

JULY/AUGUST 2002

# AMANNIE

**FIGHTING  
CORRUPTION:**  
*A global concern*



# CONTENTS

AMANNEE

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ASSISTING POLITICAL COMMITMENT TO FIGHTING CORRUPTION .....	3
MAINSTREAM ANTI-CORRUPTION MEASURES IN GHANA .....	4
FIGHTING GLOBAL CORRUPTION: BUSINESS RISK MANAGEMENT .....	6
Released by the Bureau for International Narcotics and Law Enforcement Affairs.	
TRADE COMPLIANCE CENTER: OECD ANTI-BRIBERY REPORT 2002 .....	9
CORRUPTION IS UNSUSTAINABLE .....	10
By Peter Eigen, Chairman of Transparency International, on the launch of the Corruption Perceptions Index 2002.	
WEBSITES RELEVANT TO THE CONVENTION, ANTICORRUPTION, ETHNICS, .....	13
TRANSPARENCY, AND CORPORATE COMPLIANCE PROGRAMS	
U.S. EMBASSY FUNDS SELF-HELP PROJECTS .....	15
RADIO JOURNALISM TRAINING WORKSHOP .....	16
U.S. EMBASSY GRANTS \$75,000 TO GHANAIAN DEMOCRACY AND .....	16
HUMAN RIGHTS PROJECTS	
PICTURES IN REVIEW .....	17
UPCOMING TRADE EVENTS IN THE U.S. ....	18
COMMERCIAL NEWS USA .....	19

**COVER PHOTO:** Prof. John R. Heilbrunn, delivering his speech at the recently held seminar on Mainstreaming Anti-Corruption Measures in Ghana. (See story on page 4.)

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# ASSESSING POLITICAL COMMITMENT TO FIGHTING CORRUPTION

*A variety of methods can be used to ascertain whether anticorruption efforts will have sustained-and essential-backing from political leaders*



*Prof. John John R. Heilbrunn*

Rarely discussed 15 years ago, the commitment of political leaders to reform—that is, their willingness to implement and sustain reform—is now widely accepted as crucial for aid effectiveness. Nowhere is political commitment more important and more difficult to sustain than in implementing reforms to fight corruption. Governments increasingly seek external assistance to meet this challenge. More than any other public sector reform, reducing corruption may threaten political coalitions and a government’s survival and threats to political survival weaken the resolve of even the most committed leaders. This note describes methods that might be used to objectively evaluate a government’s political commitment to reducing corruption, whether petty, grand, or systemic.

## **How and why is commitment assessed?**

Assessments of political commitment to fighting corruption identify:

- ◆ The particular anticorruption reform for which commitment is sought.
- ◆ The political and bureaucratic actors whose support is needed to ensure the reform’s success.
- ◆ The costs and benefits of reform for these actors.

There are at least three reasons to assess commitment to anticorruption efforts. First, an assessment allows governments and aid partners to form early judgments on whether reforms will succeed, allowing for a more productive allocation of donor and country resources and avoiding costly! project failures.

Second, an assessment of political commitment improves a project’s chances for success and sustainability. For example, it identifies the actors who have the most

to gain from anticorruption reform and the greatest ability to implement it. The reform program should then make those actors responsible for implementation.

Third, staff who have at their disposal a systematic assessment of commitment are better positioned to help committed country counterparts design meaningful strategies for robust and sustainable reform. There are two methods for assessing political commitment. One depends on identifying key decisionmakers, their constituencies, and the potential political and financial costs to them of reducing corruption. The second approach focuses on events such as statements of opposition to corruption or the removal of corrupt ministers that might signal a commitment to fighting corruption.

## **Reforming what?**

Corruption is often classified according to whether it is petty, grand, or systemic. Each form entails different reform strategies and analyses of political commitment. Petty corruption involves low-level officials extracting small sums through extortion, bribery, theft, or misuse of official property. Grand corruption refers to high-level officials using their offices to grant contracts or extract large sums of money—perhaps from the public budget or, using their regulatory authority, by manipulating market outcomes for their personal or political enrichment. When both petty and grand corruption are pervasive, corruption is systemic.

The winners and losers from reform often differ depending on the type of corruption. Grand corruption, involving as it does the highest decision-makers, is more difficult to control because the losers are those who are primarily responsible for implementing reform. In this case successful reform will need to be

spearheaded or supported by high-level government actors who do not benefit from corrupt activities.

High-level officials in many countries are strongly supportive of programs to eliminate petty corruption, because such corruption undermines their agencies’ ability to deliver public services. With high-level support, interviews and surveys can be used to identify and quantify the specific corrupt practices.

## **Who are the reformers?**

Once the nature of the reform is known, the next step is to identify the decision makers with the authority to propose and approve it. No government is a monolithic entity. Key players in a reform program are the executive branch, legislature, ministries, and civil service. These individuals often have competing or conflicting interests. Because a reform agenda to attack significant corruption will likely require approval by several of these actors, understanding these conflicting interests may help Bank staff better advise stakeholders on reform design.

*It depends on the benefits. . .*

Supporters of reforms typically see a variety of benefits from reducing corruption. Many political leaders have a strong moral aversion to corruption, and are concerned about its impact on development. Moreover, reducing corruption may improve a country’s access to international organizations or foreign capital access that is limited when corruption is perceived as being significant. Finally, officials may obtain political advantages

### **BOX 1 PURSUING POLITICAL COMMITMENT IN GEORGIA**

As part of its efforts to reduce corruption, the Georgian government has deregulated business registration and modernized the Customs Department and Tax Inspectorate. But the true test of political commitment is seen in the implementation and enforcement of laws. And while Georgia has enacted laws, opposition from influential members of government has slowed their implementation -- reflecting the point that government cannot be viewed as monolithic. Enforcement of laws ultimately demonstrates government commitment and capacity to reform.

by advocating reforms that support constituents who are victims of corruption or that undermine political opponents who benefit from it.

#### ...and the risks

The primary risk that anticorruption reform creates for decisionmakers is the possibility that it will undermine their political position. Experiences in Georgia, one of several countries in Europe and Central Asia to request Bank assistance, suggest that even a highly committed leader may face opposition from entrenched interests in government (box 1). Anticorruption reforms may also cut the funds needed to finance political campaigns and maintain supporters' loyalty. Obviously, decisionmakers who profit from their positions will likely oppose reforms. In the worst cases anticorruption reforms undermine the personal security of leaders, if they provoke a violent reaction from beneficiaries of corruption.

A variety of methods and sources can be used to assess the benefits and risks that anticorruption reforms pose to different decisionmakers. Anecdotal information is usually abundant and useful, and available from discussions with political officials, civil servants, private sector actors, and journalists. More formal methods, such as diagnostic, may be particularly useful in understanding which government agencies are particularly corrupt (and whose officials are therefore most likely to resist reform) and which are most likely to resist reform) and which are least corrupt (and whose officials are most likely to support anticorruption efforts). Such surveys must always have local ownership and local sponsorship.

Surveys are also useful in shifting incentives by increasing government ownership of reform design. For example, if a government seeks increased foreign investment or membership in the European Union, diagnostic surveys that quantify corruption in sectors that are important for achieving these objectives may persuade officials to design appropriate reforms. For good examples of the use of surveys in fighting corruption, see PREMnote 7.

#### Other commitment signals

It may be difficult to assess political commitment using interviews or surveys. But there are two other ways to gauge the commitment to combating corruption: changes in the political and economic environment and actions by government. For example, government action to strengthen the assets declaration law in

Latvia signals increasing commitment by government decisionmakers (box 2).

#### Changes in the political and economic environment

Three changes in the political and economic environment may predict increased political commitment to anticorruption reform. First, an economic or political crisis may stimulate leaders to pursue far-reaching reforms in order to reestablish their hold on office. On the other hand, if a regime fears that its tenure is about to end, a final wave of rent-seeking actions may ensue. Thus a detailed analysis can significantly improve understanding of the commitment to reform at a particular juncture. Second, a new government that succeeds a notoriously corrupt government has both an incentive and an opportunity to fight corruption as a means of differentiating itself from the previous administration. Third, increased democratization that leads to a larger number of independent government decisionmakers

creates greater potential for officials to hold each other accountable.

#### Action by government

A variety of government actions indicate a commitment to reducing corruption. If official statements that condemn corruption and call for its elimination are not followed by action, they are signals of weak political commitment. Stronger but still uncertain signals include the establishment of ombudsmen, supreme audit bodies, and anticorruption agencies. Such agencies are only as effective as the enforcement of laws against corruption. The success of Hong Kong's Independent Commission Against Corruption stands out (box 3). This agency has many attributes unusual among anticorruption agencies including independence, significant financing, direct citizen oversight, and considerable legal powers. If enforcement is a failure, commitment to further reform is problematic no matter how many new institutions governments establish.

## Mainstreaming Anti-Corruption Measures in Ghana

The Public Affairs Section (PAS) of the US Embassy in Ghana in conjunction with the Ghana Integrity Initiative (GII) and the Governance Unit of the Ministry of Justice organized a four-day seminar on enhancing transparency in Ghana between 13–16 August, 2002.

The purpose of the program was to stimulate debate and action for transparency, mainstream the issue of transparency and accountability, and recommend anti-corruption measures for policy formulation and implementation.

Professor. John R. Heilbrunn, Assistant Professor from the Division of Liberal Arts and International Studies at the Colorado School of Mines led a series of lectures in Accra and Cape Coast. Other participants included, Mr. H. Kwasi Prempeh,



(From left), Dr. Prempeh, Prof. John Heilbrunn, and Hon. Alban Bagbin.



Dr. Nana Apt, Lecturer, University of Ghana, Legon, member of Board of Ghana Integrity Initiative, and Dr. Yaw Asamoah, Executive Director, Ghana Integrity Initiative.

Director of Legal Policy and Governance at the Center for Democratic Development (CDD-Ghana), Hon. Alban S. K. Bagbin, Minority Leader and Chairman of the Public Accounts Committee in Parliament, Dr. Alex Appiah Koranteng, the National Coordinator of the National Institutional Renewal Programme (NIRP), Honorable Papa Owusu-Ankomah, Minister of Parliamentary Affairs and Majority Leader, Inq. Sqn. Ldr. Clend Sowu (rt'd), a former Member of Parliament for Anlo in the Volta, Mr. Yaw Buaben Asamoah, Executive Director, Ghana Integrity Initiative (GII), Mr. Eric Annin, Assistant Programme Officer of GII, Mr. Mohammed Affum, Journalist and Deputy Editor of The Heritage Mr. William Nyarko, a Research and Media Consultant and a member of GII Board, Hon. Kwabena Agyapong, Deputy Government Spokesman, the Director General of the Private Enterprise Foundation (PEF), Dr. Boeh Ocansey, Alhaji Muhammed Abdullah, Chief Controller and Head of Special Services, Serious Fraud Office (SFO), and Mr. Charles Taylor, a Director of the Chartered Institute of Purchasing and Supply (CIPS).\*\*\*

## What if political commitment is questionable?

Given the difficult political problems associated with fighting corruption, political commitment will often be weak or transitory. Still, external partners can help governments create an environment for future anticorruption reform. It can disseminate knowledge about different reforms and their effects. It can support reform champions with technical advice on the design of reforms. And it can foster collaborative efforts with civil society groups particularly in building up information on the extent and sources of corruption in countries (for example, through diagnostic surveys).

Finally, the Bank can help governments facilitate interaction among potential winners from anticorruption reform. The Bank and other partners can organize workshops, task forces, and other forums to bring together civil society, public servants, journalists, and eminent indivi-

### BOX 2 REQUIRING A DECLARATION OF ASSETS IN LATVIA

Latvia's government shows increasing political commitment to fighting corruption. In September 1995 it passed a law requiring all officials from the president down to make a declaration of assets -- a frequently suggested anticorruption reform. Deficiencies in the framing and implementation of the law, however, rendered it largely ineffective. The current government has started drafting a new law that will clearly identify conflicts of interest and deal more stringently with gifts received by public servants. To strengthen implementation, officials will be able to compare declarations of income and assets over time.

duals who might influence the incentives of political leaders. In addition, sponsoring international meetings of individuals, parliamentarians, journalists, activists, academics from countries where corruption is a problem can enhance awareness and stimulate collective action for reform. Two points are important, however. First, the participants should be chosen not only for their professional position but also for their willingness to support reform. Second, there should be a critical mass of participants from each country (closer to 20 than to 2).

In some cases commitment to enacting reforms may be altogether lacking. The Bank and other donors then face a difficult set of choices. Options include suspending new loans, restricting them to poverty-reducing social investments, or ring-fencing the lending program with



*Some of the resource persons at the seminar organized recently by the Public Affairs Section of the US Embassy in conjunction with the Ghana Integrity Initiative (GII) and the Governance Unit of the Ministry of Justice on, 'Mainstream Anti-Corruption Measures in Ghana'. With them is Dr. Angela Ofori Attah, Chairperson, addressing the participants.*

intense supervision. The first option precludes further Bank involvement in the anticorruption (or any other) dialogue in a country and depends for its success on whether the Bank's concerns are shared by other donors. The Bank needs to actively share its concerns and views with its key development partners and ensure that its approach is broadly shared. The second option implies that the Bank will tolerate large losses as long as resources are targeted directly at the poor. The third strategy implies a dramatic escalation in the commitment of resources for supervision. These strategies are controversial, however, and their impact on corruption remains to be demonstrated.

### Further reading

- Bardhan, Pranab. 1997. "Corruption and Development: A Review of the Issues." *Journal of Economic Literature* 35 (September): 1320-46.
- Berryman, Sue, and others. 1997. "Guidelines for Assessing Institutional Capability." World Bank, Europe and Central Asia Human Development Sector Unit-Development Research Group, Washington, D.C.
- De Speville, Bertrand. 1997. *Hong Kong: Policy Initiatives Against Corruption*. Paris: OECD Development Centre.
- Haggarty, Luke, and Yasuhiko Matsuda. 1998. "Assessing Clients' Commitment

### BOX 3 LEARNING FROM HONG KONG'S ANTICORRUPTION COMMISSION

Hong Kong's Independent Commission Against Corruption is the world's most renowned anticorruption agency. What makes the commission remarkable is its advisory committees, which include representatives of government, the private sector, and civil society. The advisory committees impose accountability: once an investigation is launched, its progress is followed closely; investigations cannot last for extended periods; and cases cannot be arbitrarily dropped. Although the commission's achievements have encouraged other governments to create similar agencies, few have replicated the oversight function of the advisory committees, matched the budget commitments put forth by the Hong Kong government, or enjoyed the commission's success.

- to Sectoral Reforms: A Client Readiness Analysis. " World Bank, Development Research Group-PREM Network, Washington, D.C.
- Noonan, John Thomas. 1987. *Bribes*. Berkeley: University of California Press.\*\*\*

*This note was written by John Heilbrunn (Public Sector Specialist, Public Sector, Poverty Reduction and Economic Management Network) and Philip Keeler (Senior Research Economist, Development Research Group).*

# FIGHTING GLOBAL CORRUPTION: BUSINESS RISK MANAGEMENT

## *Guiding Principles For Fighting Corruption and Safeguarding Integrity Among Justice and Security Officials*

Released by the Bureau for International Narcotics and Law Enforcement Affairs.

**T**he following Anticorruption Principles were developed and approved by the United States Government in the preparation of the First Global Forum on Fighting Corruption and Safeguarding Integrity Among Justice and Security Officials, held in Washington, D.C. in February 1999. Discussion at this Conference, among the many participants from around the world, addressed most of these principles. Today they continue to serve as an effective checklist in the fight against corruption and safeguarding integrity among government officials.

**NOTE:** Annotated Version. In this document, each of the practices is followed by a parenthetical letter or letters indicating from which source or sources the statement of the practice was derived, including agreements, documents and other sources in existing international literature or experience regarding corruption, public integrity or related matters of crime. Sources including those from the UN, OECD, OAS, GCA, EU and COE are identified in the listing at the end of this document.

Corruption, dishonesty and unethical behavior among public officials represent serious threats to the basic principles and values of government, undermining public confidence in democracy and threatening to erode the rule of law. The aim of these Guiding Principles is to promote public trust in the integrity of officials within the public sector by preventing, detecting, and prosecuting or sanctioning official corruption and unlawful dishonest, or unethical behavior.

It is anticipated that these guiding principles will be implemented by each government in a manner appropriately tailored to the political, legal, economic and cultural circumstances of the country. Due to the different functions and missions of different judicial, justice, and security officials, not all practices are applicable in all categories. This document does not prescribe a specific solution to corruption among justice and security officials, but rather offers a list of potentially effective



corruption-fighting practices for consideration.

The list of practices, which may apply to other sectors of government in addition to justice and security officials, is intended to help guide and assist governments in developing effective and appropriate means to best achieve their specific public integrity ends.

1. Establish and maintain systems of government hiring of justice and security officials that assure openness, equity and efficiency and promote hiring of individuals of the highest levels of competence and integrity.

### **Effective practices include:**

- ◆ Systems for equitable compensation adequate to sustain appropriate livelihood without corruption (I, K, O);
- ◆ Systems for open and merit based hiring and promotion with objective standards (C, I, J);
- ◆ Systems which provide assurance of a dignified retirement without recourse to corruption (I, K, O);
- ◆ Systems for thorough screening of all employees for sensitive positions (M);
- ◆ Systems for probationary periods after initial hiring (M);
- ◆ Systems which integrate principles of human rights with effective measures for preventing and detecting corruption. (M).

2. **Adopt public management measures that affirmatively promote and uphold the integrity of justice and security officials.**

### **Effective practices include:**

- ◆ An impartial and specialized institution of government to administer ethical codes of conduct (C, D, I, J, K);
- ◆ Training and counseling of officials to ensure proper understanding of their responsibilities and the ethical rules governing their activities as well as their own professionalism and competence (C);
- ◆ Training addressed to issues of brutality and other civil rights violations that often correlate with corrupt activity among justice and security officials (O, substantial international literature relating to human rights issues);
- ◆ Managerial mechanisms that enforce ethical and administrative standards of conduct (B, D, H, I, J, K);
- ◆ Systems for recognizing employees who exhibit high personal integrity or contribute to the anti-corruption objectives of their institution (O);

- ◆ Personnel systems that include regular rotation of assignments to reduce insularity that fosters corruption (B,D, J, K, O);
- ◆ Systems to provide appropriate oversight of discretionary decisions and of personnel with authority to make discretionary decisions (B, D, J, K, O);
- ◆ Systems that hold supervisors accountable for corruption control (B, D, J, K, O);
- ◆ Positive leadership which actively practices and promotes the highest standards of integrity and demonstrates a commitment to prevent and detect corruption, dishonesty and unethical behavior (I, O);
- ◆ Systems for promoting the understanding and application of ethical values and the standards of conduct required (I, O);
- ◆ Mechanisms to support officials in the public sector where there is evidence that they have been unfairly or falsely accused. (O)

**3. Establish ethical and administrative codes of conduct that proscribe conflicts of interest, ensure the proper use of public resources, and promote the highest levels of professionalism and integrity.**

**Effective practices include:**

- ◆ Prohibitions or restrictions governing officials participating in official matters in which they have a substantial direct or indirect financial interest (I, J, O);
- ◆ Prohibitions or restrictions against officials participating in matters in which persons or entities with whom they are negotiating for employment have a financial interest (I, J, O);
- ◆ Limitations on activities of former officials in representing private or

personal interests before their former governmental agency or department, such as prohibiting the involvement of such officials in cases for which former officials were personally responsible, representing private interests by their improper use of influence upon their former governmental agency or department, or using confidential knowledge or information gained during their previous employment as an official in the public sector (O);

- ◆ Prohibitions and limitations on the receipt of gifts or other advantages (F, I, J, O);
- ◆ Prohibitions on improper personal use of government property and resources (C, F, O).

**4. Establish criminal laws and sanctions effectively prohibiting bribery, misuse of public property, and other improper uses of public office for private gain.**

**Effective practices include:**

- ◆ Laws criminalizing the giving, offer or promise by any party (“active”) and the receipt or solicitation by any official (“passive”) of a bribe, and criminalizing or sanctioning the giving or receiving of an improper gratuity or improper gift. (A, C, E, F, G, J, others);
- ◆ Laws criminalizing or sanctioning the illegal use by officials of government information (C, F);
- ◆ Laws affirming that all justice and security officials have a duty to provide honest services to the public and criminalizing or sanctioning breaches of that duty (J);
- ◆ Laws criminalizing improper use of official power or position, either to the detriment of the government or for personal enrichment.

**5. Adopt laws, management practices and auditing procedures that make corruption more visible and thereby promote the detection and reporting of corrupt activity. Effective practices include:**

- ◆ Systems to promote transparency, such as through dis-

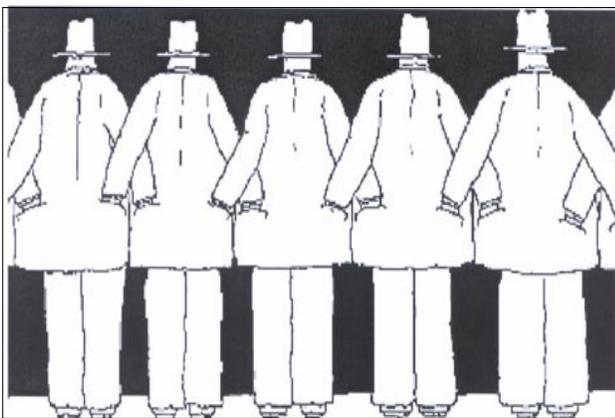
closing the financial circumstances of senior officials (C, I, J, K).

- ◆ Measures and systems to ensure that officials report acts of corruption, and to protect the safety, livelihood and professional situation of those who do, including protection of their identities to the extent possible under the law (F, I, J);
- ◆ Measures and systems that protect private citizens who, in good faith, report acts of official corruption (C, D, E, F, I, J, M);
- ◆ Government revenue collection systems that deter corruption, in particular by denying tax deductibility for bribes or other expenses linked to corruption offenses (B, C, D, K);
- ◆ Bodies responsible for preventing, detecting, and eradicating corruption, and for punishing or disciplining corrupt officials, such as independent ombudsmen, inspectors general, or other bodies responsible for receiving and investigating allegations of corruption (B, D, I, J);
- ◆ Appropriate auditing procedures applicable to public administration and the public sector (D, I, J, K);
- ◆ Appropriately transparent procedures for public procurement that promote fair competition and deter corrupt activity (B, C, D, F, I, K).
- ◆ Systems for conducting regular threat assessments on corrupt activity (O).

**6. Provide criminal investigators and prosecutors sufficient and appropriate powers and resources to effectively uncover and prosecute corruption crimes.**

**Effective practices include:**

- ◆ Empowering courts or other competent authorities to order that bank, financial or commercial records be made available or be seized, and that bank secrecy not prevent such availability or seizure (C, E, K, L, M);
- ◆ Authorizing use under accountable legal supervision of wiretaps or other interception of electronic communication, or recording devices, in investigation of corruption offenses (E, F, K, M);
- ◆ Authorizing, where appropriate, the admissibility of electronic or other recorded evidence in



criminal proceedings relating to corruption offenses (E, F, K, M);

- ◆ Employing where appropriate systems where by persons charged with corruption or other corruption-related criminal offenses may secure more advantageous treatment in recognition of assisting in the disclosure and prosecution of corruption offenses (E, F, L, M);
- ◆ The development of appropriate information gathering mechanisms to prevent, detect and deter official corruption and dishonesty (O).

**7. Ensure that investigators, prosecutors and judicial personnel are sufficiently impartial to fairly and effectively enforce laws against corruption.**

**Effective practices include:**

- ◆ Personnel systems to attract and retain high quality corruption investigators (O);
- ◆ Systems to promote the specialization and professionalization of persons and organizations in charge of fighting corruption (D, E, K);
- ◆ Establishment of an independent mechanism within judicial and security agencies with the duty to investigate corruption allegations, and with the power to compel statements and obtain documents from all agency personnel (I, O);
- ◆ Codes of conduct or other measures that require corruption investigators, prosecutors, and judges to recuse themselves from any case in which their political, financial or personal interests might reasonably raise questions about their ability to be impartial. (O);
- ◆ Systems that allow for the appointment, where appropriate, of special authorities or commissions to handle or oversee corruption investigations and prosecutions (O);
- ◆ Standards governing the initiation of corruption investigations to ensure that public officials are not targeted for investigation for political reasons (O).

**8. Ensure that criminal and civil law provide for sanctions and remedies that are sufficient to effectively and appropriately deter corrupt activity.**

**Effective practices include:**

- ◆ Laws providing substantial criminal penalties for the laundering of the proceeds of public corruption violations (A, C, E, K, M);
- ◆ Laws providing for substantial incarceration and appropriate forfeiture of assets as a potential penalty for serious corruption offenses (A, C, E, G, others);
- ◆ Provisions to support and protect whistleblowers and aggrieved private parties (B, D, I, K).

**9. Ensure that the general public and the media have freedom to receive and impart information on corruption matters, subject only to limitations or restrictions which are necessary in a democratic society.**

**Effective practices include:**

- ◆ Establishing public reporting requirements for justice and security agencies that include disclosure about efforts to promote integrity and combat corruption (D, H, J, K);
- ◆ Enacting laws or other measures providing a meaningful public right of access to information about corrupt activity and corruption control activities (D, H, I, J, K).

**10. Develop to the widest extent possible international cooperation in all areas of the fight against corruption.**

**Effective practices include:**

- ◆ Systems for swift and effective extradition so that corrupt public officials can face judicial process (A, C, E, G, I, M, others);
- ◆ Systems to enhance international legal assistance to governments seeking to investigate and prosecute corruption violations (A, C, E, G, I, M, others);
- ◆ Systems to facilitate and accelerate international seizure and repatriation of forfeitable assets associated with corruption violations (A, C, E, F, G, I, M, others);
- ◆ Inclusion of provisions on combating corruption in appropriate bilateral and multilateral instruments (I, O).

**11. Promote, encourage and support continued research and public discussion in all aspects of the issue of upholding integrity and preventing corruption among justice and security**

**officials and other public officials whose responsibilities relate to upholding the rule of law.**

**Effective practices include:**

- ◆ Appointment of independent commissions or other bodies to study and report on the effectiveness of efforts to combat corruption in particular agencies involved in justice and security matters (O);
- ◆ Supporting the efforts of multilateral and non-governmental organizations to promote public integrity and prevent corruption (O);
- ◆ Promoting efforts to educate the public about the dangers of corruption and the importance of general public involvement in government efforts to control corrupt activity (C, I, J, K, O).

**12. Encourage activities of regional and other multilateral organizations in anti-corruption efforts.**

**Effective practices include:**

- ◆ Becoming parties, as appropriate, to applicable multilateral legal instruments containing provisions to address corruption (I);
- ◆ Cooperating in carrying out programs of systematic follow-up to monitor and promote the full implementation of appropriate measures to combat corruption, through mutual assessment by governments of their legal and practical measures to combat corruption, as established by pertinent international agreements. (A, E, L, I, O);
- ◆ Participating actively in future international conferences on promoting integrity and combating corruption among justice and security officials.

**Listing of Sources for Guiding Principles**

- A. OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.
- B. OECD Council Recommendations Against Corruption, May 1997.
- C. OAS Inter-American Convention Against Corruption.
- D. Council of Europe Committee of Ministers 20 Recommendations Against Corruption, November 1997.
- E. Council of Europe Criminal Law Convention on Corruption.
- F. Council of Europe Conclusions of the Second European Conference of

- Specialized Services in the Fight Against Corruption, October 1997.
- G. European Union Convention on Corruption of EU or Member Officials, May 1997.
- H. European Parliament Resolution on Combating Corruption in Europe, 1995.
- I. Global Coalition for Africa, Principles to Combat Corruption in African Countries, February, 1999.
- J. United Nations Secretariat Manual: Practical Measures Against Corruption, July 1990.
- K. United Nations Commission on Crime Prevention and Criminal Justice: Report of Expert Group on Action Against Corruption and Bribery, March 1997.
- L. United Nations Convention Against Illicit Trafficking in Narcotic Drugs or Psychotropic Substances.
- M. United Nations Convention Against Transnational Organized Crime, 2000.
- N. Financial Action Task Force, 40 Recommendations.
- O. Observed experience of governments (“common sense”).\*\*\*

# TRADE COMPLIANCE CENTER, OECD ANTIBRIBERY REPORT 2002

## Introduction

The promotion of open and free markets around the world has set into motion the positive forces that now drive economic development, democratization, social freedoms, and political stability. These same forces have produced a higher standard of living for many of the world’s nations and raised the expectations of many others. These benefits of international trade can prove to be effective antidotes to poverty and its attendant evils. As President Bush has noted, “When trade advances, there’s no question that poverty retreats.”

The current World Trade Organization (WTO) negotiations are aimed at furthering this market-opening process in the global trading system, and the attendant economic, political and social benefits. In November 2001, trade Ministers from the WTO’s 144 member nations established the Doha Development Agenda, setting out the broad objectives for this negotiating exercise. All WTO member countries stand to reap significant economic benefits from the trade liberalization being sought in this negotiating round. An important further aspect of this negotiating agenda is the explicit recognition that trade and economic development advance hand in hand.

While the development dimension of these WTO negotiations represents a key step forward in the evolution of the international trading system, it is increasingly clear that the benefits to be derived from both trade liberalization and economic development can best be realized in environments characterized by good governance and legal frameworks of transparent, democratic, non-discriminatory, and accountable institutions free of corruption. Governments of both developed and developing countries must

do their part to create environments conducive to these goals and to support similar efforts of others.

The bribery of public officials has pernicious effects in the countries in which it occurs. It robs those countries of the limited resources that are vital to growth and development. At the same time, it prevents many from escaping poverty. Other evils, including terrorism, can flourish in an environment in which corruption is unchecked.

One of the most important instruments in the fight against corruption is the Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Antibribery Convention). The Convention obligates the signatories to criminalize bribery of foreign public officials in the conduct of international business. It proscribes the activities of those who offer, promise, or pay a bribe. For this reason, the Convention is often characterized as a “supply side” agreement, as it seeks to affect the conduct of companies in exporting nations. The Convention entered into force in 1999, and as of June 7, 2002, thirty-three of the Convention’s thirty-five signatories now have laws on their books making it a crime to bribe a foreign public official.

While the negotiation of and adoption of domestic legislation implementing the Antibribery Convention is a significant accomplishment in the fight against corruption in international business, Parties to the Convention cannot rest on their laurels. This initial contribution must now be supplemented with demonstrated willingness to ensure that the Convention’s provisions are actually carried out. This requires rigorous enforcement of national laws to combat bribery. The OECD is doing its part in this regard. Emphasis within the OECD Working Group that monitors implementation of the Convention is

shifting from an analysis of national country legislation to examination of steps Parties are taking to enforce the Convention’s disciplines.

Other efforts to promote the objectives of the Antibribery Convention include enlisting the active support of the private sector. Because of the influence of the U.S. Foreign Corrupt Practices Act of 1977, U.S. businesses have already developed corporate compliance codes and ethical guidelines to fight bribery and corruption. In addition, the OECD’s Guidelines for Multinational Enterprises were recently expanded to include, inter alia, a major new section on combating bribery of foreign public officials. Awareness by business of these instructions and the incorporation of these objectives in the private sector’s approach to doing business are essential components to the Convention’s full implementation.

At the same time, other efforts and vehicles must be used to complement the objectives of the Convention. These measures include expecting governments in countries where bribes are solicited to promote good governance and create or enhance transparent and accountable institutions free of corruption. Such programs should contribute to the broader goal of improving national welfare within individual countries; this will benefit their citizens and provide environments conducive to increased trade and investment.

## Background

The United States launched a campaign against international corrupt business practices more than twenty-five years ago with the passage of the Foreign Corrupt Practices Act of 1977 (FCPA).

The law established substantial penalties for persons making payments to foreign officials, political parties, party

officials, and candidates for political office to obtain or retain business. Enactment of the legislation reflected deep concern by the American public about the involvement of U.S. companies in unethical business practices. Disclosures in the mid 1970s indicated that U.S. companies spent millions of dollars to bribe foreign public officials and thereby gain unfair advantages in competing for major commercial contracts.

The FCPA has made a major impact on how U.S. companies conduct international business. However, in the absence of similar legal prohibitions by key trading partners, U.S. businesses were put at a significant disadvantage in international commerce. Their foreign competitors continued to pay bribes without fear of penalties, which resulted in billions of dollars in lost sales to U.S. exporters.

Recognizing that bribery and corruption in foreign commerce could be effectively addressed only through strong international cooperation, the United States

undertook a long-term effort to convince the leading industrial nations to join it in passing laws to criminalize the bribery of foreign public officials. The Omnibus Trade and Competitiveness Act of 1988 reaffirmed this goal and called on the U.S. government to negotiate an agreement at the OECD on the prohibition of overseas bribes. After nearly ten years, the effort succeeded. On November 21, 1997, the United States and thirty-three other nations adopted the Antibribery Convention. It was signed on December 17, 1997 and entered into force for twelve of the signatories on February 15, 1999. All signatories to the Convention also agreed to implement the OECD's 1996 recommendation on eliminating the tax deductibility of bribes.

To implement U.S. obligations under the Convention, the U.S. Congress enacted the International Anti-Bribery and Fair Competition Act of 1998 (IAFCA), which amended certain provisions of the Securities Exchange Act of 1934 and the

FCPA that relate to the bribery of foreign public officials. The United States ratified the Convention on November 20, 1998, and deposited its instrument of ratification with the OECD on December 8, 1998. The Convention entered into force for the United States on February 15, 1999.

Section 6 of the IAFCA provides that not later than July 1, 1999, and July 1 of each of the five succeeding years, the Secretary of Commerce shall submit to the House of Representatives and the Senate a report on implementation of the Convention by other signatories and on certain matters relating to international satellite organizations addressed in the IAFCA<sup>3</sup>.

The United States has committed significant resources to the task of monitoring implementation of the Convention. The Commerce, State, Justice, and Treasury Departments have worked as a team to monitor implementation and enforcement of the Convention. U.S. agencies have established a comprehensive monitoring process that includes active participation in the OECD meetings on the Convention, bilateral discussions with other governments on implementation and enforcement issues, and careful tracking of bribery-related developments overseas. Preparation of the annual report to congress is part of this process of making the Convention a meaningful multilateral, anti-corruption instrument.

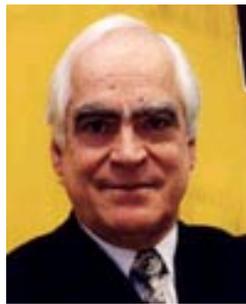
# CORRUPTION IS UNSUSTAINABLE

**Statement by Peter Eigen,**  
Chairman of Transparency International,  
on the launch of the Corruption Perceptions Index 2002

**A**t the UN Monterrey Conference on Financing for Development in March 2002, US President Bush announced the tying of billions of dollars of additional development assistance over the next three years to a commitment to good governance, including anti-corruption measures.

But the initiative cannot come from donor countries alone. That is why I applaud the New Partnership for Africa's Development, which has bold aims launched by African leaders, aims that will be in the spotlight this week at the UN Summit for Sustainable Development in Johannesburg. Good governance and transparency are essential to sustainable development.

Just as international institutions and donor bodies must now insist on transparency and good governance, so must politicians grasp the challenge at the national level. TI's new Corruption Perceptions Index, which includes 102 countries -the highest number in the history of the index - makes it clear that an enormous task lies ahead of them. They must set the framework for investment such that the rule of law is applied and enforced fairly, not arbitrarily, so that for instance



*Peter Eigen*

extractive industries, such as oil-drilling, are sustainable both for the natural environment and the development of the local economy.

The Johannesburg Summit must lead to action. Corruption impedes sustainable development and robs the children of today of the resources they will need to survive tomorrow. When the leaders sign the Johannesburg Declaration, they must make pledges they can keep, not raise false hopes.

Take the case of water. The world's freshwater supplies are shrinking, and it is more evident than ever that clean drinking water is one of the earth's most valuable resources. As water becomes more scarce, particularly in Asia, efficient planning and fair distribution are vital to sustainability and to the livelihood of millions, especially children, who are vulnerable to water-borne disease. Today, 1.2 million people do not

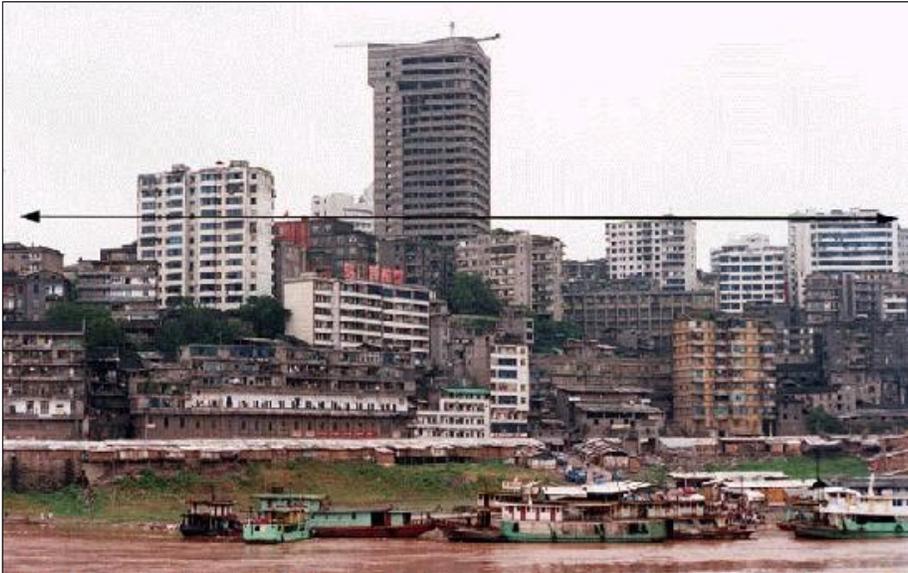
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## Conclusion

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The individual efforts of all participants should go a long way in promoting honest international trade and investment. However, we are not there yet; a great deal of work needs to be done in curtailing bribery. The U.S. government receives ongoing reports indicating that the bribery of foreign public officials continues to influence the awarding of billions of dollars in contracts around the world. For example, we estimate that between May 1, 2001 and April 30, 2002, the competition for 60 contracts worth \$35 billion may have been affected by the bribery of foreign officials. Firms from Convention signatory countries account for about 70 percent of these allegations.

The U.S. government is steadfast in its commitment to reduce and eliminate the incidence of such bribery. Promoting good governance and rule of law throughout the world, while securing effective implementation and enforcement of the Antibribery Convention, will be instrumental in achieving that goal.\*\*\*



**Photos:** (Middle), China's Controversial Three Gorges Dam looks unstoppable. (Insert above), the city of Wushan rises from the banks of the Yangtze River. In 2009, the area beneath the arrow drawn on the photo will be under water. (Insert below), Two women watch construction of Three Gorges Dam.



have reliable access to safe water. Transparent, efficient and honest management of water supplies and sustainable planning are urgently needed to save lives. At the current rate of decline of fresh water supplies, as many as 5 billion people will be in danger of water shortages within two decades.

This year's catastrophic floods and droughts have been exacerbated by the effects of illegal logging and deforestation. Major water-diversion projects may be necessary, but the Three Gorges Dam in China is just one of many plagued by corruption: decisions on solving the water crisis are prevented by bribery; it is now an emergency situation: decisions must be made to meet the needs of future generations, not the short-term profit of corrupt public officials or businesses.

Politicians increasingly pay lip-service to the fight against corruption but they fail to act on the clear message of TI's Corruption Perceptions Index: that they must clamp down on corruption to break the vicious circle of poverty and graft.



Seven out of ten countries score less than 5 out of 10 in the CPI 2002, which reflects perceived levels of corruption among politicians and public officials and many of these are the poorest countries.

Political elites and their cronies continue to take kickbacks at every opportunity. Hand in glove with corrupt business people, they are trapping whole nations in poverty and hampering sustainable development. Corruption is perceived to be dangerously high in poor parts of the world, but also in many countries whose firms invest in developing nations.

In the past year, we have seen setbacks to the credibility of democratic rule. In parts of South America, the graft and misrule of political elites have drained confidence in the democratic structures that emerged after the end of military rule. Above all, it is the political parties that have undermined economic prosperity. Argentina, where corruption is perceived to have soared, joins Panama, Honduras, Guatemala, Nicaragua, Venezuela, Bolivia, Ecuador, Haiti and Paraguay with a score of 3 or less in the CPI 2002.

In Argentina, first under President Menem, then President de la Rúa, the state seems to have been captured by a network of leaders who misuses it in the service of their business and political interests. That is why an economic and social crisis has spiralled out of control. If businessmen only lobby to secure contracts illegally or to obtain sector benefits, their companies will have no lasting value for any stakeholders.

But there are some parts of the world showing progress. The EU candidate countries, most notably Slovenia, are perceived to be increasingly less corrupt. The recent steps by President Vladimir Putin to introduce tax reforms and new laws fighting money-laundering are beginning to show the prospect of a lessening in perceived corruption in Russia, but the CPI 2002 indicates that Russia has a long way to go and remains seriously corrupt, together with Uzbekistan, Georgia, Ukraine, Kazakhstan, Moldova and Azerbaijan, all of which score less than 3 against a clean score of 10.

The many high-profile scandals and bankruptcies in the United States in recent months, from Enron through Global Crossing to WorldCom, underscore the need for there to be far-reaching reforms to strengthen ethics and social responsibility in business. The recent revelations about money laundering and fraud, to which former Enron executive Michael Kopper has already pleaded guilty, could well be just

the tip of the iceberg.

Corrupt political elites in the developing world, working hand-in-hand with greedy business people and unscrupulous investors, are putting private gain before the welfare of citizens and the economic development of their countries. From illegal logging to blood diamonds, we are seeing the plundering of the earth and its people in an unsustainable way.

That is why TI argues for civil society monitoring of both governments and businesses. They are both part of the problem, and only by engaging with them both together, can we begin to find solutions, and a level playing field for all stakeholders in society, including company employees, the community at large and all those who care about ending poverty and securing a sustainable ecosystem for the future.\*\*\*

COUNTRY RANK	COUNTRY	CPI 2002	SURVEYS USED SCORE	STANDARD DEVIATION	HIGH-LOW RANGE
1	Finland	9.7	8	0.4	8.9 - 10.0
2	Denmark	9.5	8	0.3	8.9 - 9.9
	New Zealand	9.5	8	0.2	8.9 - 9.6
4	Iceland	9.4	6	0.4	8.8 - 10.0
5	Singapore	9.3	13	0.2	8.9 - 9.6
	Sweden	9.3	10	0.2	8.9 - 9.6
7	Canada	9.0	10	0.2	8.7 - 9.3
	Luxembourg	9.0	5	0.5	8.5 - 9.9
	Netherlands	9.0	9	0.3	8.5 - 9.3
10	United Kingdom	8.7	11	0.5	7.8 - 9.4
11	Australia	8.6	11	1.0	6.1 - 9.3
12	Norway	8.5	8	0.9	6.9 - 9.3
	Switzerland	8.5	9	0.9	6.8 - 9.4
14	Hong Kong	8.2	11	0.8	6.8 - 9.4
15	Austria	7.8	8	0.5	7.2 - 8.7
16	USA	7.7	12	0.8	5.5 - 8.7
17	Chile	7.5	10	0.9	5.6 - 8.8
18	Germany	7.3	10	1.0	5.0 - 8.0
	Israel	7.3	9	0.9	5.2 - 8.0
20	Belgium	7.1	8	0.9	5.5 - 8.7
	Japan	7.1	12	0.9	5.5 - 8.9
	Spain	7.1	10	1.0	5.2 - 8.9
23	Ireland	6.9	8	0.9	5.5 - 8.1
24	Botswana	6.4	5	1.5	5.3 - 8.9
25	France	6.3	10	0.9	4.8 - 7.8
	Portugal	6.3	9	1.0	5.5 - 8.0
27	Slovenia	6.0	9	1.4	4.7 - 8.9
28	Namibia	5.7	5	2.2	3.6 - 8.9
29	Estonia	5.6	8	0.6	5.2 - 6.6
	Taiwan	5.6	8	0.8	3.9 - 6.6
31	Italy	5.2	11	1.1	3.4 - 7.2
32	Uruguay	5.1	5	0.7	4.2 - 6.1
33	Hungary	4.9	11	0.5	4.0 - 5.6
	Malasia	4.9	11	0.6	3.6 - 5.7
	Trinidad & Tobago	4.9	4	1.5	3.6 - 6.9
36	Belarus	4.8	3	1.3	3.3 - 5.8
	Lithania	4.8	7	1.9	3.4 - 7.6
	South Africa	4.8	11	0.5	3.9 - 5.5
	Tunisia	4.8	5	0.8	3.6 - 5.6
40	Costa Rica	4.5	6	0.9	3.6 - 5.9
	Jordan	4.5	5	0.7	3.6 - 5.2
	Mauritius	4.5	6	0.8	3.5 - 5.5
	South Korea	4.5	12	1.3	2.1 - 7.1
44	Greece	4.2	8	0.7	3.7 - 5.5
45	Brazil	4.0	10	0.4	3.4 - 4.8
	Bulgaria	4.0	7	0.9	3.3 - 5.7
	Jamaica	4.0	3	0.4	3.6 - 4.3
	Peru	4.0	7	0.6	3.2 - 5.0
	Poland	4.0	11	1.1	2.6 - 5.5
50	Ghana	3.9	4	1.4	2.7 - 5.9
51	Croatia	3.8	4	0.2	3.6 - 4.0
52	Czech Republic	3.7	10	0.8	2.6 - 5.5
	Latvia	3.7	4	0.2	3.5 - 3.9
	Morocco	3.7	4	1.8	1.7 - 5.5
	Slovak Republic	3.7	8	0.6	3.0 - 4.6
	Sri Lanka	3.7	4	0.4	3.3 - 4.3
57	Colombia	3.6	10	0.7	2.6 - 4.6
	Mexico	3.6	10	0.6	2.5 - 4.9

COUNTRY RANK	COUNTRY	CPI 2002	SURVEYS USED SCORE	STANDARD DEVIATION	HIGH-LOW RANGE
59	China	3.5	11	1.0	2.0 - 5.6
	Dominican Rep.	3.5	4	0.4	3.0 - 3.9
	Ethiopia	3.5	3	0.5	3.0 - 4.0
62	Egypt	3.4	7	1.3	1.7 - 5.3
	Ri Dslvsfor	3.4	6	0.8	2.0 - 4.2
64	Thailand	3.2	11	0.7	1.5 - 4.1
	Turkey	3.2	10	0.9	1.9 - 4.6
66	Senegal	3.1	4	1.7	1.7 - 5.5
67	Panama	3.0	5	0.8	1.7 - 3.6
68	Malawi	2.9	4	0.9	2.0 - 4.0
	Uzbekistan	2.9	4	1.0	2.0 - 4.1
70	Argentina	2.8	10	0.6	1.7 - 3.8
71	Cote d'Ivoire	2.7	4	0.8	2.0 - 3.4
	Honduras	2.7	5	0.6	2.0 - 3.4
	India	2.7	12	0.4	2.4 - 3.6
	Russia	2.7	12	1.0	1.5 - 5.0
	Tanzania	2.7	4	0.7	2.0 - 3.4
	Zimbabwe	2.7	6	0.5	2.0 - 3.3
77	Pakistan	2.6	3	1.2	1.7 - 4.0
	Philippines	2.6	11	0.6	1.7 - 3.6
	Romania	2.6	7	0.8	1.7 - 3.6
	Zambia	2.6	4	0.5	2.0 - 3.2
81	Albania	2.5	3	0.8	1.7 - 3.3
	Guatemala	2.5	6	0.6	1.7 - 3.5
	Nicaragua	2.5	5	0.7	1.7 - 3.4
	Venezuela	2.5	10	0.5	1.5 - 3.2
85	Georgia	2.4	3	0.7	1.7 - 2.9
	Ukraine	2.4	6	0.7	1.7 - 3.8
	Vietnam	2.4	7	0.8	1.5 - 3.6
88	Kazakhstan	2.3	4	1.1	1.7 - 3.9
89	Bolivia	2.2	6	0.4	1.7 - 2.9
	Cameroon	2.2	4	0.7	1.7 - 3.2
	Ecuador	2.2	7	0.3	1.7 - 2.6
	Haiti	2.2	3	1.7	0.8 - 4.0
93	Moldova	2.1	4	0.6	1.7 - 3.0
	Uganda	2.1	4	0.3	1.9 - 2.6
95	Azerbaijan	2.0	4	0.3	1.7 - 2.4
96	Indonesia	1.9	12	0.6	0.8 - 3.0
	Kenya	1.9	5	0.3	1.7 - 2.5
98	Angola	1.7	3	0.2	1.6 - 2.0
	Madagascar	1.7	3	0.7	1.3 - 2.5
	paRAGUAY	1.7	3	0.2	1.5 - 2.0
101	nIGERIA	1.6	6	0.6	0.9 - 2.5
102	Bangladesh	1.2	5	0.7	0.3 - 2.0

### Explanatory notes

A more detailed description of the CPI 2002 methodology is available at <http://www.transparency.org/cpi/index.htm#pci> or at [www.gedg.de/~uwww/2002.html](http://www.gedg.de/~uwww/2002.html)

#### A CPI 2002 Score

Relates to perceptions of the degree of the corruption as seen by business people, academics and risk analysts, and ranges between 10 (highly clean) and 0 (highly corrupt).

#### A Surveys Used

refers to the number of surveys that assessed a country's performance. A total of 15 surveys were used from the nine independent institutions, and at least three were required for a country to be included in the CPI.

#### Standard Deviation

indicates differences in the values of the sources: the greater the standard deviation, the greater the differences of perceptions of a country among the sources.

#### High-Low Range

provides the highest and lowest of the different sources.

# Relevant to the Convention on Bribery, Ethics, Transparency and Corporate Compliance Programs

## COMMERCE

Page:

and Compliance/ Compliance Center: Annual Report to Congress on Implementation of the OECD Bribery Convention, Trade Complaint and Trade and Related Agreements Database (TARA), Export Guides, Market Access Reports, Market Monitor, and Market Access and Compliance Office of Law for Business Initiatives” (www.export.gov/tcc). Also, Country Commercial reports and guides, trade and export-related information (www.ita.doc.gov/ita-home/itacnreg.htm); trade counseling and other services in other countries (1-800-USA-TRADE); Office of the Chief Counsel for International Commerce, Information on Legal Aspects of International Trade and Investment, The Anti-Corruption Review, the FCPA, and other anticorruption materials (www.ita.doc.gov/ogc/occic).

## Department of State

- ◆ Information on the OECD Bribery Convention and First Global Forum on Fighting Corruption Materials; documents related to the OECD Bribery Convention ( www.state.gov/www/issues/economic/bribery.htm/).
- ◆ First Global Forum on Fighting Corruption and Safeguarding Integrity, Washington, D.C., February 1999 (www.state.gov) and Second Global Forum, The Hague, The Netherlands, May 28-31, 2001 (www.gfcorruption.org). A copy of the First Global Forum Final Conference Report and Guiding Principles for Fighting Corruption and Safeguarding Integrity among Justice and Security Officials can be

purchased from the U.S. Government Printing Office (ISBN 0-16-050150-4); Country Reports, Economic Practices and Trade Practices (www.state.gov).

## Department of Justice, Fraud Section

- ◆ Comprehensive information on the FCPA, legislative history of FCPA, 1998 amendments, opinion procedures, and international agreements (www.usdoj.gov/criminal/fraud.htm)

## Office of Government Ethics (OGE)

- ◆ Information on ethics, latest developments in ethics, programs, and informational and educational materials including OECD Public Service Management (PUMA) (www.usoge.gov/)

## Department of the Treasury

- ◆ Information on money laundering, customs, and international financial institutions (www.treas.gov).

## Securities and Exchange Commission (SEC)

- ◆ Information about SEC enforcement, actions, Complaint Center, and further information for accountants and auditors (www.sec.gov).

## Agency for International Development (USAID)

- ◆ Center for Democracy and Governance, USAID’s Efforts on Anticorruption, Handbook on Fighting Corruption ( www.info.usaid.gov/democracy/anticorruption ).

oecd.org/EN/documents/ documents-88-3-no-3-no-88.htm/).

- ◆ ANCORSEB, the OECD Anti-corruption Ring Online, a collection of materials on effective policies and practices ( www.oecd.org/EN/home/O, EN-home-124-nodirectorate-no-no-no-31,00.htm/).

## Financial Action Task Force on Money Laundering (FATF)

- ◆ (www1.oecd.org/fatf/).

## International Criminal Police Organization (INTERPOL)

- ◆ (www.interpol.int).

## Council of Europe (COE)

- ◆ COE Anticorruption Convention, related programs, and resources (www.coe.int).

## Organization for Security and Cooperation in Europe (OSCE)

- ◆ Charter for European Security, Rule of Law and Fight Against Corruption (www.osce.org).

## Stability Pact for South Eastern Europe

- ◆ Special Coordinator of the Stability Pact for South Eastern Anticorruption Initiative Compact of the (http://www.stability.org)

## Organization

- ◆

## INTER-GOVERNMENTAL ORGANIZATION

## Orga

## Asia-Pacific Economic Cooperation (APEC)

- ◆ Information on the Transparency Initiative, investment, government procurement, and customs
- ◆ ([www.apecsec.org.sg](http://www.apecsec.org.sg)).

## Association of Southeast Asian Nations (ASEAN)

- ◆ ([www.aseansec.org](http://www.aseansec.org)).

## United Nations - Centre for International Crime Prevention (CICP)

- ◆ Global Program Against Corruption ([www.UNCJIN.org/CICP/cicp.html](http://www.UNCJIN.org/CICP/cicp.html)).
- ◆ UN Development Program (UNDP), Management Development and Governance Division (<http://magnet.undp.org/>).

## World Trade Organization (WTO)

- ◆ Working Group on Transparency in Government Procurement Practices ([www.wto.org](http://www.wto.org)).

## The Global Corporate Governance Forum

- ◆ An OECD and World Bank initiative to help countries improve corporate governance standards and corporate ethics ([www.worldbank.org/ghlhtml/extdr/extme/2217.htm](http://www.worldbank.org/ghlhtml/extdr/extme/2217.htm)).
- ◆ OECD Principles of Corporate Governance ([www1.oecd.org/daf/governance/principles.htm](http://www1.oecd.org/daf/governance/principles.htm)).

## World Customs Organization (WCO)

- ◆ ([www.wcoomd.org](http://www.wcoomd.org)). Please note that the WCO web site has been redesigned. This new version of the site only supports Internet Explorer 5.0 or Netscape 6.0 or later versions of these browsers.

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## INTERNATIONAL FINANCIAL INSTITUTIONS

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### The World Bank

- ◆ Public Sector Group, World Bank Anticorruption Strategy, information on preventing corruption in WB projects, helping countries reduce corruption, and supporting international efforts [www1.worldbank.org/publicsector/anticorrupt/](http://www1.worldbank.org/publicsector/anticorrupt/).
- ◆ Economic Development Institute (EDI), World Bank Anticorruption Diagnostic Surveys ([www.world](http://www.world)

[bank.org/wbi/governance](http://bank.org/wbi/governance)).

### International Monetary Fund (IMF)

- ◆ Codes of Good Practices in Monetary and Financial Policies ([www.imf.org/external/np/mae/mft/index.htm](http://www.imf.org/external/np/mae/mft/index.htm)).

### Inter-American Development Bank (IDB)

- ◆ ([www.iadb.org](http://www.iadb.org)).

### Asian Development Bank (ADB)

- ◆ ([www.adb.org](http://www.adb.org)).

### African Development Bank (AfDB)

- ◆ ([www.afdb.org](http://www.afdb.org)).

### European Bank for Reconstruction and Development (EBRD)

- ◆ ([www.ebrd.com/new/index.htm](http://www.ebrd.com/new/index.htm)).

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## OTHER ORGANIZATIONS

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### U.S. Chamber of Commerce (USCOC)

- ◆ Center for International Private Enterprise (CIPE), an affiliate of the USCOC, information on corporate governance and anticorruption ([www.cipe.org](http://www.cipe.org)).

### International Chamber of Commerce (ICC)

- ◆ Rules of Conduct and Bribery, ICC Commercial Crime Services, and due diligence ([www.iccwbo.org](http://www.iccwbo.org)).

### Transparency International (TI)

- ◆ TI Corruption Index and Bribe Propensity Index; TI Source Book on anticorruption strategies and other international initiatives by governments, NGOs, and the private sector ([www.transparency.org](http://www.transparency.org)).
- ◆ 10th International Anti-Corruption Conference, Prague 2001 ([www.10iacc.org](http://www.10iacc.org)).
- ◆ 11th International Anti-Corruption Conference, Seoul 2003 ([www.11iacc.org](http://www.11iacc.org)).

### U.S. International Council for Business

- ◆ ([www.uscib.org](http://www.uscib.org)).

### The Conference Board

- ◆ Information on corporate ethics ([www.conference-board.org](http://www.conference-board.org)).

### American Bar Association (ABA)

- ◆ Taskforce on International Standards on Corrupt Practices ([www.abanet.org/intlaw/divisions/](http://www.abanet.org/intlaw/divisions/)

[public/corrupt.html](http://public/corrupt.html))

- ◆ ABA-Central and East European Law Initiative (CEELI) ([www.abanet.org/ceeli](http://www.abanet.org/ceeli)).

### Ethnics Resource Center.

- ◆ ([www.ethics.org](http://www.ethics.org)).

### COSO

- ◆ The Committee of Sponsoring Organizations of the Treadway Commission ([www.coso.org](http://www.coso.org)). The COSO ("Treadway Commission") is a volunteer private sector organization consisting of the five major financial professional associations dedicated to improving the quality of financial reporting through business ethics, effective internal controls, and corporate governance. The five associations are:

*The American Accounting Association (AAA)* (<http://accounting.rutgers.edu/raw/aaa>);

*The American Institute of Certified Public Accountants (AICPA)* ([www.aicpa.org/index.htm](http://www.aicpa.org/index.htm));

*The Financial Executives Institute (FEI)* ([www.fei.org](http://www.fei.org));

*The Institute of Internal Auditors (IIA)* ([www.theiia.org](http://www.theiia.org)); and

*The Institute of Management Accountants (IMA)* ([www.imanet.org](http://www.imanet.org)).

### The Association of Government Accountants (AGA)

- ◆ ([www.agacgfm.org](http://www.agacgfm.org)).
- ◆ Sites Directory for U.S. and International Accounting Associations and State CPA Societies (<http://taxsites.com/associations2.html>).

### International Organization of Supreme Audit Organizations (INTOSAI)

- ◆ ([www.intosai.org](http://www.intosai.org)).

### Global Coalition for Africa (GCA)

- ◆ Principles to Combat Corruption in Africa Countries; Collaborative Frameworks to Address Corruption ([www.gca-cma.org/ecorrtion.htm](http://www.gca-cma.org/ecorrtion.htm)).

### South Asian Association for Regional Cooperation

- ◆ ([www.saarc.org](http://www.saarc.org)).

### Pacific Basin Economic Council (PBEC)

- ◆ An association of senior business leaders, which represents more

than 1,200 businesses in 20 economies in the Pacific Basin region ([www.pbec.org](http://www.pbec.org)).

**Americas' Accountability/Anti-Corruption (AAA) Project**

- ◆ (<http://www.respondanet.com/english/index.htm>).

**Anti-Corruption Network for Transition Economies**

- ◆ ([www.nobribes.org](http://www.nobribes.org)).

**Inter-Parliamentary Union**

- ◆ ([www.ipu.org](http://www.ipu.org)).

**World Forum on Democracy**

- ◆ ([www.fordemocracy.net](http://www.fordemocracy.net)).

**National Democratic Institute for International Affairs (NDI)**

- ◆ ([www.ndi.org](http://www.ndi.org)).

**The International Republican Institute (IRI)**

- ◆ ([www.iri.org](http://www.iri.org)).

- ◆ **International Center for Journalists** ([www.icj.org](http://www.icj.org)).

- ◆ **World Association of Newspapers** ([www.fiej.org](http://www.fiej.org)).

**The Carter Center**

- ◆ ([www.cartercenter.org](http://www.cartercenter.org)).

**The Asia Foundation**

- ◆ ([www.asiafoundation.com](http://www.asiafoundation.com)).

**The National Endowment for Democracy (NED)**

- ◆ ([www.ned.org](http://www.ned.org)).

**Websites with Country-Specific Convention-Related Legislation**

- ◆ Implementing legislation of many Parties can be down-loaded directly from the OECD website ([www.oecd.org/oecd/pages/1/home/displaygeneral/O\\_3380\\_EN-document-86-nodirectorate-no-6-7252-31,00.htm](http://www.oecd.org/oecd/pages/1/home/displaygeneral/O_3380_EN-document-86-nodirectorate-no-6-7252-31,00.htm)).\*\*\*

The U.S. Ambassador's Special Self-Help Program began in 1964 with a modest program in Togo. It quickly expanded to almost all countries in Africa, and was initiated in Ghana in 1990. Since 1990 the U.S. Embassy in Ghana has made self-help grants totaling \$1,093,400 to 276 projects.\*\*\*

**2002 US Embassy Self-Help Project Recipient**

**Ashanti Region**

Kona Community Clinic Staff Quarters  
Nerebehi Integrated Community Centre for Employable Skills

**Brong Ahafo Region**

Nsunensa Methodist Rural Clinic  
Habitat for Humanity, Mansen Affiliate

**Central Region**

Ekurabadze Community Poverty Reduction Group  
Minnesota Christian Academy and International School

**Eastern Region**

Asuokaw Odumase School Block  
Amantem Nkwanta KVIP Latrines  
Dwerebease School Block, Kwahu

**Greater Accra Region**

Tsumkpo, Dangme West  
Ablekuma Vocational Training Institute

**Northern Region**

Janong-Daboshie School Block  
Savelugu Agro Women's Association  
Salaga-Kapatey Vocational Training Center

**Upper East Region**

Mognori Women's Sheabutter Extraction Group  
Teshnatinga Community Day Nursery

**Upper West Region**

Ping and Chapuri Community Agricultural Development  
Sontaah Hamile Women's Group

**Volta Region**

Okadjakorom KVIP Latrines  
Fiase Women's Textiles Society

**Western Region**

Kwabaa T.I. Ahmadiyya Primary School Block

**US EMBASSY FUNDS SELF-HELP PROJECTS**



*Chargé d'Affaires Elizabeth Raspolic signs grant for a happy recipient.*

The US Embassy 2002 Self Help Fund is funding 21 projects located in all 10 regions of the country. The projects cover five basic sectors: education, health, sanitation, housing and income generation. The grant total for 2002 is \$70,000 US dollars.

The Self-Help Program is designed to assist Ghanaian communities with projects that they initiate and plan themselves. These are projects in which the community itself will make substantial contributions, and the community must be able to maintain these projects on

*Recipients of the 2002 Ambassador's Special Self-Help Fund. With them in the middle is the Chargé d'Affaires Elizabeth Raspolic.*

their own after the one-time donation of funds. The program encourages projects that promote individual and community empowerment through increased access to education, health, vocational training, and sanitation. The program concentrates on projects that generate increased incomes through productive enterprises.



# Radio Journalism Training Workshop

The U.S. Embassy Public Affairs Section sponsored radio journalism workshops in Accra and Kumasi from August 12-16. Participants came from over 50 radio stations throughout the country. The workshops covered a variety of topics with a focus on newsgathering, interviewing, and the management of radio call-in programs. Led by Sam Swan, a professor at the University of Tennessee College of Communications, participants from over 50 radio stations throughout the country discussed how to report the news accurately and objectively and learned techniques to better their interviewing skills.

Professor Swan has conducted similar workshops in several countries in Africa, South-East Asia, and Eastern Europe, including a very successful radio sales and management workshop in Ghana in 1998.\*\*\*



*Participants discuss a point during the Radio Journalism Workshop in Accra.*

## US Embassy Grants \$75,000 to Ghanaian Democracy and Human Rights Projects

In August, the U.S. Chargé d'Affaires, Ambassador Elizabeth Raspolic, signed grants for four projects focusing on democracy and human rights. The grants are provided through the Democracy and Human Rights Fund, which was established by the US Congress in 1991. The Democracy and Human Rights Fund is a program designed to support small, high-impact activities that aid, protect and advocate human rights and democratization throughout Africa. In Ghana this fund has provided over

\$1,000,000 in financial support since 1991 to a wide variety of projects.

The committee received forty-two proposals this year and awarded four grants, totaling \$75,000. Particular priority was given to projects that help to improve human rights for women and children and those that strengthen the rule of law.

The grantees for 2002 are:

**The Muslim Family Counseling Centre, Accra** - \$21,000 for a campaign against violence toward women to be



conducted in Nima, Madina, Ashaiman, and Shukura.

**The Rural Women's Association, Navrongo** - \$19,199 for an awareness-raising campaign and workshops for both men and women with a focus on stopping violence against wives and girls.

**African Women's Lawyer's Association, Accra** - \$24,800 for a project addressing the issue of sexual harassment.

**Centre for Sustainable Development, Bolgatanga** - \$10,100 for legal rights training for women micro-entrepreneurs with a focus on inheritance rights.

Applications for next year's funds are available from the Democracy and Human Rights Office at the U.S. Embassy. The deadline for proposals for 2003 is November 15<sup>th</sup>, 2002.\*\*\*



*Above: Recipients of the 2002 Democracy and Human Rights Fund Grants with Chargé d'Affaires Raspolic and Barbara Kalb. Above right: US Democracy and Human Rights Fund coordinator congratulates a recipient.*

# Pictures In Review

## NEW ARRIVALS TO ACCRA POST

**D**avid Queen, the new Public Affairs Officer at the U.S. Embassy, arrived in Accra on August 12<sup>th</sup>. His previous diplomatic assignments have been in Tunis, Tunisia; Kathmandu, Nepal; Pretoria, South Africa; Niamey, Niger; and Islamabad, Pakistan. Before joining the Foreign Service, Mr. Queen worked on technical English language projects and as an editor for the Illinois Institute of Technology and the Algerian Petroleum Institute in Chicago and Algiers. He also served as a development officer for the U.S. Agency for International Development in Vietnam and as a Peace Corps Volunteer in Tunisia. Mr. Queen has a BA and an MA in English, along with non-degree graduate studies in journalism.

**Photo:** The new Public Affairs Officer, David A. Queen (third from left), at his welcome reception held at the residence of the U.S. Ambassador.\*\*\*



**Photo:** U.S. Embassy Deputy Chief of Mission, Mr. Gary Pergl, third from left. With him are (from left), Mr. Alex Asiedu, Mr. Charles Akpalu and Mr. Solomon Mensah, all of Public Affairs Section of the U.S. Embassy.

### **Sharon Cromer, USAID Director**

Sharon Cromer has over sixteen years of experience with USAID. She began her USAID career in 1986, serving as a Contracting Officer in USAID/Washington. She was first assigned overseas in 1988 as a Contracting Officer in Pakistan followed by assignments at USAID's Regional Economic Development Services Office in Cote d'Ivoire, in Senegal and in Indonesia.

For the last three and a half years, she has been the Deputy Mission Director in USAID/Indonesia.

Ms. Cromer was born and grew up in Washington, DC. She attended Barnard College at Columbia University receiving a Bachelors of Arts in 1980. She attended law school at the Georgetown University Law Center, where she received her Juris Doctor in 1983. She is married to Arnold Sobers and has two daughters, Courtney and Simone.\*\*\*

### **Gary Pergl**

**Deputy Chief of Mission,  
American Embassy Accra, Ghana**

**G**ary Pergl is a career member of the Senior Foreign Service, rank of Counselor. He joined the Foreign Service in 1979, and previous to his arrival in Accra, had served tours of duty in Moscow, Manila, Tunis, Johannesburg, and Paris. His Washington assignments have been Director of Foreign Service Assignments for the U.S. Information Agency, and Director of Public Diplomacy Training at the Foreign Service Institute. He is a graduate of the 44<sup>th</sup> Senior Seminar.

Mr. Pergl received B.A. degrees in journalism and Russian from San Jose State University, and an M.A. degree in Soviet Studies from the University of Southern California. His languages are Russian and French. He is married to Mary Catherine Beasley, and has three children.\*\*\*



Sharon Cromer

# UPCOMING TRADE EVENTS IN THE U.S.

## 1. MEDTRADE-HEALTH CARE

### Time & place:

October 29-31, 2002,  
Atlanta, Georgia

**Tel:** 703-488-2700

### Email:

jillpowell@venuexpo.  
com

### Website:

www.medtrade.com

## 2. PACK EXPO 2002

### Time & Place:

November 3-7,  
2002 Chicago, IL

**Tel:** 703-205-0923

**Fax:** 301-694-5124

### Email:

info@packexpo.com

### Website:

www.packexpo.com

## 3. AUTOMOTIVE AFTERMARKET INDUSTRY WEEK

### Time & Place:

November 5-8, 2002

**Tel:** 708-226-1300

**Fax:** 708-226-1310

### Email:

info@aapexshow.com

### Website:

www.aapexshow.com

## 4. SHOPA SHOW

### Time & Place:

November 12-14, 2002

**Tel:** 937-297-2250

**Fax:** 937-297-2254

**Email:** info@shopa.org

### Website:

www.shopa.org

## 5. THE GREATER NEW YORK DENTAL MEETING

### Time & Place:

November 29-  
December 4, 2002

**Tel:** 212-398-6922

**Fax:** 212-398-6934

### Email:

gnydm@aol.com

### Website:

www.gnydm.com

## 6. COMDEX FALL

### Time & Place:

November 18-22,  
2002,  
Las Vegas, NV

**Tel:** 7814335022

**Fax:** 781 453 7203

### Email:

Julie.teach@key3  
media.com

### Website:

www.comdex.com

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*For more information on these tradeshows, please visit their respective websites. You may contact the U.S. Commercial Service for further information on participating in these tradeshows.*

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Public Affairs Section**  
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