.

Honest procurement doesn't need to be complicated. A good start is having all participants publicly commit to zero corruption. An independent external monitor gives the entire process credibility. These steps make up what we call an Integrity Pact. More than 300 have been successfully monitored over the past 10 years.

AFRICA AND THE MIDDLE EAST

According to some estimates corruption and mismanagement in public procurement could be costing **Kenya** up to US\$357 million every year. By bringing together more than 30 representatives from across government, business and civil society, our new network in Kenya is tackling these issues collaboratively. Focusing on education, water, construction and health, the group is producing a study of the best ways to monitor public contracts. With plans for simplified monitoring tools and a central database of contract information, they are developing new ways to help citizens keep a watch on public spending.

Billboards, radio advertisements and 7,000 flyers later – our campaign for accountable public spending in **Palestine** is well underway. Following promises made by the prime minister at the launch of our 2010 Palestinian Annual Report, the government has now released its first ‘citizens’ budget’, a simple and clear document that enables people to understand and monitor public spending. Further developments are in the pipeline – we have been invited to join a committee charged with amending the current civil service law, and the Ministry of Women’s Affairs has welcomed our recommendations on sexual harassment and inequality in the public sector.

01 Our billboards in Palestine call on the government to increase accountability in public spending.  
© The Coalition for Accountability and Integrity - AMAN

AMERICAS

It’s a significant milestone: more than 150 public tenders in **Mexico** have now been completed using our integrity agreements. Inviting public contractors to pledge their commitment to transparent proceedings, we have now monitored more than US\$30 billion worth of public expenditure. This oversight has proven invaluable. We’ve recently flagged corruption risks for telecommunications contracts, where the high number of companies involved raised the chance of abuse. We also exposed threats to tenders for laboratory testing, where quality control can be bypassed to speed up bidding processes. As work continues, we are enlarging our network of 45 experts to shine a light on market regulation and economic competition.



ASIA PACIFIC

**Indian** taxpayers have saved US\$70 million, thanks to the use of our Integrity Pacts with public sector institutions. When steel prices fell sharply during bidding for a piping contract with the gas authority of India, the independent external monitor overseeing the pact advised management to negotiate new prices with the lowest bidder. When this didn’t bring reductions, he advised that bidders resubmit their tenders – resulting in the massive saving. So far, a total of 43 state-owned companies have signed up to the programme. Many of them are already reporting clear signs of change. Contracts are being processed in record time, there is a marked reduction in lawsuits, and their public image has improved dramatically.

€5 BILLION  
protected from corruption thanks to our new public procurement alliance in Ukraine. [READ MORE P.69](#)

WE’VE  
MONITORED 150  
PUBLIC TENDERS  
IN MEXICO –  
US\$30 BILLION  
IN PUBLIC  
SPENDING.

183 COUNTRIES.  
183 SCORES. [P. 71](#)  
How clean is the public sector  
in your country?

EUROPE AND CENTRAL ASIA

**Italy** has saved almost €200 million as a result of our Integrity Pacts. Having adopted the anti-corruption agreement in its procurement process, Salerno’s health authority witnessed dramatic reductions in annual losses. We are hoping to see similar savings in 2012 as more regional authorities test out the pacts. Together with the University of Modena, we have also been developing checks and balances to monitor the process more closely. The new audit system will look beyond mere financial gain to measure the effect the pacts have on trust, innovation and quality.

Allowing the public to have their say on public procurement in **Slovakia**, our new online portal ‘Open Contracts’ enables users to see and comment on any public contract signed after 1 January 2011. We also published the first-ever transparency ranking of regional governments. Following a launch event that attracted the Slovak Justice Minister and the US Ambassador, the reports and recommendations were posted online. To encourage governments to improve their scores, we will be updating the information on a regular basis.

# CORRUPTION ONLY HAS ONE BUSINESS PLAN.

**[ PROBLEM ]** Hefty fines, damaged reputations and jail sentences – corporate scandals prove that corruption in business doesn't always bring profits.

Corruption distorts markets and creates unfair competition. According to a 2011 Dow Jones survey, the number of cases where companies faced losses due to unethical or corrupt practices quadrupled from 2009 to 2010. Companies often pay bribes or rig bids to win public procurement contracts. Corrupt acts can be hid behind secret subsidiaries and partnerships. Some companies seek to illicitly influence political decision-making in their favour. Others skirt tax laws, construct cartels or abuse legal loopholes. Private companies have huge influence in many public spheres, from energy to healthcare. Corruption in business can hurt us both as consumers and taxpayers.

**[ SOLUTION ]** Companies need to demonstrate that corruption isn't part of their business plan.

If they're serious, they need a zero-tolerance policy towards bribery and corruption, backed up by comprehensive anti-corruption measures. To help companies both big and small make sure they have effective safeguards in place, we continue to develop our anti-bribery code, *Business Principles for Countering Bribery*.

Companies need to publicly report on their operations. This sends a powerful signal to staff, investors and consumers that they're committed to clean business. Increased accountability is also needed from the markets and institutions that regulate business. Governments must enforce international anti-bribery laws and conventions for companies to profit from an honest operating environment. Such action helps guarantee accountability across borders and all the way down supply chains.



## AFRICA AND THE MIDDLE EAST

Our corporate governance initiative in **Lebanon** continues to gain momentum. As family-owned enterprises play a major role in the country's economy, we developed a new guidebook that deals with the real-life pressures facing such firms. Along with guidelines on how to implement corporate governance principles, the book includes informative case studies, such as a construction firm that has increased oversight by creating an audit system and appointing independent directors to its board.

## AMERICAS

Over in **Canada**, our new anti-corruption checklist is helping businesses operate in international markets without compromising their integrity or violating Canadian legislation. Available online, the list guides the reader through a series of tools for assessing, implementing and monitoring anti-corruption safeguards. The toolkit, which draws on both our and other international

organisations' experience, has been promoted at conferences and in the media.

More than 150 public officials and senior business executives attended our corporate transparency seminar in **Chile**, organised together with Desarrollo University and KPMG consultants. Participants examined transparency and integrity in Chilean companies, tackling issues ranging from global bribery to current private sector trends. We have already developed several constructive relationships with Chile's private sector. For example, we're advising the country's leading sugar refinery, copyright body and the national construction union on the best ways to develop their corporate responsibility.

## ASIA PACIFIC

On International Anti-Corruption Day, we launched a programme in **Australia** to help business leaders and key staff promote integrity measures. More than 80 company representatives attended a panel discussion on offshore bribery and corruption risks for the

private sector. The session covered government initiatives and investor perspectives. The programme will provide company leaders and staff with a platform to continue anti-corruption learning and discussion.

After signing up to our integrity agreement, a **Malaysian** printing company found its standing with clients around the world improved dramatically. Aware of its commitments to transparency and honesty, international businesses have approached the company with offers of work. By the end of 2011, more than 60 other businesses had joined the programme, which commits them to promoting and upholding transparent behaviour. Among them was Telekom Malaysia. At the launch of their *Kristal Clear* initiative, employees and suppliers made individual promises to respect the terms of the agreement.



01 Transparency International Chair Huguette Labelle at the World Economic Forum's India Economic Summit in Mumbai.

© Flickr/World Economic Forum

## 28 OF THE WORLD'S LARGEST ECONOMIES

How do their companies behave abroad?  
READ MORE P.70

## NOW OPEN P. 57

Western Europe's first dedicated advisory centre for whistleblowers and victims of corruption.

# 60 MALAYSIAN BUSINESSES HAVE PROMISED TO BEHAVE TRANSPARENTLY.

## EUROPE AND CENTRAL ASIA

Our report on **Georgia's** advertising sector highlighted a worrying concentration of media ownership among a small network of business partners. This unhealthy situation raises concerns that the independence and transparency of the media sector could be affected. As Georgia prepares for elections in 2012, it will be important to deal with these issues. We launched the research with a roundtable discussion featuring representatives from the government, media, civil society and international organisations. The findings caught the attention of the public, prompting one media outlet to dedicate a whole TV programme to discussing the results.

As the **UK** Bribery Act came into force, we developed a range of resources to help companies comply with its terms. Our online toolkit takes employees through a range of realistic scenarios – a payment request from a border official, for example – and suggests ways of negotiating the situation without breaking the law. In a new set of guidelines for mergers and acquisitions, we explain how corporations can carry out anti-bribery due diligence to avoid costly damage to their reputation and finances. And in a timely report, we provide a comprehensive review of foreign bribery cases in the UK, looking at what's working, what isn't, and what needs to be done.

## CREATING SHARED VALUE

Part of the problem or the solution? How open are the world's largest oil and gas companies about what they do? We rated 44 companies, representing more than 60 per cent of global oil production, on their levels of transparency. Our study, published in partnership with Revenue Watch, paints a mixed picture.

Reporting on anti-corruption programmes shows what measures companies have in place to fight corruption. Eight companies scored zero out of 100 in this area, a big improvement on the results of our 2008 study where 21 of the 42 companies evaluated scored zero.

The average results for companies' organisational disclosure are relatively high, but the reporting of equity or field partners in upstream operations remains infrequent. This information is needed as it exposes potential conflicts of interest. A government minister, for example, will be less likely to take a private stake in an oil subsidiary if this information is openly published.

Companies score poorly for disclosing the royalty payments, taxes and fees they make to governments on a country-by-country basis. As some companies score well across the board, even in supposedly difficult environments, there is little excuse for such a lack of disclosure. Without this information, citizens and civil society can't hold their governments to account for money received from the companies.

There is no one solution to ending the resource curse, but if oil and gas revenues are going to work for societies and not against them, then companies know what they need to do.

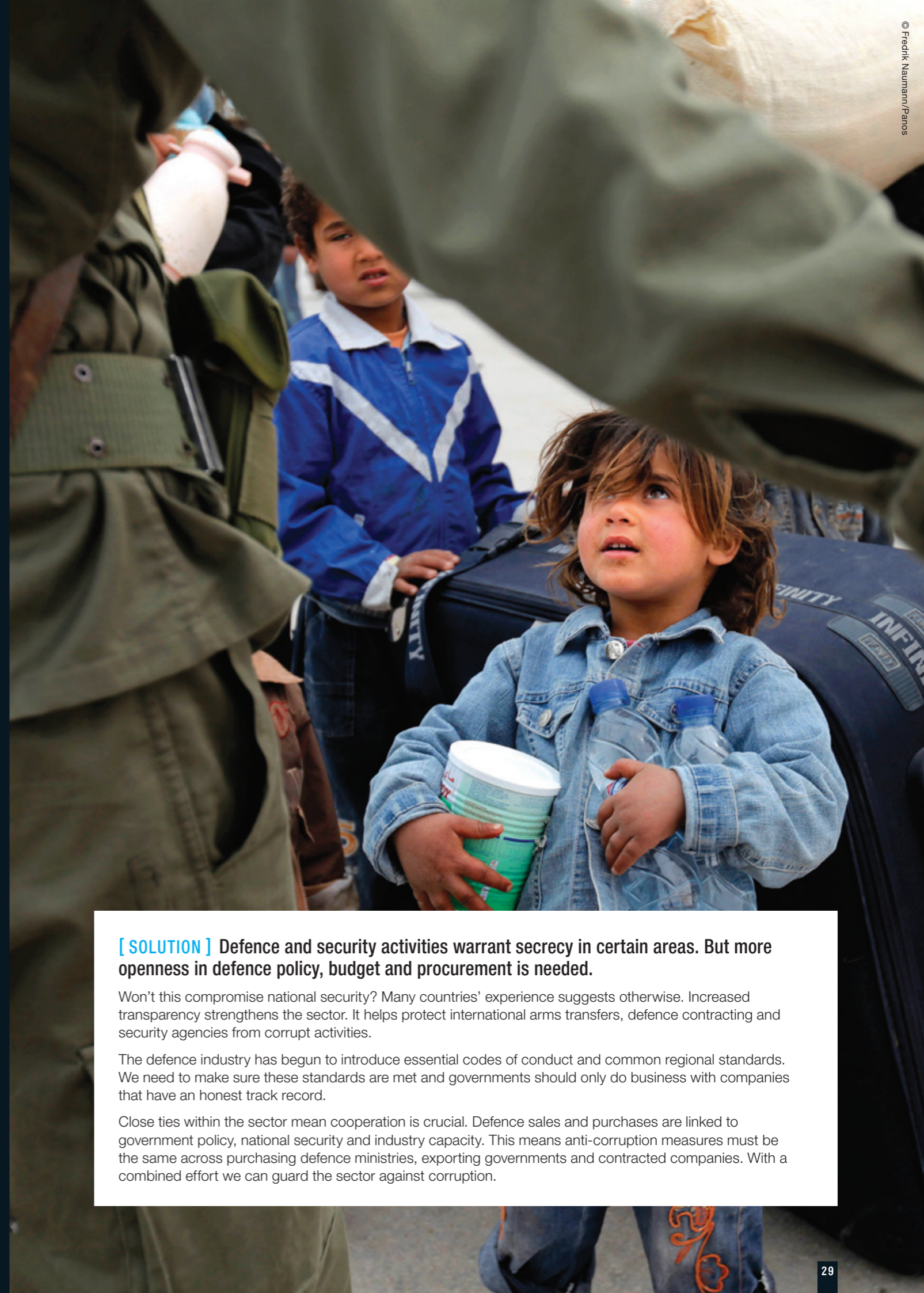
# CORRUPTION ONLY PROTECTS ITSELF.

**[ PROBLEM ]** The defence and security sector offers conditions perfect for corruption: vast sums of money and an air of secrecy.

World military expenditure totalled US\$1.74 trillion in 2011, according to SIPRI. Yet national defence establishments are often kept from public scrutiny, hidden away behind national security concerns.

Defence budgets can offer rich picking for corrupt politicians. They're an easy source of profit or re-election funds. But the confidentiality needed for certain defence activities often extends further than is justified. And that can harm us all.

Corruption in defence reduces our national security and the effectiveness of our armed forces. It destabilises peace support and state-building operations, undermining efforts to protect populations caught in conflict or emergencies. Defence corruption also damages economic growth and our trust in military and security activities.



**[ SOLUTION ]** Defence and security activities warrant secrecy in certain areas. But more openness in defence policy, budget and procurement is needed.

Won't this compromise national security? Many countries' experience suggests otherwise. Increased transparency strengthens the sector. It helps protect international arms transfers, defence contracting and security agencies from corrupt activities.

The defence industry has begun to introduce essential codes of conduct and common regional standards. We need to make sure these standards are met and governments should only do business with companies that have an honest track record.

Close ties within the sector mean cooperation is crucial. Defence sales and purchases are linked to government policy, national security and industry capacity. This means anti-corruption measures must be the same across purchasing defence ministries, exporting governments and contracted companies. With a combined effort we can guard the sector against corruption.

The first course took place in  
**2008.**

Each course lasts for  
**5 DAYS**  
and has been run  
**15 TIMES.**

The course has been held in  
**6 COUNTRIES**  
and involved a total of  
**600 PEOPLE**  
from  
**30 COUNTRIES.**

The first Afghan-led course in  
Afghanistan took place in  
**2011.**

Since 2008 we have run a course in cooperation with NATO and the UK Defence Academy on building integrity and reducing corruption in defence and security establishments. Aimed at senior officers and defence officials, the week-long course has been run successfully 15 times in Afghanistan, Bosnia-Herzegovina, Germany, Turkey, the UK and Ukraine, including more than 600 defence establishments and civil society participants from 30 nations. In 2011 the first course was delivered to Afghans by Afghans, following a 'train the trainer' package for members of the Afghan Ministry of Defence and the Ministry of the Interior.

We have continued to work with states, civil society and the defence industry towards a robust UN Arms Trade Treaty with strong anti-corruption provisions. There is encouraging support for the treaty to include anti-corruption mechanisms, with a number of new states adding their voices to the call in 2011. We will build on this momentum in the lead up to the final treaty negotiations in 2012.

When we looked at the national defence budget transparency in 93 countries we found that most do not make enough information publicly available. Thirteen of the assessed countries were rated as having high transparency, but 60 had only moderate transparency or less. Many countries even restrict the information available to their legislatures. Our study was launched in Chile and Malaysia, where it gained extensive media coverage. We took this opportunity to engage constructively with defence establishments and work with civil society on how best to hold the sector to account.

We played a facilitating role in initiating the International Forum on Business Ethical Conduct in 2008 and have pushed the defence industry to formalise it. We therefore welcomed the 2011 decision by the Aerospace Industries Association of America and the AeroSpace and Defence Industries Association of Europe to nominate a core group of companies to guide the forum's activities.

As a result of our concerted efforts with Greece's Ministry of Defence, Greece became one of the first countries to implement an EU directive which it used to introduce robust legislation to increase integrity and transparency in defence contracting. The legislation includes strong transparency requirements, such the introduction of an integrity clause in contractual documents and clear audit and inspection procedures. This success paves the way for other countries to adopt similar legislation to stamp out corruption.

[www.ti-defence.org](http://www.ti-defence.org)

**01** Transparency International Chair Huguette Labelle at NATO's 2011 Building Integrity Conference. The event gathered senior military officials, civil society and international institutions to discuss corruption risks in the defence sector.

© Naval Postgraduate School

## 3,500 VOLUNTEER ELECTION MONITORS

were recruited through social media prior to the Guatemalan elections.  
[READ MORE P.8](#)

21,000 PEOPLE, 20 COUNTRIES.  
WHAT DID THEY SAY ABOUT  
CORRUPTION IN THEIR DAILY  
LIVES? [P. 72](#)

# OUT OF 93 NATIONAL DEFENCE BUDGETS, ONLY 13 WERE RATED AS HAVING HIGH TRANSPARENCY.



01

# CORRUPTION THINKS JUSTICE CAN BE BOUGHT.

**[ PROBLEM ]** A judiciary is supposed to guarantee fairness, but people's actual experiences in court tell a different story.

In some countries, the overwhelming majority of people who come in to contact with the courts face demands for bribes. The payments total staggering amounts. A backlog of cases creates opportunities for demanding bribes to 'fast-track' a case. Court personnel can be paid to slow down or speed up a trial, or make a complaint disappear. Judges can also bribe or be bribed, or they can suffer pressure from above. Corrupt politicians can try to influence decisions and distort appointment processes. For judges who refuse to be compromised, political retaliation can be swift and harsh.

Against this backdrop, people are often unaware of their rights. Or worse still, countless negative experiences can simply resign them to their fate before a corrupt court.

**[ SOLUTION ]** Everyone has the right to a fair and impartial trial.

An independent body should make sure appointments are based on merit rather than favouritism. Fair judicial salaries and pensions make court personnel less vulnerable to bribery. Wages should reflect experience, performance and an honest track record. In the face of powerful interests, judges need to be protected from excessive risks that could keep them from ruling fairly. These include investigations of credible allegations against them, and limited liability for decisions. Court officials must know that if corruption is proved, they'll be removed in a fair, open way.

Judicial processes need to be transparent. Then we can expose judicial bias and fight for reforms that ensure honesty in the courtroom is the rule and not the exception.



## AFRICA AND THE MIDDLE EAST

**Palestinians** who feel wronged by the judicial system now have a means to air their grievances. The introduction of a courts complaints system came in direct response to our research in 2010, highlighting the absence of such procedures. Working in partnership with the High Judicial Council, we ran training sessions for the 24 staff members working in the new complaints units. We also carried out a media campaign to promote the service, including radio spots and a television broadcast. Today, all courts are equipped with permanent signs, complaint boxes and brochures explaining how to make a complaint.



# 46%

of people think the judiciary in their country is corrupt or extremely corrupt.

## JUDICIARY

is perceived to be the most corrupt institution in the following countries:

**Afghanistan, Bolivia, Bulgaria, Cambodia, Croatia, Ethiopia, Georgia, FYR Macedonia, Morocco, Peru, Ukraine**

Source: Global Corruption Barometer 2010/11

## AMERICAS

Thanks to our new agreement with **Guatemala's** judiciary, we now have an important partner in the fight against impunity. Announcing our shared commitment to bringing the corrupt to justice, the pledge maps out activities where we can help each other. While our anti-corruption legal advice centre continues to provide support to victims and witnesses of corruption, the ministry has promised to create specific mechanisms for investigating corruption and introduce its first formal complaints procedure for those who experience abuses within the judiciary. As collaboration continues, we are preparing a set of recommendations on how the judiciary could better comply with international conventions.

## ASIA PACIFIC

Eighty-eight per cent of **Bangladeshis** said they encountered corruption when dealing with the judiciary, according to our research in 2010. Following our 2011 campaign, this alarming situation looks set to improve. Today, all judges are required to submit statements of wealth, a committee of judges has been appointed to investigate allegations of judicial corruption, and a corruption complaints box can be found in the office of the Supreme Court Registrar.

Imagine submitting a legal complaint, and then waiting 11 years for the courts to respond. For many in **Vanuatu**, this has been the frustrating reality. Teaming up with the Minister of Justice, we used

## MORE THAN 10% P. 69

of Bulgarians say at least one of their close friends would willingly sell their vote.

the country's annual music festival to rally for change. As co-hosts of the five-day event, which attracted more than 30,000 people, we called on the crowds to take a united stance against corruption. When the resulting petition was presented in parliament, the government authorised the Ministry of Justice to create an anti-corruption task force. With the help of international officials, the task force will focus on Vanuatu's compliance with global conventions.

## EUROPE AND CENTRAL ASIA

In 2010, only two defendants received prison sentences in **Bosnia-Herzegovina** for bribery and related offences. This worrying statistic emerged from our analysis of corruption cases in the country. Assessing data from each stage in the criminal prosecution process, we found that many complaints never progressed beyond initial investigations. Launching a campaign to raise awareness, we are using the findings to lobby for a more independent and efficient judiciary.

**01** With hotlines written on their T-shirts, volunteers in Azerbaijan inform communities about our free anti-corruption legal advice services.

© Transparency International Azerbaijan

**Crooked markets, fake payments, embezzled funds.**  
Exposing corruption in 2011. [READ MORE P.65](#)

# IMAGINE SUBMITTING A LEGAL COMPLAINT, AND THEN WAITING 11 YEARS FOR THE COURTS TO RESPOND.

# CORRUPTION PICKS ON THE WEAKEST.

**[ PROBLEM ]** One in seven of us lives in extreme poverty and it's those with the least that often end up paying the biggest personal price.

A bribe demanded by a police officer could make the difference between affording school fees and having food to eat. People shouldn't be faced with such decisions, but the problem is still here. Global food prices hit record highs in 2011, pushing millions more into poverty.

Corruption not only makes poor people poorer. It also diverts resources from schemes meant to meet society's most basic needs, such as sanitation and healthcare. Corruption can see aid diverted into the pockets of the powerful frustrating development efforts. Meanwhile those that need it most are left behind politically, economically and socially.



**[ SOLUTION ]** The voices of the world's poorest people must be heard when development agendas are set and decisions taken that affect their lives.

By working together, disadvantaged groups and their elected representatives and administrations can stamp out corruption. Local communities need to be involved in policy and budget decisions so they can keep politicians to their promises. Communities can also monitor elections and oversee the delivery of public services. Effective aid is accountable aid that works to end global poverty. We need to be able to see how much money is going where, when and what for. Governments, international donors and multilateral agencies have begun to recognise that poverty and corruption must be tackled together, but this needs to be better reflected in international development agendas.

## AFRICA AND THE MIDDLE EAST

Female empowerment was given a boost in **Sierra Leone** with the arrival of grants to help 34 women's groups reduce poverty in the local community. By monitoring the transfer and use of the grants, we were able to prevent embezzlement or mismanagement, allowing all those involved to benefit equally from the initiative. The women, who use the money for farming, trading and developing new skills, have seen their profile rise hugely in their communities, with some now sitting on development committees and local councils.



## AMERICAS

Designed to help people escape poverty, conditional cash transfer programmes in **Latin America** provide payments on the condition that the recipient completes certain actions, such as enrolling children in school or getting regular check-ups from the doctor. Looking at practices in **Bolivia**, **Guatemala** and **Peru**, we developed and piloted a new set of tools to assess the corruption risks involved. Our preliminary findings exposed some significant challenges: recipients are being selected subjectively, authorities are intervening too frequently and there is a lack of clear regulations to keep a check on operations. These issues can and should be addressed. We called for improvements in resources and training, reliable complaints procedures, enhanced regulations and better monitoring systems for citizens.



## ASIA PACIFIC

Good news for patients in **Bangladesh** – three more hospitals have announced their commitment to fighting corruption. By signing up to our integrity pledges, they join a total of 28 public service providers committed to increasing transparency and accountability in their work. One school has already witnessed dramatic changes. Attendance among students has soared after illegal fees for admission, examinations and textbooks were dealt with. In the space of a year, the drop-out rate has fallen from 30 per cent to less than 10 per cent. On the request of the local education authority, the initiative is now being replicated in other schools.

## EUROPE AND CENTRAL ASIA

Residents of a poor neighbourhood in **Kazakhstan** seized the opportunity to have their say at a meeting with public officials. We organised the open meeting as part of a wider initiative to foster openness and participation in development. Residents raised their concerns about poor infrastructure, crime and poverty, and we joined officials in offering legal and practical advice. Participants on both sides were enthusiastic about the meeting, which we hope to repeat and to replicate in other neighbourhoods.

**01** Women's groups in Sierra Leone receive cash grants to help them with their work. By monitoring the transfer of money, we ensured funds reached their intended destination.

© National Accountability Group

**02** Payday for recipients of conditional cash transfer payments in Guatemala. We are working to make sure the system is managed fairly.

© Acción Ciudadana

## POVERTY AND CORRUPTION: BREAKING THE CYCLE

**With little access to toilets and clean water, sicknesses like cholera and dysentery used to be common in the farming community of Giima, Sierra Leone. Constant ill-health meant adults were frequently unable to work and children missed out on large parts of their education.**

The situation looked set to change when the community raised funds to build new toilets, and a development organisation donated materials. But the plans failed. According to local people, the urgently-needed resources were embezzled and stolen.

Sadly, it's a familiar story. Corruption denies basic services like health and education to millions of the world's poorest people, trapping them in a cycle of inequality. Where the better-off can find private solutions – water filtration, generators, private hospitals – disadvantaged groups have no choice but to rely on the state.



Yet with the right assistance, these same people can break the pattern. If communities participate in planning and overseeing the delivery of public services, they can ensure resources reach their intended destination. This is where we come in - with projects around the world, we are helping local people secure the services they are entitled to.

With the skills to track spending, for example, communities can help ensure funds don't disappear. In Peru, citizens in one rural region raised concerns about the selection procedure for social welfare payments. They claimed that recipients were being chosen unfairly, diverting funds from those who really needed them. Helping local people understand their rights to monitor payments, representatives from our national anti-corruption network showed them how to keep watch over the system. The training programme resulted in the formation of a Committee on Oversight and Transparency, which brought welfare beneficiaries and local authorities together to monitor the selection process.

When people are unaware of their rights, it is easy for corrupt officials to take advantage. At public meetings in Liberia, we brought together communities and officials to discuss local services. The audience at one session was shocked to hear a councillor say medical treatment was free. They thought the 'fees' demanded by clinic staff were official charges. He in turn was stunned to hear they had to pay, and publicly promised to investigate. Today, people enjoy the free healthcare that is owed to them.

Programmes like these depend on active collaboration between communities and the authorities. In Bangladesh, we've introduced 'Integrity Pledges' – social agreements committing people and officials to tackling specific problems together. Alokdia Primary School, near the capital Dhaka, saw its national rating leap to grade A after parents and officials signed a pledge and worked together to end problems such as bribery for admission, books and scholarships.

These initiatives work by breaking the silence that so often surrounds corruption. Back in Giima, local people used video testimonial to show how poor sanitation was affecting their lives. With the problems laid bare, officials quickly found the resources needed to build the toilets. Watched over by specially-trained local monitors, this new set of funds and materials went where it was supposed to.

Within three months, the public toilets were in operation. People's health quickly improved. "We're no longer living under threat from water-borne diseases," says the local health officer. "Our people can stay strong and work hard to earn a living."

**03** We interview people in Uganda about their experiences with corruption.

© Alfred Bridi

# CORRUPTION ONLY SERVES ITSELF.

**[ PROBLEM ]** Where institutions are weak and oversight insufficient, funds meant for public services such as health and education can easily disappear.

At the delivery end, public servants, such as head teachers or hospital staff, abuse their positions by demanding bribes from the very people they should be helping. For the victims, this can mean deciding whether a family can afford the bribes to send their child to school. When families can't afford to pay for multiple children to attend, it is often girls that are denied an education. In healthcare, corruption is often a matter of life and death. Counterfeit or adulterated medications can be sold to hospitals after being expedited across borders and along supply chains. The result: critical medications are useless and patients can die. Even when no fatalities occur, efforts to tackle major health challenges such as malaria and HIV/AIDS are severely undermined.



**[ SOLUTION ]** Budgets for public services and institutions, including schools, hospitals and infrastructure need to be published.

If information is made accessible and easy to understand, then we can track funds and make sure they're not being siphoned off. Citizens can demand accountability and transparency by scrutinising school budgets or simply staying informed about the official charges for public services.

Governments need to involve civil society and citizens in consultations on national policies and at local government level in the planning and delivery of services. Participation must be informed, institutionalised and inclusive. This way we can prevent the corrupt use of funds and make sure that disadvantaged groups are not excluded from the delivery of vital services.

In many cases cooperation between countries is needed. To tackle counterfeit drugs, for example, a united front is necessary – involving customs, suppliers and medical institutions in-country, and initiating mutual legal assistance to get to the source, usually abroad.

## AFRICA AND THE MIDDLE EAST

New social auditing clubs in **Ghana** are shining a spotlight on local development projects and service provision. Founded with the National Commission on Civic Education, the clubs track the progress of public tenders from the selection of the vendor right up to the completion of the project, ensuring that bids meet the required specifications and public resources are used effectively. For example, when one club detected the use of substandard materials for a school building, its intervention meant that quality materials were used instead. We're now making plans to open the next batch of clubs in new districts.

For public institutions in **Kuwait**, the results are in. For the fourth year running, we ranked ministries and public bodies according to their perceived levels of transparency, accountability and leadership. The Reform Perceptions Index, which draws on surveys completed by employees and service recipients, captured the attention of both the media and the institutions. Many public bodies contacted us to find out how they could improve their score and we are now working with them to achieve this goal.

## AMERICAS

More than 20 companies took part in our research on the transparency of **Colombia's** utility sector. We measured each enterprise according to how well they disclose information, respond to customer service issues and observe corporate governance standards. Now in its fourth year, the annual survey is helping Colombia's public service sector align with international standards. More and more companies now satisfy the criteria – by publishing their annual reports online, for example, or offering customer service hotlines – and results are improving steadily. In 2008, companies received an average rating of 56 out of 100 for their information disclosure. Three years on, the score has jumped to 85.

Fourteen per cent of household income in **Mexico** goes on bribes to pay for basic services, such as waste disposal and electricity connection, according to our research. Examining 35 different



01

services, we investigated requests for amenities in 2010, and found that people reported paying bribes in 10 per cent of cases. Over a year, this amounts to an enormous 200 million acts of bribery. The price of such corruption is on the increase: in 2010, the estimated cost was more than 32 billion pesos (US\$2.5 billion) – up almost 20 per cent since 2007.

## ASIA PACIFIC

When we invited the public in east **Sri Lanka** to come forward with their stories of corruption and bribery, thousands turned up. For people who cannot travel easily to major cities, our anti-corruption roadshow provided a rare opportunity to air grievances on issues that affect their daily lives. Also on hand were local officials to listen to the problems and provide advice. Following the event, we helped people pass on their complaints to the national anti-corruption commission. Thanks to widespread media coverage of the event, more people are now seeking our assistance in filing complaints.

We spent two years interviewing people from across **Vietnam** about their experiences of corruption in education and health. Investigating the culture of 'gift-giving' in hospitals and schools, we found that informal payments were denying access to the poorest and degrading the quality of service. Interviewees reported payments for operations and treatments, and gifts of fruit and biscuits in exchange for basic services like injections or hospital clothing. Similarly, some parents reported paying for free textbooks and even mobile phones for teachers. Calling on the government to increase transparency, improve controls and raise wages, we are now working to end such practices.



02

## 88% OF BANGLADESHIS

said they encountered corruption when dealing with the judiciary. [READ MORE P.34](#)

## 400 BANGKOK SCHOOLS P. 60

took part in the Growing Good curriculum that teaches Thailand's next generation the principles needed to fight corruption.

## EUROPE AND CENTRAL ASIA

We launched a major project with universities in **Bosnia-Herzegovina** to increase transparency and prevent corruption in higher education. To map out the current situation, we surveyed students and teachers on their perceptions of corruption, evaluated awareness of anti-corruption mechanisms, and analysed the legal frameworks for preventing abuses. Our work has proved popular: of the eight public universities in the country, six institutions have signed up to partnership agreements. We are now working with each university to develop specially-tailored anti-corruption plans.

Residents of Tbilisi in **Georgia** welcomed our new website 'Fix My Street'. Using an online map, members of the public can flag issues such as potholes, road safety, or missed garbage collections, triggering an automatic message to the relevant authorities. Once the complaint has been dispatched, users track changes and repairs by posting comments and photos. The initiative has been praised by the Mayor's office, which now features a prominent link to the portal on its website. Since the launch of the site 1140 problems have been reported. According to users, 750 of these have now been fixed.

01 At a press conference in Honduras, we call for greater transparency in public health.

© Asociacion para una Sociedad Mas Justa

02 Citizens and officials pledge side by side to end corruption at our exhibition in Sri Lanka.

© Transparency International Sri Lanka

# COMMUNITIES WERE OFTEN UNAWARE OF THEIR RIGHT TO FREE SERVICES.

## DELIVERING SERVICES IN AFRICA

"No money, no service!" In Nebbi district, Uganda, where healthcare is meant to be free, a mother sums up local midwife services. "Corruption has become part of life," she says. "Reporting the midwives just causes more problems."

It's a familiar story to millions of people across Sub-Saharan Africa. Everyday corruption like this is both a cause of poverty and a barrier to overcoming it. It can mean choosing between food and healthcare, or one child going to school instead of another. To address this damaging cycle, we examined the issues that were holding back transparent and accountable service delivery in seven African countries – Cameroon, Ghana, Kenya, Senegal, South Africa, Uganda and Zambia.

We began by uncovering the problems communities face in three key sectors – health, education and water. Repeated patterns of

corruption emerged. Poor financial and asset records enabled theft and embezzlement. Underpaid staff charged illegal 'fees', demanded favours or were away working in private sector jobs to supplement their incomes. Meanwhile, communities were often unaware of their right to free services, or how to demand accountability from officials.

In response, we've made wide-ranging recommendations to improve service delivery. Rooted in people's experience, these form a powerful basis for advocacy in each country. They include better training for officials in keeping and publishing financial records, stronger civil society demands for access to information to hold officials accountable, and greater community involvement in planning and monitoring service delivery.

With more than half of health workers acknowledging corruption in countries like Uganda, it's vital these measures are put in place. As mothers in Nebbi know, millions of lives depend on it.

# CORRUPTION DOESN'T THINK ABOUT TOMORROW.

**[ PROBLEM ]** Climate change is arguably the biggest challenge we've ever faced.

Huge expense is needed to prevent and respond to it, which means tempting opportunities for corruption. Some estimates put total investments to offset the effects of climate change at almost US\$700 billion by 2020. Much of this will flow through new, uncoordinated channels. There are grey zones and loopholes in regulations that risk being exploited. They're made more dangerous by pressure to 'fast-track' solutions.

Yet essential concepts, such as what is a forest, are still being debated. And ways to measure the effects of carbon offsets are relatively untested. Meanwhile, the people worst affected by climate change are usually excluded from the debate. As a result, the voices of indigenous and remote communities and poor people in cities are rarely heard.



**[ SOLUTION ]** We all need to monitor developments carefully and learn fast.

Working with governments and companies, we can close entry points for corruption in the climate management process. Policies need to be developed in an open way with everyone affected taking part to gauge the effects of corruption at all levels. They'll also help us hold leaders to account for funds and decisions to manage climate change.

Governments must build checks and balances into climate policy and publish flows of money so we can monitor where they go. Independent oversight bodies are also needed, but they must have salaried staff with technical expertise and no conflicts of interest. Companies also have a part to play by disclosing their positions on climate policy. Which coalitions do they take part in? Which causes do they support? Meanwhile, communities affected by climate change need support to take part in local schemes and understand their rights.

## PROTECTING OUR FORESTS

It's hard to overstate the importance of forests. They provide livelihood for one billion people – 95 per cent of the world's poorest citizens – and stabilise the global climate. But the global timber trade is a highly profitable industry, and the most lucrative forests tend to be in developing countries that depend upon resource revenues. As a result, forests are being cut down at a rate of 13 million hectares a year – far faster than they could ever recover.

By paying people in developing countries to preserve trees they would otherwise sell, burn or build with, the UN-initiated scheme Reducing Emissions from Deforestation and Forest Degradation (REDD) offers a way to balance ecological and economic concerns and offset climate change. Expected to channel as much as US\$33 billion every year into forest-rich countries, funded through cash payments or carbon credits, the scheme aims to make protecting forests more attractive than felling them.

But with sums this large, the risk of abuse is high. Many of the countries selected for funds have a history of poor governance and low levels of accountability, and the forestry sector has long been dogged by corruption scandals. Protecting REDD against fraud will be a challenge. Without strong monitoring mechanisms and awareness-raising in communities, the programme may fail to achieve its aims – with devastating consequences.

The first step is identifying the potential dangers ahead. We convened a global meeting with corruption and forestry specialists,

# US\$33 BILLION A YEAR. WITH SUMS THIS LARGE, THE RISK OF ABUSE IS HIGH.

and used their ideas and insights to produce a practical guide to assessing and averting risks. Currently being tested on the ground by project teams in Indonesia, Papua New Guinea and Vietnam, the manual offers a step-by-step guide to identifying and prioritising potential entry-points for corruption. Once these assessments are complete, we'll use them to create country-specific action plans.

By working directly with local communities, we aim to make sure their voices are heard. According to REDD principles, affected communities must give their free, prior and informed consent for a project to go ahead – in practice, people may be signing away land

without understanding how the project works and what is owed to them. We are developing an information campaign to sensitise people to what REDD is, the risks it presents and how they should get involved.

With the initiative still in its preparation phase, now is the time to build in safeguards against corruption. Adequate oversight is vital for the survival of the world's forests – and the communities who depend upon them.

## CLIMATE CHANGE: 375 MILLION REASONS TO INCREASE TRANSPARENCY

**When an investigative journalist in Bangladesh traced the flow of money earmarked for climate change initiatives, he discovered an unlikely entry on the list: a training firm for computer repairmen, provisionally selected for a US\$34,000 grant to repopulate forests.**

It wasn't the only recipient to raise concerns – of the 53 cash awards, 10 were to be given to organisations that were either owned by or linked to political leaders from Bangladesh's ruling party.

From renewable energy to sea walls, governments have pledged at least US\$100 billion per year by 2020 to slow down climate change and help communities adapt. Low carbon technologies, for example, could help cut greenhouse gas emissions and prevent global warming from escalating further, but public money is required to encourage private investment. This spending is desperately needed: according to current estimates, 375 million people could be affected by climate disasters annually by 2015. Food and water scarcity looks set to increase, cyclones and floods will likely become more frequent, and tens of millions of people could be forced into migration.



Yet many of the countries judged to be most at risk from climate change are also considered to suffer from high levels of corruption, and funds will be allocated through new channels, some of which lack independent oversight. This all makes climate finance particularly vulnerable to embezzlement or poor investment. "Corruption holds nothing sacred, not even our planet's future," says Transparency International Chair Huguette Labelle. "Failure to properly govern climate change measures now leads to misallocated resources and fraudulent projects – and also hurts future generations."

Our Global Corruption Report on Climate Change was the first report of its kind to explore corruption risks in this area. More than 50 experts highlighted the urgency of the problem, from weak systems of climate governance and undue influence from lobbyists, to manipulation of carbon markets and abuse of projects designed to help people adapt to changing climates. The report provided practical steps to promote access to information and advocated for strong, well-resourced oversight bodies to keep watch over climate funding.

By developing anti-corruption solutions to safeguard climate and carbon finance, we're working to ensure these new public funds reach their intended targets. Through risk maps, monitoring tools, and awareness-raising initiatives, we're helping people track progress in their countries and making sure local communities have a say in how funds are used. The more eyes following the flow of money, the lower the risk that it will be embezzled, misallocated, or diverted from those who really need it. Starting in Bangladesh, the Dominican Republic, Kenya, the Maldives, Mexico and Peru, we aim to include around 30 more countries by 2016.

In Bangladesh, already suffering from annual floods, cyclones and tidal waves, we called on the authorities to address the selection procedure for climate change grants, prompting an official review of the award process. It is a positive step, but in future these checks and balances should be in place before projects are selected. For many people, these funds are a matter of survival – we can't afford to make mistakes.

**01** Communities in Papua New Guinea learn about their rights.  
© Alice Harrison

# CORRUPTION HAS NO FUTURE.

**Corruption.** It was the world's most talked about issue in 2010 and 2011, according to the BBC.

Millions of people took to the streets to demand accountability. If corruption ever seemed unchallengeable, it doesn't now. As access to mobile phones and internet devices increases, new monitoring tools are giving people the chance to report abuses instantaneously, keep informed and mobilise quickly. Politicians and companies are waking up to the advantages of transparency, and people are finding new ways of making the flood of information usable – translating labyrinthine data into maps or visuals, condensing hundreds of pages of numbers into easy to understand “citizens budgets”. Change is happening and, bit by bit, the layers of secrecy that allow corruption to thrive are being pulled away. While people can take action against corruption in many different ways – from marches, to blog posts to community theatre – one thing is clear: we're not just talking about corruption, we're doing something about it.



## AFRICA AND THE MIDDLE EAST

Artists and citizens of **Morocco** united against corruption with an innovative project that combined everyday expressions with visual arts. Gathering together traditional proverbs about corruption, the project invited the public to create new sayings to express their experiences. More than 100 people contributed ideas, which served as inspiration for a group of artists who translated the messages into powerful pieces of art. Their work, which has now been shown at public exhibitions across the country, is also included in the final collection, *Proverbs against Corruption*. So far, 5,000 copies have been distributed.

From school materials to land allocation, **Zambia's** community noticeboards have enabled local people to monitor the delivery of services and development projects that affect their daily lives. In each of the eight participating districts, a diverse committee of local people, officials, civil society representatives and businesspeople identifies the sectors that are in most need of oversight and surveys people on their experiences. Using their findings to advocate for change, the committees develop initiatives to help the public get involved. With projects ranging from report cards to educational street theatre, the committees are teaching local communities how to hold their leaders to account.

**01** Young people in Vietnam join our anti-corruption workshop. © Towards Transparency

**02** Thousands take part in our 2011 Walk Against Corruption in Papua New Guinea. © Transparency International Papua New Guinea

**03** Villagers in Uganda receive information on corruption in education, which highlighted the challenges of teacher absenteeism. © Transparency International Uganda



## AMERICAS

Opening up the floor at a recent hackathon in **Argentina**, we invited programmers and developers to pitch their ideas for increasing transparency. We provided competitors with a short response to a public information request on municipal expenditure and challenged them to fill in the gaps by creating new tools. Tackling a problem that commonly faces anti-corruption activists, participants used the skills at their disposal to make the available data more meaningful and accessible. The winning team, which received a prize of 3,500 pesos (US\$800), developed a new formula that allows users to cross-reference information on official advertising. By using this and other tools, civil society groups

will be able to enhance and refine their surveillance of public spending.

Calling on parliament to uphold the rule of law, we asked the **Dominican Republic's** government to respect legislation on education spending. According to the law, the government must invest four per cent of GDP into Dominican schools. In reality, this is not happening. As part of the Coalition for a Dignified Education, we organised an awareness-raising concert involving more than 50 Dominican artists, musicians, and media personalities. Work is now paying off: as presidential candidates prepare for election in 2012, they have signed our pledge to increase resources in education and incorporated these promises into their election campaigns.

## 3,000 PALESTINIAN CHILDREN

entered drawings, plays and short stories to our anti-corruption competition. [READ MORE P.60](#)

**“The fight for transparency and the fight against corruption is, in fact, a fight for human rights.”**

Elena A. Panfilova, Board Member, Transparency International

## ASIA PACIFIC

In **China**, 22 universities joined our first national Student Integrity Education event to mark International Anti-Corruption Day. More than 19,000 students took part in a nationwide integrity quiz. Local university activities included an anti-corruption debate contest, a calligraphy competition and film screenings. Almost 1,000 additional students signed up as volunteers for future activities.

Inspired by trainings we held in **Indonesia** with the social enterprise group Ashoka Indonesia, students developed their own start-ups to tackle corruption in their surroundings. One 17 year old student arranged an annual teachers' award to motivate staff in her school to improve teaching quality. More than 80 young people attended the two-day workshops and were able to receive mentoring from the Ashoka network members. We plan to reach even more young anti-corruption activists through additional workshops across the country.



# IN CHINA, 19,000 STUDENTS TOOK PART IN A NATIONWIDE INTEGRITY QUIZ.

## EUROPE AND CENTRAL ASIA

Dressed up as tour guides and golf enthusiasts, we staged some memorable protests against **Croatia's** Golf Courses Act. The controversial law – which prioritised the building of golf courses over all other development – authorised developers to seize land for conversion, and compelled local authorities to maintain the complexes at their own expense. To express their opposition, our volunteers held golf tournaments in front of the Ministry of Tourism, paraded giant postcards of threatened sites, and invited tourists to marvel at “the only parliament in the world to pass a special act on golf courses.” In November 2011, we reaped the rewards when the act was abolished.

A tumultuous year in **Latvian** politics helped us put transparency and accountability at the top of the political agenda. When the president dismissed parliament amid claims of corruption, we immediately gathered hundreds of people before the presidential palace to show their support for change. Our anti-corruption roadmap, *First 10 Steps to Take Back the Stolen Country*, was read out in parliament by a newly-elected member of parliament, and caught the attention of the government. More than half our demands have now been met, and we will continue to push for the remaining steps.

**04** Bangladeshi youth cycle through the streets of Savar on Anti-Corruption Day. © Transparency International Bangladesh

**05** A crowd of thousands watch our concert in the Dominican Republic, which promoted fair spending in education. © Participación Ciudadana

## TIME TO WAKE UP

"I'm going to tell you about my brother." Speaking to the camera, the woman explains how hospital neglect led to her brother's death. Left for hours without diagnosis, he died 30 minutes after being needlessly transferred from one hospital to another. When she rang the doctor, he said he had not realised who the patient's family was. Clearly outraged, she looks directly into the camera to address the doctors: "It is time to wake up".

Her powerful testimony is one of six Lebanese films created as part of our global *Time to Wake Up* campaign. Piloted in Colombia, Hungary, Kenya, Lebanon and Taiwan, the campaign urges people to wake up to what can be done to end corruption. From preferential hospital treatment, to pay-to-pass qualifications, to vote buying, now is the time for people to take a stand against injustice in their daily lives.

In Hungary, activists called for judicial independence, recruiting celebrities for a video shown on national prime time television. In Taiwan we built support through social networks, while in Kenya campaign slogans translated into *Sheng*, a Swahili youth slang, attracted young people to student debates and community forums. Colombian volunteers used flyers, stickers and huge neon billboards outside polling stations to urge people to vote for anti-corruption candidates in nationwide local elections.

Together they generated a huge response. In Hungary, *Time to Wake Up* reached an estimated 700,000 people – almost 10 per cent of the population. An online video competition prompted more than



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50,000 viewings of the campaign film in the first two days alone. Visits to our website in Lebanon surged by 70 per cent after thousands of people received campaign e-mails. In Colombia, we reached two million people through the country's biggest radio network.

As the campaign rolls out worldwide in 2012, the wake-up call against corruption is set to reach millions more.

01 Transparency International Chair Huguette Labelle (second from left) visits Hungary for the launch of the *Time to Wake Up* campaign.

© Transparency International Hungary

02/03 Hungarian actors join the cast of the Hungarian *Time to Wake Up* advert.

© Transparency International Hungary

04 Handing out campaign brochures at Nairobi International Trade Fair.

© Transparency International Kenya

05 Accessing information on electoral abuses during the Nicaraguan election. Online maps visualise the location and type of complaints received.

© Transparency International

## ONLINE TRANSPARENCY: HOW TO BE IN 13,000 PLACES AT ONCE

**Election Day in Nicaragua: 13,000 polls open up across the country, millions head out to vote. No matter how well-trained an election monitoring team is, keeping watch over a national election is a mammoth task.**

Maintaining a presence at every station is almost impossible, particularly in rural areas, giving corrupt officials the chance to sway votes and deny people their democratic rights. In Nicaragua, we took a different approach. With the help of simple mobile technology, we provided training and monitoring tools for a new kind of observer: the voters.



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"Long live the vote, let the vote win!" declares the online portal ([www.vivaelvoto.com](http://www.vivaelvoto.com)), where citizens' reports – submitted via e-mail, Facebook, SMS or telephone – are plotted across an interactive map of Nicaragua. Click one button, and markers appear showing how many people said they had been denied voter ID cards, and where. Select another, and circles show the locations where voters reported suffering intimidation and threats. The problems may not be solved, but it marks an important first step. Electoral fraud relies on people keeping silent about what they have seen and heard. In Nicaragua's general election, 78,000 people spoke out.

Platforms like these are changing the way we think about corruption, says Ben Elers, Programme Director at Transparency International. "In the past, we tended to view corruption as this huge, monolithic problem that ordinary people couldn't do anything about," he says, "now, people have new tools to identify problems and demand change."

And not just during elections. In FYR Macedonia, the website *Prijavi Korupcija*, or "report corruption", ([www.prijavikorupcija.org](http://www.prijavikorupcija.org)) charts the incidents of petty corruption and poor public services that disrupt people's daily lives. With a

single SMS, e-mail, telephone call or tweet, members of the public can report a corrupt customs official, a political conflict of interest or a teacher demanding bribes. The source remains anonymous, but their complaint is open for all to see – as is the response from the authorities.

The website holds leaders to account by generating a public conversation around social issues. Users receive instant alerts when a report is filed in their town – they can share their experiences, upload photos, and track changes in real-time. With minimal organisation and resources, communities are able to pool information and exert unified pressure on authorities. As their capacity for oversight grows, opportunities for abuse of power are shrinking.

These initiatives work because they are teamed with real world activism. "In their own right, they don't change anything," says Ben, "the critical part is turning this online activity into offline change." Take Russia, for example. Our Russian platform received hundreds of complaints between September 2010 and September 2011. Already, half of these have been resolved. In one city, a single complaint forced the administration to carry out repairs in almost half of all suburban public spaces – the first renovations of the ground for 20 years.

In Nicaragua, offline progress has begun. With digital maps visualising where and when the problems occurred, we are advocating for changes to ensure these patterns are not repeated at the next election. Our work is underpinned by tens of thousands of voices online. By reporting abuses before, during and after the elections, these citizens cast their vote for a different kind of democracy. As their new government begins its work, it's time to let the vote win.

# CORRUPTION BELIEVES IN PRIVILEGES NOT RIGHTS.

From small bribes to multi-billion tax scandals, corruption would often go undetected if weren't for individuals speaking out.

Yet in some countries, blowing the whistle can carry high personal risk. Sometimes there is little legal protection against dismissal, humiliation or even physical abuse. Governments need to make sure that laws protect individuals and ensure claims are investigated. Companies, public bodies and non-profit organisations need to have channels for internal reporting. We need to show how disclosing wrongdoing can save resources, even lives.

Until safe whistleblowing channels are part of our daily life, we will continue to provide victims and witnesses of corruption with free assistance through our anti-corruption legal advice centres. Each year, thousands of people phone the centres' corruption hotlines or drop in, recount their experiences, and receive confidential advice and legal support. By tracking these individual experiences and identifying particular problem areas, we build advocacy campaigns for anti-corruption reforms that are rooted in concrete evidence.



**PHOTO** Following our campaign to amend police law, all on-duty Russian police officers are now legally obliged to wear ID badges. According to reports, however, many do not. On "Badge Checking Day", groups of volunteers approached police in 10 Russian cities to see if they were complying with the law. If they weren't, we asked for their name, and reported them to the public prosecutor.

## AFRICA AND THE MIDDLE EAST

Gender-based corruption is widespread in **Rwanda** workplaces, but only six per cent of victims report their abuse. Our research findings were launched at an event with the country's minister for gender and family. Generating huge attention in the media, our advocacy campaign resulted in an increased number of victims coming forward. Elsewhere, our youth theatre performances have helped bring corruption complaints to light. Telling the story of local authority corruption and abused property rights, the play informed people of the assistance we can offer to victims. One of our local legal advice centres previously received an average of one complaint a day. Now it gets five.

2003

was the year our first anti-corruption legal advice centre opened

120,000+

citizens have contacted the centres so far

2012

will see another 10 countries opening legal advice centres

50+

countries now have fully operating centres

# WE CALLED FOR STRONGER SAFEGUARDS TO PROTECT THE ANONYMITY AND SAFETY OF WHISTLEBLOWERS IN LITHUANIA.

## ASIA PACIFIC

After receiving several complaints against builders in **Pakistan**, we filed cases in the public interest against the building regulatory authorities. We asked the Sindh High Court to order the authorities to regulate construction companies that were charging excessive cancellation fees and failing to compensate clients for delays. After several hearings, the court directed the builders to follow the law and ordered the regulators to ensure they did so. The authorities were also instructed to make regulations available on their own and the builders' websites.

In **Vietnam**, we drew on experience from across the Transparency

International network when we advised the Government Inspectorate on new whistleblower protection laws. Despite this, the resulting law has gaps, lacking provisions for anonymous reporting and an independent body to handle cases. The government has now committed to issuing a supporting decree. When the draft is ready, we will provide our input.



01

"Corruption is a crime against society, it is time governments started to treat it that way."

Cobus de Swardt, Managing Director, Transparency International

14% OF HOUSEHOLD INCOME IN MEXICO GOES ON BRIBES TO PAY FOR BASIC SERVICES. [READ MORE P.42](#)



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## EUROPE AND CENTRAL ASIA

Our first dedicated advisory centre for whistleblowers and victims of corruption in Western Europe is now open in **Ireland**. Offering services online, over the phone or in person, our anti-corruption legal advice centre supports those who wish to report abuses and provides guidance to people facing ethical dilemmas at work. So far, almost 200 citizens have called the 'Speak Up' helpline to request advice. We are also helping those who are afraid of speaking out: members of the public can submit reports anonymously via secure e-mail, which are then taken up by our legal team.

Amid fears that complaints were being leaked, we called for stronger safeguards to protect the anonymity and personal security of whistleblowers in **Lithuania**. In response to our demands, the government is now introducing minimum safety requirements for all hotlines. We also ran a national

campaign to debunk negative stereotypes of whistleblowers. Bringing together funny and touching stories from around the world, our posters appeared in the country's largest newspaper, sending our message out to 70,000 readers and more than half a million website visitors.

01 The chairwomen from 50 women's organisations in Niger attend our meeting on the fight against corruption.

© Association Nigérienne de lutte contre la Corruption

02 Children in Fiji learn about corruption at our outreach session.

© Transparency International Fiji

03 Local actors teach people about their rights at a community performance in Rwanda.

© Transparency Rwanda

04 In Mauritius, we marked Anti-Corruption Day by advertising our free anti-corruption legal advice services on public buses.

© Transparency Mauritius

# CORRUPTION NEVER LEARNS.

**Corruption is not inevitable. Yet in some countries, it's difficult to distinguish corruption as a problem from just 'the way things are done'.**

Elsewhere corruption may seem far removed from daily life, and its costs not widely known. Around the globe, we work to increase awareness of corruption in all of its forms and equip people – from students to journalists, judges to businesspeople – with the means to tackle it.

With nearly a fifth of the world's population between 15 and 24 years old, young people in particular have the potential to drive real change as today's citizens and tomorrow's leaders. But our research shows that young people are often more exposed to bribery. Whether bribing to go to school, pass an exam or get a job, this early introduction to corruption sets a dangerous precedent. Young people need to be a catalyst for a brighter future, not resign themselves to the status quo.



**PHOTO** Young people in Vietnam launch a new anti-corruption competition. Entrants are invited to come up with a message around the theme of transparency and integrity, and use video clips, paintings, recycled materials and photographs to communicate their idea to the public.

## AFRICA AND THE MIDDLE EAST

An anti-corruption quiz for **Burundi's** high school students marked the first step towards a nationwide chain of anti-corruption school clubs. In front of several thousand people from neighbouring schools and communities, students and school authorities promised to work together to ensure the club's success. More clubs, which will teach young people about corruption and good governance, are planned to open up in schools across the country.

Our anti-corruption competition in **Palestine** captured the imagination of more than 3,000 schoolchildren who entered their drawings, plays and short stories. The contest followed the training sessions we gave to teachers from 125 districts, which focused on applying the concepts and values of integrity, transparency and accountability throughout lessons. We also reviewed and evaluated the curriculum for older children and developed materials for teachers, including a manual on anti-corruption education. These initiatives are the result of a successful partnership with the Ministry of Education and have been well-received by both teachers and pupils.



01 Two young participants from our Growing Good initiative in Thailand, which teaches children how to be honest, responsible and fair.  
© Transparency Thailand

02 Students in Palestine take part in our anti-corruption competition.  
© The Coalition for Accountability and Integrity - AMAN



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## ASIA PACIFIC

Collusion between officers and prisoners, smuggling, discrimination and bribery were among the issues discussed at our workshop for prison officers and inmates in **Fiji**. The three-day event, which focused on civic education, aimed to help inmates participate fully in society upon release. Following the workshop, one prisoner was allowed to join our poetry event, where she recited a poem on how corruption led her into prison. We've now been asked to hold similar sessions in prisons in other regions and train officers to lead workshops themselves.

Following the success of our anti-corruption curriculum for children in **Thailand's** elementary schools, we expanded the programme to include children aged nine to 11. Based around core values such as honesty, responsibility and fairness, the *Growing Good* curriculum teaches Thailand's next generation the principles needed to fight corruption. With more than 400 Bangkok schools taking part, the programme includes activities from diary-keeping and art to music and book clubs. We're now working on a new stage of the curriculum to target older years.

## EUROPE AND CENTRAL ASIA

How useful is criminal law in the fight against corruption? Holding its first public symposium, our student group in **Austria** tackled some big questions. Led by an expert panel including speakers from the University of Business Administration, Institute of Conflict Research and the US Embassy, the audience participated in a lively discussion on the limits and potential of legal action. The conversation will continue at regular discussion events.

The devastating consequences of corruption were brought to life in **Croatia** through our Culture against Corruption programme. Among other activities, we asked aspiring writers to send in short stories around the theme of corruption, and selected the five best from a pool of almost 60 entries. The final collection placed these emerging voices alongside stories from 10 famous Croatian authors. Our launch event in Zagreb attracted key public figures, among them the President and Chief State Attorney. *Under the Table: The Most Beautiful Anti-Corruption Stories* is now on sale in bookshops nationwide.

## INVESTING IN TOMORROW: 2011 SUMMER SCHOOL ON INTEGRITY

**"You learn a lot, and you have fun," says Nikola Ljubicic from Serbia, a student at our second Summer School on Integrity. "I've met people who care passionately about corruption, and I've learned hugely from them."**

Nikola was one of 80 students from 24 countries who gathered in Lithuania's capital Vilnius in July 2011 for the five-day event. Run by Transparency International Lithuania, the course was designed to give future leaders the skills and knowledge to build transparent societies. Aimed at students and young professionals, it offered the next generation the chance to learn safeguards against corruption first-hand from experienced professionals.



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"We brought together leading anti-corruption practitioners and academics from numerous countries – people who can really tell you what it means to fight corruption and promote transparency," says Sergej Muravjov, Executive Director of Transparency International Lithuania. Experts from the Sunlight Foundation, Global Witness and from across our network led the course, which covered corruption in the public and private sectors, and civic engagement in countering it. Lithuania's government gave its full support: the country's president, Dalia Grybauskaitė, opened the school, and the Ministers of Justice and the Economy took part in the sessions.

Seminars combined theory, case studies and interactive sessions to explore the causes and consequences of corruption, and ways to counter it. Active participation was encouraged throughout. "Sharing values and opinions causes lots of interesting discussions," says Latvian MP Lolita Cigane. Students were asked to generate practical solutions to corruption in real-life scenarios, such as multi-party elections. They also learned how to mobilise

citizens in anti-corruption monitoring and public decision-making, including through social media.

Beyond the classroom, the programme included film screenings, evening outings to explore Vilnius and a visit to Lithuania's Ministry of Justice. "I really like the exchange of experiences on how to fight corruption in each of our countries," says Norwegian participant Lise Weltzien.

The students weren't the only ones to learn something. "It would be a mistake to think that only the participants get something out of this," says Lithuania's Justice Minister, Remigijus Šimašius. "It's also those people invited to speak." The course creates a ripple effect, equipping participants to share their learning with peers and colleagues at home, as well as putting it into practice through their own careers.

In 2012, we will be starting all over again, this time with a cohort of students from 40 different countries. For the class of 2011, this is good news: "It's a really important issue," says Nikola "and the more people who care about it, the better."

[www.transparencyschool.org](http://www.transparencyschool.org)

03 Students and teachers from the 2011 Summer School on Integrity.  
© Transparency International Lithuania

# CORRUPTION NEVER WON RESPECT.

**Stopping corruption needs more than tools and research – it requires role models who inspire. Every day, individuals and organisations around the world stand up to corruption.**

From accountants and government officials, to school teachers and journalists, their backgrounds may be diverse, but the message is the same: corruption can be beaten. We strive to make this message heard, showing that ordinary people can do extraordinary things.

In some parts of the world, speaking out against corruption can be met with threats, intimidation and physical harm, even death. Repressive laws and regulations in some countries are state-sanctioned hazards that make for a climate of fear. Yet individuals work at great personal risk to make their voices heard in places where dissent is not tolerated. Their courage and determination needs to be recognised and supported, and their stories need to be heard.



**PHOTO** At the Sri Lankan National Integrity Awards, the wife and son of the late Justice Mark Fernando accept an Integrity Award on his behalf. As a judge at Sri Lanka's Supreme Court, Justice Fernando condemned police brutality and upheld the right to criticise the government without fear of reprisal.

# THE SCHEME COST THE PUBLIC AN ALLEGED US\$50 MILLION.

## AFRICA AND THE MIDDLE EAST

The GuideStar project was the winner of our 2011 Transparency Shield in **Israel**. Created by civil society organisations and the Ministry of Justice, GuideStar is the first ever database to collate financial and operational information on all of Israel's 29,000 non-profit organisations. By making this information easily accessible to everyone, the project aims to increase public confidence in civil society work and encourage cooperation between organisations.

This year's **Moroccan** Integrity Award winner showed the impact one individual can have on their community when they take a stand. The jury commended the courage and determination of Mourad Kartoumi, a stallholder who has struggled tirelessly to expose deeply entrenched corruption at a fruit and vegetable market in Casablanca where he works. For the past 10

years, Kartoumi has risked both his livelihood and his personal security by speaking up against corrupt practices.

## AMERICAS

In recent years, TV journalist Nuria Piera has laid bare some of the **Dominican Republic's** most high profile corruption scandals. Uncovering a fake payroll being used by several national institutions, she exposed the fraudulent salaries that were paid out to party supporters. The scheme, which was later acknowledged by the president, cost the public an alleged US\$50 million. One year later, she revealed another major abuse of public funds, this time at government offices for electrics and land transport. We honoured her pioneering investigative work with our Dominican Republic anti-corruption award, both in recognition of her dedication and to encourage others to follow her example.

## ASIA PACIFIC

We awarded Integrity Shields to members of **Pakistan's** Public Accounts Committee for their determined pursuit of audit irregularities. According to official accounts the committee has recovered 115 billion rupees (US\$1.2 billion) for the state. We also recognised the Federal Tax Ombudsman at the launch of our citizen report card survey. Ninety per cent of respondents rated the institution as transparent and honest.

In his lifetime, Justice Mark Fernando was committed to promoting the independence of the judiciary and the freedom of the media. As a judge at **Sri Lanka's** Supreme Court, he condemned police brutality and upheld the right to criticise the government without fear of reprisal. At the 2011 Sri Lankan Integrity Awards, we honoured his achievements with a posthumous lifetime award.

## EUROPE AND CENTRAL ASIA

Before her sudden death in 2010, Amalia Kostanyan was one of **Armenia's** most vibrant and committed activists. The founder and later chair of Transparency International Armenia, Kostanyan was posthumously awarded the US Embassy's Woman of Courage accolade in 2011. Together with the Open Society Foundation, we have now founded an award in her name. In its inaugural year, the Amalia Kostanyan Award was given to human rights advocate Artak Zeynalyan in recognition of his contribution to the development of Armenian civil society.

"Nearly half the world's population is under the age of 25. The importance of engaging youth in anti-corruption cannot be overestimated."

Huguette Labelle, Chair, Transparency International

## BROADCASTING TRUTH

An independent and free media is crucial for illustrating the devastating effects of corruption around the world. Responsible journalism acts as a public watchdog on the abuse of power – it demands accountability from leaders and provides citizens with the information they need to stand up to corruption.

The annual Transparency International and Instituto Prensa y Sociedad (Press and Society Institute) Journalism Award recognises outstanding investigative journalism in Latin American or Caribbean media contributing to greater transparency.

The 2011 award went to a series of reports published in the Brazilian newspaper Gazeta do Povo and broadcast on RPC-TV that detailed the alleged misuse of public funds by the Legislative Assembly in the Brazilian state of Parana.

The two year investigation by journalists James Alberti, Katia Brembatti, Karlos Kohlbach and Gabriel Tabatcheik from Brazil reported that millions of dollars in public funds were being diverted by the assembly. The investigation also claimed that the assembly's public records were not systematically documented and that accessing information which was meant to be publicly available was almost impossible.

Following the release of the reports, named *Serie Diarios Secretos* (Secret Diaries Series), at least 30,000 people across Parana took to the streets to call for something to be done. Since then, the Public



Ministry opened investigations and directors implicated in the scandal have lost their posts at the assembly. The assembly has now introduced greater oversight on hirings and improved its processes for accessing public information.

## HONOURING COURAGE

Businesspeople who blow the whistle on murky financial deals, officials who raise the alarm when colleagues steal money from those who need it most – every day, people speak out in the name of transparency and integrity.

Launched in 2000, our annual Integrity Awards honour these acts of courage. The 2011 award went to Cameroon's Cardinal Tumi, an outspoken community leader who has been calling for greater transparency in his home country for the last 50 years. Tumi was among the first to publicly denounce *commandement operationnel*, a Cameroonian state special security force which allegedly committed torture and extrajudicial killings. Despite receiving threats to his life, he persisted in leading a church enquiry into the disappearance of citizens.

## 19,000 CHINESE STUDENTS

took part in our integrity quiz on Anti-Corruption Day. [READ MORE P.51](#)

He also founded Radio Veritas, or Truth Radio. Broadcast in a country where journalists often fear speaking the truth, the independent station regularly condemns government corruption and calls for free and fair elections.

The author of two books, he paints a critical picture of a country where democracy is absent and the abuse of power is widespread, but also conveys a message of hope. According to Tumi, the integrity of Cameroon's citizens can bring a brighter future for the country – it is a message we would echo.

01 The winners of our investigative journalism award in Latin America collect their prize.

© IPYS

# CORRUPTION IS ON NO ONE'S SIDE.

**The complexity and scale of corruption means that no one can stop it alone.**

We need to work together to mobilise resources, share ideas and bring together diverse perspectives and experiences. We all bring something different to the table. Corruption threatens to exacerbate some of the most pressing issues of our time, including human rights abuses, poverty and climate change. It also undermines our response to these issues. By teaming up with individuals and organisations from these fields, we can create broad-based demand for change and make sure corruption doesn't stand in the way of positive change. Since Transparency International started, we have worked to build coalitions with government, business, multilateral organisations, NGOs and the general public. We've found the best solutions to corruption are those that everyone stands behind.



**PHOTO** A school football competition organised as part of our series of outreach events in cities across Cameroon. During talks at half-time, participants learned more about the effects of corruption, and what they could do to help.

## AFRICA AND THE MIDDLE EAST

We successfully raised the voice of **Bahraini** civil society at the international conference, Forum for the Future. Held in Kuwait, the forum was attended by governments and civil society members from the entire region. We coordinated the activities of Bahraini organisations, culminating in the presentation of a paper on the prospects and challenges ahead for the country's civil society. We used the opportunity to share our concern that the sector lacks representation, and presented concrete proposals to unify and strengthen it.

## AMERICAS

When governments and leading public figures gathered in Costa Rica for the second **Central America and Dominican Republic Transparency Forum**, there were some big issues on the agenda. Looking at how to tackle organised crime, weak judiciaries and opaque law enforcement, the high-level forum offered a unique opportunity for leaders to coordinate new national and regional measures to stamp out corruption. In a new move, the forum invited business figures to join the debate, which also turned its attention to effective whistleblower protection. As post-forum discussions continue, our plans for the third forum are already underway.

Teaming up with farmers in **Peru's** agricultural region, our local activists began the first formal discussion on corruption issues facing the sector. Over in Amazonia, another regional group trained more than 30 female household heads to monitor the implementation of

new social programmes in the region. With funding and ongoing support from our national team, our network of local leaders organise tailor-made initiatives to involve Peruvian communities in the fight for transparency. Coming from diverse fields – some from civil society, others from journalism or academia – the leaders recently completed a new training course at the national anti-corruption school. Now back in their regions, their work continues to maximise our local impact.

Showcasing their creative skills, budding designers in **Trinidad and Tobago** used the motto “ACT against corruption today” as inspiration for a new T-shirt design. Inviting entries from young people aged 15-25, our competition was held in partnership with the UN Development Programme in the run-up to Anti-Corruption Day. The winning design was launched during Anti-Corruption Day celebrations. Modelled by our staff and UN representatives, the T-shirt was included in prize giveaways and promoted via our website and social media. We also gave a prize to a ‘people's choice’ winner, chosen by visitors to the competition's Facebook page.

## ASIA PACIFIC

When a constitutional crisis arose in **Papua New Guinea** following a disagreement between parliament and the judiciary, we coordinated civil society's response. The Community Coalition against Corruption, a voluntary network of more than 60 groups and individuals from across society, appealed to all national leaders to put the interests of the people before their personal agendas. To build on this momentum in the run-up to the 2012 national elections, we



launched several initiatives including youth forums, a voter education programme as well as radio and TV talk-shows broadcast to more than two million people.

To support the media in exposing corruption, we worked with journalists in **Sri Lanka** to create the country's first-ever investigative journalism handbook and toolkit. Now complete, we are working with a team of senior journalists and academics to disseminate these resources throughout the country. Having been taught how to use the tools, our pool of experts is now passing this knowledge on to other journalists through regional training programmes.

**01** The winner of our T-shirt design competition in Trinidad and Tobago. The winning design was launched on Anti-Corruption Day.

© Trinidad and Tobago Transparency Institute

**02** 5,000 people take to the streets for an anti-corruption protest in São Paulo, Brazil.

© Amarribo Brazil

Gender-based corruption is widespread in Rwandan workplaces, but only 6% of victims report their abuse. [READ MORE P.56](#)

ITALY HAS SAVED ALMOST €200 MILLION AS A RESULT OF OUR INTEGRITY PACTS. [READ MORE P.23](#)

# WE REACHED OUT TO 6 MILLION VOTERS IN OUR CAMPAIGN TO STOP VOTE BUYING IN BULGARIA.

## EUROPE AND CENTRAL ASIA

More than 10 per cent of **Bulgarians** have at least one close friend who would willingly sell their vote, according to our research. Ahead of the October elections, we launched a multi-pronged campaign to stop this from happening. Reaching out to six million voters, we placed advertisements in newspapers and broadcast them on national radio and television. We held training sessions to show other NGOs how they could monitor the elections, and worked with them to assemble a team of more than 600 observers. On election day, our specially-trained monitors kept watch at polling booths across the country. Afterwards, we submitted our evidence of fraud and vote buying to the authorities, calling on them to begin investigations.

It may have been around for less than a year, but our new public procurement alliance in **Ukraine** has already prevented corruption losses of up to €5 billion. Comprising 57 NGOs, think tanks, business associations and media organisations, the coalition led a six-month campaign against a new bill which threatened to increase corruption in public tenders. Heeding the warnings, the government redrafted the law to ramp up the level of compulsory public disclosure and introduced a new process for rejecting bids.



**03** Elections for Youth Shadow Councils in Lebanon. With grants of US\$10,000 the groups carry out small development projects and monitor municipal budgets.

© The Lebanese Transparency Association

### BRIBE PAYERS INDEX 2011

Bribing abroad is still routine practice for too many companies worldwide, reports our 2011 Bribe Payers Index. Based on interviews with 3,000 business executives from key exporting nations, the index ranks 28 countries by how likely their firms are to pay bribes overseas. These countries represent almost 80 per cent of global outflow of goods, services and investments. Companies from China and Russia, which invested US\$120 billion overseas in 2010, were seen by respondents as most likely to pay bribes abroad. Dutch and Swiss companies were regarded as least likely to.

It's not just a problem of bribes being paid to public officials. For the first time, we asked about business-to-business bribery, finding companies almost as likely to pay bribes to other businesses as to state representatives. The index also ranks 19 business sectors according to the likelihood of companies to engage in bribery. Agriculture and light manufacturing fared best, with the construction industry coming bottom, followed by utilities and real estate.

At the 2011 G20 summit, a progress report on the anti-corruption plan recognised steps taken by China, India, Indonesia and Russia in criminalising foreign bribery. But there's much more to do. "Governments must put resources behind investigations and prosecutions of foreign bribery, so there's a real deterrent," said Transparency International Chair Huguette Labelle. "And companies that fail to prevent bribery in their supply chains run the risk of being prosecuted for the actions of employees and business partners."

**COMPANIES  
ARE ALMOST AS  
LIKELY TO PAY  
BRIBES TO OTHER  
COMPANIES  
AS TO STATE  
REPRESENTATIVES.**

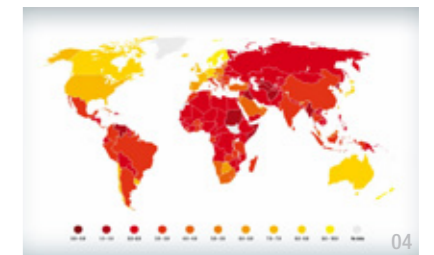
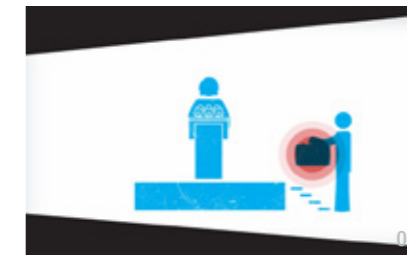
A TRAINING FIRM FOR COMPUTER REPAIRMEN,  
PROVISIONALLY SELECTED FOR A US\$34,000  
GRANT TO REPOPULATE FORESTS. [READ MORE P.47](#)

### CORRUPTION PERCEPTIONS INDEX 2011

Public outcry at corruption, impunity and social inequality sent shockwaves around the world in 2011. Protests in many countries escalated quickly from small scale action to mass demonstration, uniting people from all parts of society. Their backgrounds may be diverse, but the message was the same: more transparency and accountability from our leaders is needed.

Our 2011 Corruption Perceptions Index shows that public frustration is well founded. By ranking countries according to how corrupt their public sector is perceived to be, the index shows that no region or country in the world is immune to the damages of corruption. The vast majority of the 183 countries and territories assessed score below five on a scale of 0 (highly corrupt) to 10 (very clean). New Zealand is at the top of the list with a score of 9.5, closely followed by Denmark and Finland at 9.4. North Korea and Somalia are at the bottom with a score of 1.0.

"This year we have seen corruption on protestors' banners be they rich or poor. Whether in a Europe hit by debt crisis or an Arab world starting a new political era, leaders must heed the demands for better government," said Huguette Labelle, Chair of Transparency International.



Public sector governance that puts the interests of its citizens first is a responsibility of all governments. For their part, citizens need to continue demanding better performance from their leaders. If we work together, the situation shown by the 2011 Corruption Perceptions Index can improve.

01/02/03/04 Screenshots from our 2011 Corruption Perceptions Index film, which explains what public sector corruption is, how we measure it, and what can be done. [www.transparency.org/cpi2011](http://www.transparency.org/cpi2011)

© Transparency International

# PEOPLE WANT CHANGE AND GOVERNMENTS MUST TACKLE CORRUPTION NOW.

## DAILY LIVES AND CORRUPTION

What do you get if you ask more than 21,000 people from 20 countries about corruption in their daily lives? Answers that are shocking, if not surprising: around a half of all those surveyed reported paying a bribe in the last year, in some countries as many as 86 per cent, and most people think that the problems are getting worse. So why is this not a picture of despair?

The 2011 Daily Lives and Corruption survey captured the views of people in three regions – East Africa, Southern Africa and South Asia – to provide a sharp insight into the way corruption affects people in different parts of the world. We asked respondents whether they had paid a bribe to a service provider in the last year, how much they had paid and why. Sums and reasons differed from region to region, yet the most common recipient of bribes was the same: the police.

But change seems to be in the air. People across all regions were negative about recent developments – the majority felt that corruption had worsened in the last three years – but hopeful about the future. More than 80 per cent of people in Southern Africa and South Asia said they could imagine getting involved in the fight against corruption. More than three-quarters believe ordinary people have the power to make a difference.

“The bottom line is clear,” says Chantal Uwimana, Regional Director for Africa, “corruption affects the lives of too many people. People want change and governments must tackle corruption now.” Such a message holds true for other regions as well – it’s time for leaders to heed it.

“In Hungary, we reached an estimated 700,000 people - almost 10 per cent of the population.”

The campaign begins. [READ MORE P.52](#)

HOW DID WE SAVE INDIAN  
TAXPAYERS US\$70 MILLION?

[READ MORE P.22](#)

## NATIONAL INTEGRITY SYSTEM ASSESSMENTS

Is your country protected against corruption? It’s a simple question, but not an easy answer. Since 2001 we have conducted our National Integrity System assessments in almost 100 countries to check whether effective safeguards are in place to prevent, detect, deter and penalise corruption, and how they perform in practice. The assessments cover the key state and non-state institutions, such as the judiciary, political parties, the executive, anti-corruption agencies, the media and business.

While highlighting strengths and weaknesses in a country’s overall governance system, our assessments focus on factors of particular significance for anti-corruption efforts, namely the independence, transparency and accountability of each institution. We go beyond answering just how well protected a country is though, pinpointing how each country can do better. The assessment process is always highly consultative, involving people from government, business and civil society.

In 2011, assessments were completed in a wide range of countries, including Ethiopia, Georgia, Niger, the Turks and Caicos Islands, and Ukraine. Assessments were also carried out in 25 European countries – investigating the strength of more than 300 national institutions. As Europe grapples with the economic crisis, these findings come at a critical time. Across all assessments though, one conclusion is clear: no country is fully protected.

## HOW TO MEASURE CORRUPTION

From a reform-minded politician to an NGO, our new GATEway platform offers an anti-corruption measurement tool to suit all kinds of users and purposes. With a searchable database of more than 500 different diagnostic methods, GATEway brings together knowledge and expertise from across the spectrum of anti-corruption research. It’s an interactive space - we guide users through the tools available, and give them the chance to contribute their own methods and exchange experiences.

But GATEway is not just about sharing what is there, it’s also about understanding what is not there. We want to find out what forms of corruption are most difficult to diagnose and what can be done about it. Like the anti-corruption community itself, GATEway looks set to grow.

To find out more visit:  
<http://gateway.transparency.org>

## CORRUPTION BY COUNTRY

Want to know the latest anti-corruption developments in your country- and what we’re doing to curb corruption? From the latest scholarly surveys and indices to our most recent advocacy work around the globe, our Country Profiles gather all corruption-related information onto one platform.

Each profile offers a range of different perspectives. We give an overview of scores and rankings for a wide selection of indicators – from

global competitiveness to freedom of the press – and provide insight into what the general public thinks about corruption in their country. In addition to addressing national corruption challenges, we also provide tangible solutions to the problems.

To find out more visit:  
[www.transparency.org/country](http://www.transparency.org/country)

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Canadian International Development  
Agency (CIDA)

Ministry for Economic Cooperation  
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Cooperation

New Zealand Ministry of Foreign  
Affairs and Trade

Swedish Postcode Foundation

The Office of The National Anti-  
Corruption Commission, Thailand

United Nations Democracy Fund  
(UNDEF)

United Nations Development  
Programme (UNDP)

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Crime (UNODC)

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World Vision International

Please refer to the audited accounts  
of 2011 for a detailed breakdown of  
the contributions to Transparency  
International. Classification under the  
headlines corresponds to amounts  
recorded as income in the financial  
report for 2011.

GLOBAL CORPORATIONS  
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We seek to engage all sectors  
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\*These companies provided  
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activities. Please refer to  
www.transparency-usa.org  
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We also appreciate the generous  
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We express our sincere gratitude to  
those who donated up to €1,000 in  
2011.

PRO BONO RECOGNITION

We extend our gratitude to the  
many individuals and organisations  
that provided voluntary, pro bono,  
and in-kind services, in particular  
Dow Jones Factiva, Microsoft  
and Reuters TrustLaw for their  
generosity. We greatly value the pro  
bono legal assistance of Covington  
and Burling throughout 2011.

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The support we receive from  
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If you would like to support the  
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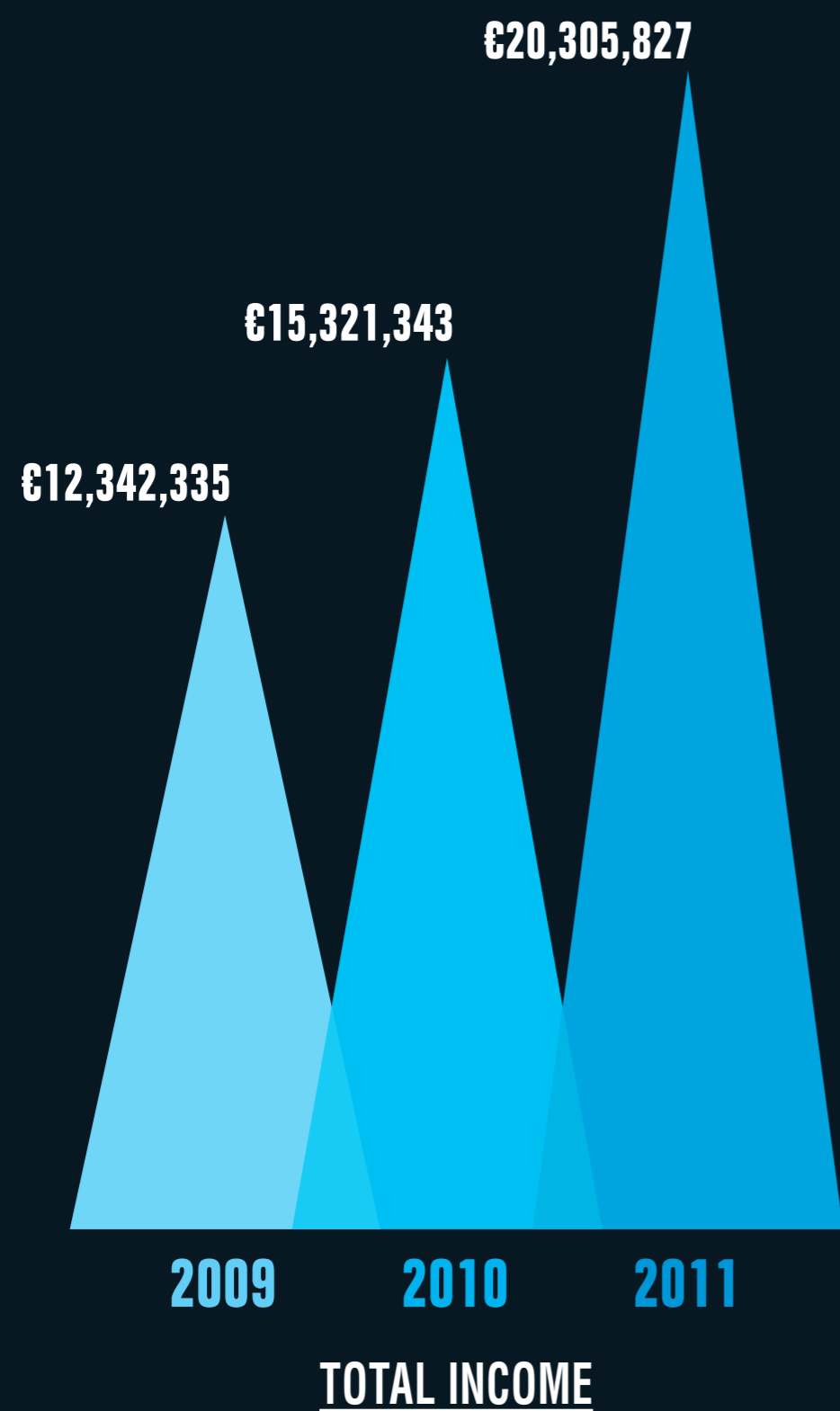
To discuss alternative ways to  
support us, such as donating stock,  
or to learn about our Endowment  
Fund, please contact:

**Patrick Mahassen**  
Resources Director

Telephone: +49 30 3438 2039

E-mail: pmahassen@transparency.org

FINANCIALS



WHERE THE MONEY COMES FROM.

Income	2009	2010	2011
Government	10,260	13,649	17,110
International organisations	622	366	805
Foundations	2,214	2,749	1,936
Private sector	654	690	396
Individuals	45	82	21
Donor contributions	13,795	17,536	20,268
Net changes in advances to National Chapters and Other Parties*)	-1,895	-2,706	-244
Donor income	11,900	14,830	20,024
Other income	442	491	282
Total income	12,342	15,321	20,306

WHERE THE MONEY GOES.

Expenditure	2009	2010	2011
Organisational Development Unit and Strategy 2015 Implementation	0	236	232
Governance and Special Initiatives	1,712	1,836	2,676
Advocacy, External Relations and Fundraising	1,860	2,187	2,706
Research and Knowledge	1,979	2,035	2,565
Chapters and Programmes	6,329	8,772	12,006
Other (incl. FX Gains & Losses)	170	18	62
Total expenditure	12,050	15,084	20,247

Amounts in thousand (€)

\*In keeping with our Financial Statements, "Net changes in advances to National Chapters and Other Parties" are now part of Income. In previous years, they were included in Expenditure. For more information, please see our Financial Statements (in particular Note 3(b) on page 12 "Accounting for Grants") at: [www.transparency.org/files/content/ouraccountability/TIS\\_2011AuditedFinancials.pdf](http://www.transparency.org/files/content/ouraccountability/TIS_2011AuditedFinancials.pdf)  
Transparency International e.V. (TI) is a not-for-profit association registered in Berlin, Germany<sup>1</sup>, and is tax exempt. In compliance with its charter, TI serves solely charitable purposes. TI's audited accounts are available at: [www.transparency.org/whoweare/accountability/funding\\_and\\_financials](http://www.transparency.org/whoweare/accountability/funding_and_financials)  
TI is a founding signatory of the INGO Accountability Charter and is working towards full compliance.  
<sup>1</sup>Transparency International e.V. Reg. No VR 13598 B, Amtsgericht Berlin

# WE ARE A GLOBAL MOVEMENT SHARING ONE VISION:

A world in which government, politics, business, civil society and the daily lives of people are free of corruption.

Active in more than 100 countries and territories around the world, we're working together to turn this vision into a reality.

We have an innovative organisational structure to ensure and protect both the movement's integrity, cohesion and reputation, and the diversity and richness of opinion and actions within the movement. Our anti-corruption coalition unites independent and locally governed chapters as well as working with local partners around the world. Our chapters – legally independent organisations – are accredited according to a set of objective standards in three stages: from national contact to national chapter in formation and finally to fully accredited national chapter status. Fully accredited national chapters pass through a review process every three years, which aims at ensuring the continuous compliance with our standards and strengthening the work of the chapters.

## OUR GROWTH

In 2011, Zero Corruption (FYR Macedonia), Transparency International Mongolia, Transparency Rwanda and Seffaflik Dernegi - Transparency Association (Turkey) received full national chapter status.

Transparency Ethiopia and the Kosovo Democratic Institute were accredited as national chapters in formation.

Accredited as national contacts were: AMARRIBO (Brazil), Transparency International Cambodia, Transparency Greenland, Transparency Institute of Guyana Inc and National Integrity Action Ltd (Jamaica).

## 2011 RESOLUTIONS

Held in October in Berlin, our 2011 Annual Membership Meeting brought together 400 Transparency International representatives from more than 100 countries. In addition to electing new board members, we adopted five resolutions on aid effectiveness, government accountability in the Middle East and North Africa region, anti-corruption mechanisms for climate change finance, G20 action on stolen assets, and civil society participation in the UN Convention against Corruption country review process.

For a full and up to date list of our chapters, and to find out how to contact them, please visit:

[www.transparency.org/whoweare/organisation/our\\_chapters](http://www.transparency.org/whoweare/organisation/our_chapters)

## AFRICA AND THE MIDDLE EAST

### National chapters

**Bahrain** - Bahrain Transparency Society  
**Cameroon** - Transparency International Cameroon  
**Ghana** - Ghana Integrity Initiative  
**Israel** - Transparency International Israel  
**Kenya** - Transparency International Kenya  
**Kuwait** - Kuwait Transparency Society  
**Lebanon** - The Lebanese Transparency Association  
**Madagascar** - Transparency International Initiative Madagascar  
**Mauritius** - Transparency Mauritius  
**Morocco** - Transparency Maroc  
**Niger** - Association Nigérienne de Lutte contre la Corruption  
**Palestine** - The Coalition for Accountability and Integrity - AMAN  
**Rwanda** - Transparency Rwanda  
**Senegal** - Forum Civil  
**Sierra Leone** - National Accountability Group  
**Uganda** - Transparency International Uganda  
**Zambia** - Transparency International Zambia  
**Zimbabwe** - Transparency International Zimbabwe

### National chapters in formation

**Ethiopia** - Transparency Ethiopia  
**Liberia** - Center for Transparency and Accountability in Liberia  
**Mozambique** - Centro de Integridade Publica

### National contacts

**Burundi** - ABUCO : Association Burundaise des Consommateurs  
**Yemen** - Yemeni Transparency & Integrity Team

## AMERICAS

### National chapters

**Argentina** - Poder Ciudadano  
**Canada** - Transparency International Canada  
**Chile** - Chile Transparente  
**Colombia** - Transparencia por Colombia  
**Dominican Republic** - Participación Ciudadana  
**Guatemala** - Acción Ciudadana  
**Haiti** - La Fondation Héritage pour Haïti (LFHH) Le Centre pour l'Éthique et l'Intégrité Publique et Privée  
**Mexico** - Transparencia Mexicana  
**Nicaragua** - Grupo Cívico Ética y Transparencia  
**Panama** - Fundación para la Libertad Ciudadana  
**Peru** - Proética  
**Trinidad and Tobago** - Trinidad and Tobago Transparency Institute  
**Uruguay** - Uruguay Transparente  
**USA** - Transparency International USA  
**Venezuela** - Transparencia Venezuela

### National chapters in formation

**El Salvador** - Funde

### National contacts

**Bolivia** - Transparencia Bolivia  
**Brazil** - Amarribo Brazil  
**Guyana** - Transparency Institute of Guyana Inc.

## ASIA PACIFIC

### National chapters

**Australia** - Transparency International Australia  
**Bangladesh** - Transparency International Bangladesh  
**China** - Anti Corruption and Governance Research Center  
**Fiji** - Transparency International Fiji  
**India** - Transparency International India  
**Indonesia** - Transparency International Indonesia  
**Japan** - Transparency International Japan  
**Malaysia** - The Malaysian Society for Transparency and Integrity (TI Malaysia)  
**Nepal** - Transparency International Nepal  
**New Zealand** - Transparency International New Zealand  
**Pakistan** - Transparency International Pakistan  
**Papua New Guinea** - Transparency International Papua New Guinea  
**Philippines** - Transparency International Philippines  
**Solomon Islands** - Transparency Solomon Islands  
**South Korea** - Transparency International - Korea (South)  
**Sri Lanka** - Transparency International Sri Lanka  
**Taiwan** - TI Chinese Taipei  
**Thailand** - Transparency Thailand  
**Vanuatu** - Transparency Vanuatu

### National contacts

**Cambodia** - Transparency International Cambodia  
**Maldives** - Transparency Maldives  
**Vietnam** - Towards Transparency

## EUROPE AND CENTRAL ASIA

### National chapters

**Albania** - Transparency International Albania  
**Armenia** - Transparency International Anti-corruption Center  
**Austria** - Transparency International Austria  
**Azerbaijan** - Transparency International Azerbaijan  
**Belgium** - Transparency International Belgium  
**Bosnia and Herzegovina** - Transparency International Bosnia and Herzegovina  
**Bulgaria** - Transparency International Bulgaria  
**Croatia** - Transparency International Croatia

**Czech Republic** - Transparency International Czech Republic  
**Denmark** - Transparency International Denmark  
**Estonia** - Transparency International Estonia  
**Finland** - Transparency International Finland  
**France** - Transparency International France  
**FYR Macedonia** - Transparency International Macedonia  
**Georgia** - Transparency International Georgia  
**Germany** - Transparency International Germany  
**Greece** - Transparency International Greece  
**Hungary** - Transparency International Hungary  
**Ireland** - Transparency International Ireland  
**Italy** - Transparency International Italia  
**Kazakhstan** - Transparency Kazakhstan, Civic Foundation  
**Kyrgyz Republic** - Anti-Corruption Research Center Transparency International Kyrgyzstan  
**Latvia** - Transparency International Latvia  
**DELNA**  
**Lithuania** - Transparency International Lithuania  
**Moldova** - Transparency International Moldova  
**Mongolia** - Transparency International Mongolia  
**Netherlands** - Transparency International Netherlands  
**Norway** - Transparency International Norway  
**Romania** - Transparency International Romania  
**Russia** - Center for Anti-Corruption Research and Initiative Transparency International Russia  
**Serbia** - Transparency Serbia  
**Slovak Republic** - Transparency International Slovakia  
**Spain** - Transparency International España  
**Sweden** - Transparency International Sweden  
**Switzerland** - Transparency International Switzerland  
**Turkey** - Transparency International Turkey  
**UK** - Transparency International UK

### National chapters in formation

**Luxemburg** - Association Pour la Promotion de la Transparence (APPT)  
**Slovenia** - DRUSTVO Integriteta - Association for Ethics in Public Service

### National contacts

**Belarus** - Belarus National Contact  
**Cyprus** - Transparency Cyprus  
**Greenland** - Transparency International Greenland  
**Kosovo** - Kosova Democratic Institute  
**Portugal** - Transparência e Integridade, Associação Cívica (TIAC)  
**Ukraine** - NGO Creative Union TORO

Chapter accreditation status as of 31 December 2011. Please refer to [www.transparency.org/whoweare/contact](http://www.transparency.org/whoweare/contact) for current status and chapters' individual contact details.

The designations national contact, national chapter in formation and national chapter do not imply any view on TI's part as to sovereignty or independent status. They are used to clarify an organisation's accreditation status within the TI movement.

## BOARD OF DIRECTORS



**01 Huguette Labelle**  
Chair  
Canada

Huguette Labelle holds a PhD in Education. She is a Companion of the Order of Canada and has been awarded honorary degrees from 13 universities. She worked for 19 years as Deputy Minister of different Canadian Government departments. She is a member of the Board of the UN Global Compact, the Group of External Advisors on the World Bank Governance and Anti-corruption Strategy, the Advisory Group to the ADB on Climate Change and Sustainable Development, the Senior Advisory Board of the International Anti-Corruption Academy, the Executive Board of the Africa Capacity Building Foundation, the Board of the Global Centre for Pluralism, and serves on additional boards. She was elected as TI's Chair in 2005 and again in 2008 and 2011.

**02 Akere Muna**  
Vice-Chair  
Cameroon

Akere Muna, former president of TI Cameroon, is a lawyer by training. He is President of the African Union's Economic, Social and Cultural Council, President of the Pan African Lawyers Union, and former president of the Cameroon Bar Association. In 2010 he was elected to the Panel of Eminent Persons, which oversees the African Peer Review process. He is a member of the UNECA-AU sponsored High level panel on illicit financial flows from Africa headed by President Thabo Mbeki. Actively involved in the TI working group that helped draft the AU Convention on Preventing and Combating Corruption, he authored a guide to the Convention. He was elected Vice-Chair of TI's Board in 2005 and again in 2008 and 2011.

**03 Jermyn Brooks**  
United Kingdom/Germany

Jermyn Brooks joined Price Waterhouse London in 1962, and worked for the firm in senior roles until 2000, including managing the merger of PriceWaterhouseCoopers. He was a founding Board Member of the World Economic Forum's Partnering Against Corruption Initiative, chaired the steering Committee of the Business Principles for Countering Bribery and has regularly chaired the 10th Principle Working Group of the UN Global Compact. He was a member of the Wolfsberg Group, which developed the Wolfsberg Anti-Money Laundering Principles, and currently serves as Independent Chair of the Global Network Initiative and as a Board Member of the Centre for Humanitarian Dialogue. Brooks served on the TI Board from 2003-2006 and was re-elected in 2011.

**04 Jeremy Carver**  
United Kingdom

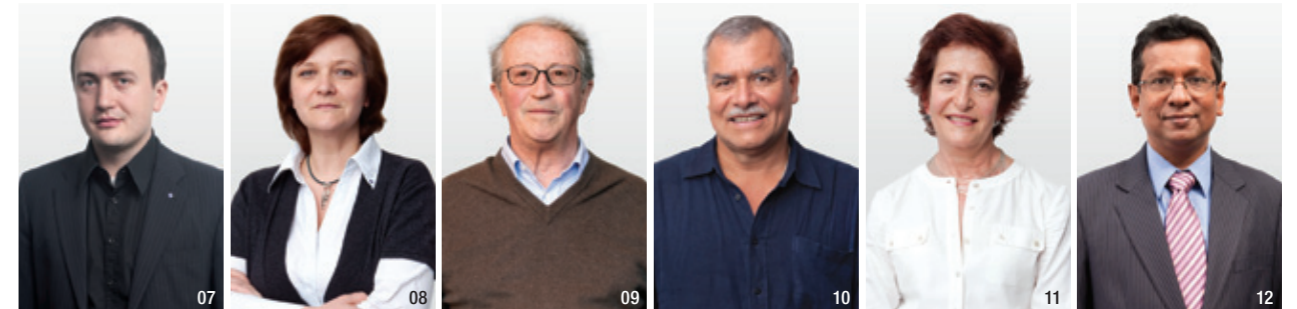
Jeremy Carver is an international lawyer, with long experience in representing and advising states and governments on treaties, boundaries, resource development, disputes, conflicts and other legal issues. He studied at Cambridge University to become a petroleum engineer. He was a partner at Clifford Chance for 30 years, and is currently a consultant and Head of International Law with the firm. He was a Trustee/Director of TI-UK from 2001-2009 and is currently President of the International Law Association, British Branch; as well as an Overseer of International Rescue Committee UK, a leading humanitarian agency. Jeremy Carver was elected to the TI Board in 2009.

**05 Delia Matilde Ferreira Rubio**  
Argentina

The former President of TI's chapter in Argentina, Poder Ciudadano, Delia has a PhD in Law from Madrid's Complutense University. She served as Chief Advisor for several representatives and senators at the National Congress, advising the Constitutional Committee of both the House of Representatives and the Senate, and the National Accounting Office. Currently she works as independent consultant, and has consulted on anti-corruption related issues with various international organisations and NGOs, mainly in Latin America. She has authored numerous publications on democratic culture and political institutions, comparative politics, and public and parliamentary ethics. She was elected to TI's Board in 2008 and again in 2011.

**06 Rueben Lifuka**  
Zambia

Rueben Lifuka is an architect and environmental consultant in private practice. He holds undergraduate and postgraduate qualifications in Architecture, Project Management and Integrated Environmental Management. He is the founder and Chief Executive of Dialogue Africa – a private organisational development and environmental management consultancy firm. He is also the President of TI Zambia and serves on the boards of several other organisations, including Build IT International – Zambia, the Zambian Governance Foundation and the Centre for Trade Policy and Development. He is also a member of the Town and Country Planning Tribunal in Zambia. Lifuka was elected to the TI Board in 2008 and again in 2011.



**07 Sergej Muravjov**  
Lithuania

Sergej Muravjov is the Executive Director of TI Lithuania. He joined the chapter in 2005 and has overseen its steady growth and broader engagement. Muravjov has been involved in numerous TI initiatives, has published extensively on transparency, corruption and good governance, and has edited several books on public and private sector accountability. He has conducted consultancy tasks for the European Commission, UN Development Programme and the UK Department for International Development. He sits on the Board of the Clear Wave initiative for transparency in Lithuania's private sector and is a member of the Selection Commission of Candidates to Judicial Office. Sergej Muravjov was elected to the TI Board in 2009.

**08 Elena A. Panfilova**  
Russia

Elena A. Panfilova is the Director of the Center for Anti-corruption Research and Initiative Transparency International, TI's Russian chapter, which she founded in 1999. She has worked as a researcher and project manager for the Institute of Independent Social Studies, the Institute for Economy in Transition and the Organisation for Economic Co-operation and Development. She co-chaired an anti-corruption working group for the Russian Presidential Council on Civil Society and Human Rights (2009-2012). Since 2007 she has taught anti-corruption at the State University Higher School of Economics (Moscow), where she also established the Laboratory for Anti-corruption Policy in 2009. She is currently the Laboratory's Deputy Head. Panfilova was elected to the TI Board in 2011.

**09 Jacques Terray**  
France

Jacques Terray has been TI France Director and Vice-Chairman since 2003. He holds degrees from the Sorbonne and Columbia law schools, and worked as the head of banking and finance at the law firm Gide. Terray was French counsel to the worldwide derivatives association, the ISDA, until his retirement in 2002. He was instrumental in the creation of the Euro and advised the Banque de France on its impact. He is a founding member of an NGO forum addressing tax havens, a board member of Finance Watch and contributes to TI's work on financial transparency relating to the G8 and G20. Terray joined TI's board in 2010.

**10 José Carlos Ugaz**  
Peru

José Carlos Ugaz became President of Proética, TI's chapter in Peru, in 2002. A lawyer by training, he has taught criminal law at the Universidad Católica del Perú since 1986, and has served as Ad-Hoc State Attorney of Peru on several corruption cases. During the Fujimori-Montesinos affair (2000-2002), his office opened more than 200 cases against 1,500 members of the Fujimori network. Under his mandate, US\$205 million in assets were frozen abroad and US\$75 million were recovered. Ugaz was a member of UN peacekeeping and elections observation missions in El Salvador, and served at the World Bank's Institutional Integrity Office from 2004-2006. Ugaz was elected to the TI Board in 2011.

**11 Elisabeth Ungar Bleier**  
Colombia

Elisabeth Ungar Bleier has been Executive Director of Transparencia por Colombia, TI's chapter in the country, since 2009. She was a professor and researcher in the Department of Political Science at Universidad de los Andes from 1975 until 2009, serving as Director of the Department (1995-1996) and a Board Member of the university (2005-2007). She founded – and directed for 12 years – Congreso Visible, the first Colombian watchdog to follow Congress. Ungar Bleier was an advisor to President Barco (1988-1990), and is a member of numerous networks and oversight committees for the election of members of High Courts, public officials and for processes of political reform. Ungar Bleier was elected to TI's Board in 2011.

**12 J. C. Weliamuna**  
Sri Lanka

One of Sri Lanka's leading public interest lawyers, Weliamuna holds a Master of Laws from the University of Colombo, where he is currently an Eisenhower Fellow and a Senior Ashoka Fellow. After establishing his legal career in commercial law, Weliamuna moved into the fields of constitutional and human rights law. He has served as an elected bureau member of the South Asians for Human Rights movement and as a lecturer in Constitutional Law at the University of Colombo. He is actively involved in several pro-democratic movements, including Lawyers for Democracy and Platform for Freedom. In 2002 he became TI Sri Lanka's first Executive Director, where he served until 2010. Weliamuna was elected to TI's Board in 2010.

ADVISORY COUNCIL AND INDIVIDUAL MEMBERS

ADVISORY COUNCIL

The Advisory Council is a group of individuals with extensive experience in the areas of Transparency International's work. They come from diverse geographical, cultural and professional backgrounds. The council is appointed by the Board of Directors to advise them and to support the work of the organisation as a whole.

**Peter Eigen**  
Chairman of the Advisory Council  
Germany  
Founder and former chair, Transparency International  
EITI Special Representative  
Member, African Progress Panel

**Paul Batchelor**  
United Kingdom  
Chairman, Crown Agents  
Former deputy chair, Global Geographies, PricewaterhouseCoopers

**Peter Berry**  
United Kingdom  
Former chairman, Crown Agents

**John Brademas**  
USA  
President Emeritus, New York University

**Jimmy Carter**  
USA  
Former president

**Ugo Draetta**  
Italy  
Professor, International Law, Catholic University, Milan  
Former vice president, General Electric Company

**Dolores L. Español**  
Philippines  
Former presiding Judge of Regional Trial Court

**Dieter Frisch**  
Germany  
Former director general for Development, European Commission

**Ekaterina Genieva**  
Russia  
Director General, State Library for Foreign Literature, Moscow

**John Githongo**  
Kenya  
Vice President of Policy and Advocacy, World Vision International  
Former permanent secretary, Ethics and Governance in the office of the President, Kenya

**Fritz Heimann**  
USA  
Founding Member, Transparency International

**Kamal Hossain**  
Bangladesh  
Former minister, Foreign Affairs

**Irene Kahn**  
Bangladesh  
Former secretary general, Amnesty International  
Director-General, International Development Law Organization  
Chancellor, University of Salford, UK

**Tawakkol Karman**  
Yemen  
Nobel Peace Prize Laureate  
President, Women Journalists Without Chains

**Michael Kirby**  
Australia  
Former justice, High Court

**Goh Kun**  
Korea (South)  
Former prime minister  
Former mayor, Seoul

**Pascal Lamy**  
France  
Director General, World Trade Organisation  
President, Fondation Notre Europe  
Former trade commissioner, European Union

**Ronald MacLean Abaroa**  
Bolivia  
Former mayor, La Paz  
Former minister, Foreign Affairs

**Ira Millstein**  
USA  
Senior Partner, Weil, Gotshal & Manges

**Festus Mogae**  
Botswana  
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**Kumi Naidoo**  
South Africa  
Executive Director, Greenpeace

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Nigeria  
Former president

**Ahmedou Ould-Abdallah**  
Mauritania  
Special Representative, UN Secretary General for West Africa  
Former executive secretary, Global Coalition for Africa

**Khun Anand Panyarachun**  
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Chairman, Siam Commercial Bank PCL

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Former attorney general

**Augustine Ruzindana**  
Uganda  
Former member of parliament

**Soli J. Sorabjee**  
India  
Former attorney general

**Virginia Tsouderos**  
Greece  
Former deputy minister, Foreign Affairs

**Jessica Tuchman Mathews**  
USA  
President, Carnegie Endowment for International Peace

**Frank Vogl**  
USA  
Former vice-chair, Transparency International  
President, Vogl Communications, Inc

**Joe Wanjui**  
Kenya  
Chancellor, University of Nairobi

**Richard von Weizsäcker**  
Germany  
Former president

**Michael Wiehen**  
Germany  
Former executive, World Bank Attorney

INDIVIDUAL MEMBERS

**Azeddine Akesbi**  
Morocco

**Sion Assidon**  
Morocco

**Nancy Boswell**  
USA

**Jermyn P. Brooks**  
United Kingdom

**Laurence Cockcroft**  
United Kingdom

**Peter Conze**  
Germany

**Brian Cooksey**  
Tanzania

**Peter Eigen**  
Germany

**Hansjörg Elshorst**  
Germany

**Oby Ezekwesili**  
Nigeria

**Delia Ferreira Rubio**  
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**Dieter Frisch**  
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USA (suspended at own request)

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**Akere Muna**  
Cameroon

**Trevor Munroe**  
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**Rosa Inés Ospina Robledo**  
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**Devendra Raj Panday**  
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**Peter L. Rooke**  
Australia

**José Carlos Ugaz**  
Peru

**Chantal Uwimana**  
Burundi (temporarily released)

**Frank Vogl**  
USA

**Michael H. Wiehen**  
Germany

BUSINESS ADVISORY BOARD

**Jermyn P. Brooks**  
United Kingdom/Germany  
Chair, TI Business Advisory Board

**Tsega Gebreyes**  
Ethiopia  
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**Sam Di Piazza**  
USA  
Former global CEO, PriceWaterHouse Coopers

**S. Gopalakrishnan**  
India  
CEO, Infosys

**Mr Jannik Lindbeak**  
Norway  
Former chair, Statoil and TI-Norway

SENIOR ADVISERS

Transparency International would like to thank all those who volunteered their time, skill and hard work in 2011, in particular the following senior advisers: Arun Duggal, Hansjörg Elshorst, Dieter Frisch, Roslyn Hees, Fritz Heimann, Christiaan Poortman, Chong San Lee, Kerstin Leitner, Donal O'Leary, Rosa Inés Ospina, Peter Rooke, Sylvia Schenk, José Ugaz and Michael Wiehen.

ANNUAL REPORT CONTRIBUTIONS

The 2011 *Annual Report* benefitted from the input of many chapters and individuals from across the Transparency International movement. We are very grateful to them for their help and support. We would also like to thank Stephanie Burnett, André Doren, Stephanie Debere, Rebecca Dobson, Jane Garton and Tim Lee for their support and work.

## OUR FUTURE DIRECTION

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**“Looking ahead, we know that corruption and its pernicious effects are resilient. We are nonetheless committed to working with a sense of urgency and purpose to ensure that concrete, tangible and irreversible gains are made by 2015.”**

*Huguette Labelle, Chair, Transparency International*

**Our Strategy 2015 defines the direction of the movement. All of our action is guided by six strategic priorities:**

### 1. PEOPLE

“Increased empowerment of people and partners around the world to take action against corruption.”

We will engage with people more widely than ever before – ultimately, only people can stop corruption.

### 3. LAWS

“More effective enforcement of laws and standards around the world and reduced impunity for corrupt acts.”

We will strive to enforce fair legal frameworks, ensuring there is no impunity for corruption.

### 5. NETWORK

“Strengthened ability to work together.”

We will seek to expand the knowledge base of our diverse movement, promoting ever more effective anti-corruption solutions which have a real impact on people’s lives.

### 2. INSTITUTIONS

“Improved implementation of anti-corruption programmes in leading institutions, businesses and the international financial system.”

We will ensure that commitments to stop corruption are translated into actions, enforcement and results.

### 4. VALUES

“Higher levels of integrity demonstrated by organisations and people, especially youth and those in leadership positions around the world.”

We will work to secure greater commitment to integrity by both current and future generations in all aspects of public and business life.

### 6. IMPACT

“Enhance responsiveness, presence, performance and impact at all levels.”

We will strengthen the individual and collective performance of all parts of our diverse movement, ensuring that we have a strong presence and anti-corruption voice nationally, regionally and globally.

[www.transparency.org/strategy2015](http://www.transparency.org/strategy2015)

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NOW BECOME  
A PART OF IT.**

To find out how visit:

[www.transparency.org/getinvolved](http://www.transparency.org/getinvolved)

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