

**“The objective may  
seem optimistic...  
But its founders  
are confident that  
it is an idea whose  
time has come”**

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FINANCIAL TIMES, 1993

## Back in 1993

- While corruption steals resources from the world's most vulnerable people, talking about it is taboo. It's time for things to change. A handful of dedicated individuals set up a new organisation with a clear message: corruption can and must be stopped. Transparency International is born.

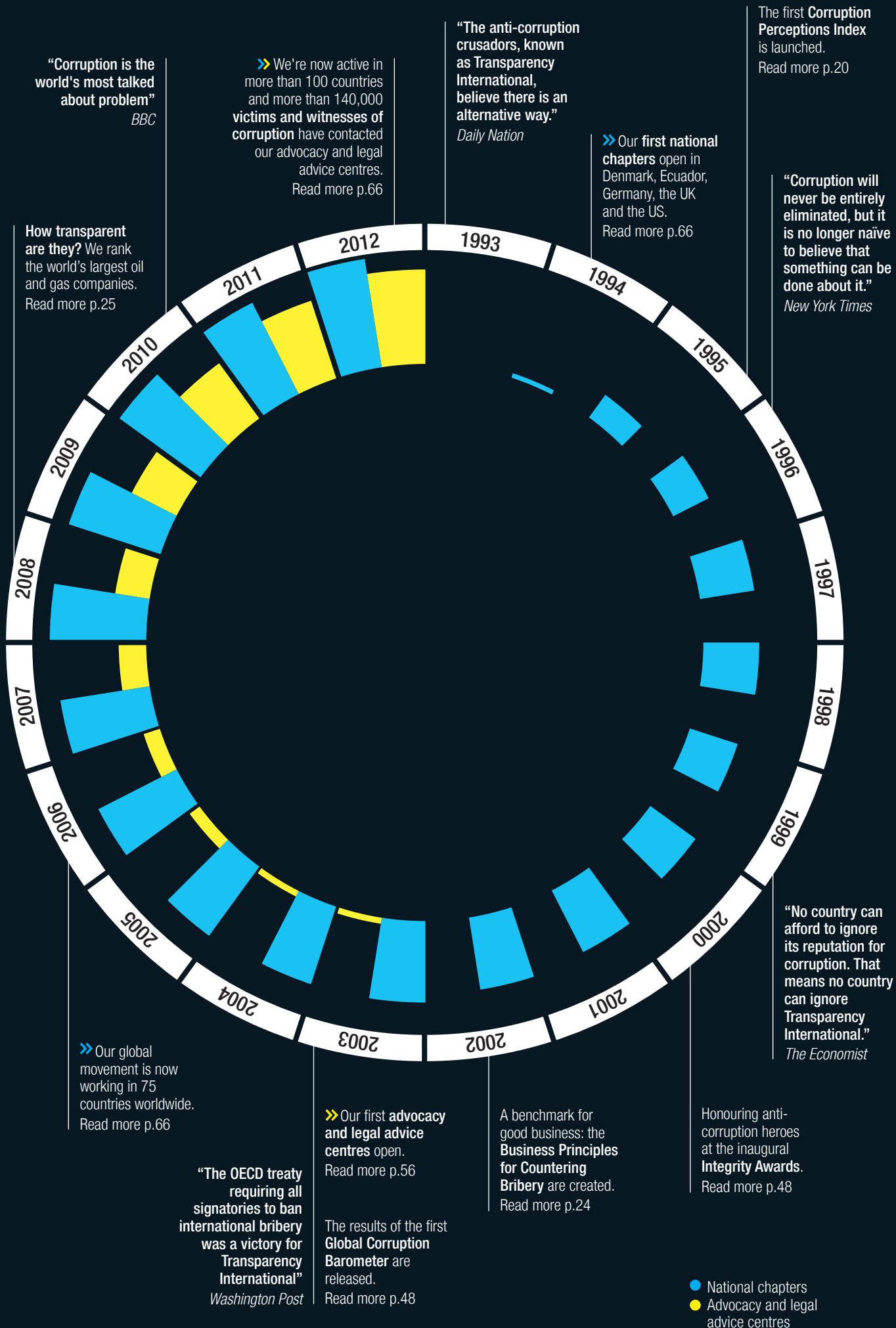
## Looking forward

» Working in more than 100 countries, we're helping people speak out against corruption, and holding leaders to account worldwide. Our vision is a world where no-one has to suffer the injustice of corruption. Find out how we're turning it into a reality.



**Our vision:**

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



## WELCOME



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**“There must be no loopholes for illicit deals, and no safe havens for the corrupt. Twenty years on, our conviction is stronger than ever.”**

**Huguette Labelle, Chair**

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» Transparency International's 20th anniversary is not only the anniversary of an organisation. It is the anniversary of a conviction. The conviction that corruption is a major global problem. That it is inherently dangerous and unjust. That it can and must be stopped.

Two decades ago Peter Eigen and a handful of dedicated individuals founded Transparency International. Today we are a global movement active in more than 100 countries. Our chapters, members and advisors have worked tirelessly to advance our cause, and our conviction is deep-rooted worldwide. We've challenged silence and taboo, and contributed to landmark action from leaders.

The creation of the UN Convention against Corruption and the OECD Anti-Bribery Convention marked a watershed for our fight. These and other conventions form a vital framework for national action and powerful multi-country collaboration.

Ending corruption requires commitment at the top. Today, a growing number of leaders in government and business are adopting zero tolerance to corruption. With new tools for preventing and addressing corruption, we are supporting their progress, and calling for action from those lagging behind.

In the EU, the United States, the United Kingdom and elsewhere, far-reaching legislation is setting new benchmarks for transparency and accountability, making it harder for the corrupt to escape justice, and giving citizens the information they need to hold leaders to account.

The G20 made a powerful commitment to fighting corruption when it introduced its anti-corruption action plan, tackling issues such as asset recovery, money laundering, bribery, integrity in business and enforcement of conventions. The decision to retain its anti-corruption working group reaffirms this commitment, and we will use our voice to advocate for lasting solutions to corruption worldwide.

But our work is far from over. Corruption continues to cause devastation around the world, and it is those with the least who suffer the most. Commitments have been made, but in many countries implementation is lacking. The rule of law, enforcement of legal and regulatory framework, and transparency and integrity in all state institutions and business is still missing in too many countries.

We are seeing a new momentum and greater recognition of the threat corruption poses to development, stability and peace, and more people are rejecting corruption in their daily lives. Change requires action from all – state institutions, civil society, business and citizens – and we will continue to work at all levels of society to make it happen. There must be no loopholes for illicit deals, and no safe havens for the corrupt. Twenty years on, our conviction is stronger than ever.



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**“As we enter our third decade, we will work to engage millions more people, but there’s only one milestone we will stop at: zero corruption.”**

**Cobus de Swardt, Managing Director**

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» There is much to be proud of as Transparency International turns 20. Working around the world, we are holding government and business leaders to account, setting transparency and accountability standards worldwide, safeguarding public money, and supporting people from all backgrounds to stand up to corruption. We’re looking forward and we’re not slowing down – we’re reaching new milestones and pushing beyond them.

Corruption doesn’t stop at national borders, and neither do we. We work nationally, regionally and globally to confront the problem head on. Our landmark survey of Europe assessed 300 institutions in 25 states. Proving that no region can be complacent on corruption, we exposed threats at the intersection of business and politics, and a deficit of strong leadership. Already we’ve sparked high-level commitments and legislative reform.

Assessing the transparency and anti-corruption practices of the world’s 105 largest multi-national companies, we’re raising the bar for corporate integrity. While companies have increased information on their anti-corruption programmes since our last assessment, the overwhelming majority fail to disclose adequate information on their operations by country. Now we’re turning our spotlight on companies around the world at the national level.

As international funds prepare to channel billions of dollars into countries vulnerable to climate change, we’re working from the top down and the bottom up – calling on global donors to make financing transparent and accountable, and working at the grassroots level to ensure communities understand and uphold their rights.

Nearly 90 per cent of people say they would be ready to act against corruption – and millions of them are doing so with us. Our legal advice centres stand for social justice worldwide – we’re not just empowering individuals to stand up against injustice, we’re successfully advocating for policy changes to stop corruption at the root. Reaching more than three million people, our global Time to Wake Up campaign is putting corruption in the public spotlight in 30 countries. From marathons to street theatre, our activities are tailored to national contexts, but the message is the same worldwide: corruption, and the impunity that fuels it, must stop.

As this energy grows, there are those who wish to stifle progress with threats and repression. We must not let them succeed. We must stand united against attempts to silence civil society and shut down public discourse. Empowering people is at the heart of our Strategy 2015, and it’s the vision that unites our diverse work worldwide. As we enter our third decade, we will work to engage millions more people, but there’s only one milestone we will stop at: zero corruption.

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For the purpose of conciseness, national chapters, national chapters in formation and national contacts are referred to as “we”, regardless of their status within Transparency International's accreditation system. Visit [www.transparency.org/whoweare/contact](http://www.transparency.org/whoweare/contact) for their current status and to find out how to contact them.

# OPEN ACCOUNTABLE GOVERNMENT



## 1994

A refinery rehabilitation in Ecuador becomes the first state project to benefit from our **integrity pacts** – public agreements between state agencies and their contractors to keep work corruption-free. Safeguarding billions of taxpayer dollars, and cementing the reputation of honest firms, hundreds of pacts have since been used worldwide.

## 1995

The first-ever **Corruption Perceptions Index** is released, ranking countries on their perceived level of public sector corruption as seen by experts and business people. As the results hit the media, corruption moves out of the shadows and onto the front pages, triggering competition among governments to improve their scores.

**We want elections that are decided by voters, not money, and politicians who are accountable to the public, not to powerful friends. And we want the chance to check – with free, open information and strong laws.**



When party finances and polling booths are open to scrutiny, there's no chance for the corrupt to skew democracy with secret donations and vote buying. With laws guaranteeing access to information, the public can see where money comes from and hold leaders to account for where it ends up.

We want decisions to be motivated by the public good, not private gain – this means bringing lobbying out of the shadows, and making politician's private interests public. And we think public contracts

should be subject to real oversight, ensuring that competition is fair, and tenders go to those who are most qualified, rather than those with the best connections. It's not only about saving money – it's about ensuring quality and safety.

Illicit money can travel quickly in our globalised society and the impact of corruption doesn't stop at national borders. We want countries to work together and fulfil their promises to international conventions – creating a world where the corrupt, and their money, have nowhere to hide.

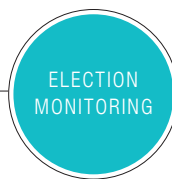
## 2001

Tackling corruption starts with identifying the causes. We release our first **national integrity system assessments** – unique studies that examine a country's key institutions – from parliament to the media – showing which support a clean society, and which risk letting corruption creep in. To date, we've covered more than 100 countries.

## 2003

An international milestone on our 10th birthday – the United Nations adopts the **UN Convention against Corruption**. More than 140 countries sign up immediately, committing them to enact and enforce criminal sanctions for a range of corrupt acts, and increase cross-border collaboration – 27 additional parties follow in the next decade.





## Free and Fair Elections in Georgia

Election monitors keep watch over polling booths during Georgia's 2012 elections.

© Transparency International Georgia



Election day in Georgia: armed men storm a polling station in the east of the country. Demanding that observers leave, they force the officials to change the voting records.

Their actions might have gone unreported, were it not for a team of election monitors stationed at the booths. Reporting the violation while the official count was still underway in the capital, they protested the supposed victory for the ruling party, using photo evidence of the real voting protocol to challenge the falsified results sheet. Their efforts were successful: the results were annulled.

The attack was just one of 90 reports collected on that day by

our monitoring team. Comprised of more than 400 members from seven different countries, observers were stationed at 300 polling centres across the country, with dozens more mobile teams checking in on potentially problematic precincts. "The election was largely fair", says Eka Gigauri, who directed the operation, "but our presence was vital – of the 90 violations we witnessed, two-thirds were serious."

The result was a rolling news source: incoming reports were live-tweeted, while more detailed observations were posted throughout the day on websites and through social media – reaching 24,000 people on Facebook alone.

### Around the World

#### BAHRAIN

As a founding member of a regional network promoting democracy, our Bahraini team monitored **electoral transparency** in Jordan, Kuwait and Yemen, where they met with candidates and observed campaign events.

#### PAPUA NEW GUINEA

**1 in 5** polling stations were assessed as "unfair" by our 280-strong election monitoring team in Papua New Guinea. Released to the public, our findings made headlines at home and abroad.

#### DOMINICAN REPUBLIC

**3,500 volunteers** kept watch over election proceedings, finding evidence of vote buying and abuse of state funds for campaign spending. Released to the public as 10 comprehensive reports, the findings are being used to call for change.

#### VANUATU

All aged under 25, our **election observers** were graduates of a workshop programme aimed at encouraging youth participation in elections. Already 800 have attended, and we'll soon reach 1,500 more.

## In Brief: Election Pledges

Leaders are rarely as accountable as they are in the run-up to elections. With all eyes on the candidates, we work to ensure they make a clear commitment to fighting corruption, with concrete plans on how they're going to get there. It helps voters pick the government they want – and secure the leadership they deserve.

### CYPRUS

For the first time in the history of Cyprus, all four presidential candidates released an anti-corruption programme. The move came after the first instalment of our series of podium discussions that featured, among others, the candidates, the attorney general and the minister for justice. The next event sparked another historical first, as several candidates voluntarily declared their assets.

### FRANCE

After our five-year review of corruption fighting showed a lack of progress under France's former administration, we called on new presidential candidates to make a public commitment to honest politics. Releasing a list of seven proposals – ranging from increased scrutiny for lobbyists to greater judicial independence – we secured engagement from 10 candidates, and put corruption on the election agenda.

### SOUTH KOREA

With members of the former administration embroiled in bribery scandals, 15 of South Korea's newly-elected leaders signed our integrity pledge at a public ceremony, committing them to acting with honesty and transparency while in office. Taking an integrity pledge of their own, members of our Korean youth network will be monitoring the leaders' behaviour, making sure that promises translate into action.



Students show their support for a more transparent world at the signing ceremony for our integrity pledges with newly-elected parliamentarians – public commitments to honest, accountable behaviour.

© Transparency International - Korea (South)



Monitoring the elections in the Dominican Republic – where our team of 3,500 volunteers found evidence of vote buying and abuse of state funds for campaign spending.

© Participación Ciudadana

## 2,500 KUWAITI PUBLIC SECTOR EMPLOYEES

and 2,700 citizens completed our fifth annual survey on the transparency and accountability of almost 50 government agencies. As competition grows, authorities have started approaching us asking to be included. The first one to do so – the National Guard.



**“I did this so that people would stop being afraid.”**

*Transparency International Integrity Award winner Gregory Ngbwa Mintsa on why he spoke out against corruption.*



## 90% OF CANDIDATES

in Belgium's local elections agree that politicians should declare their assets and that more regulation is needed to prevent a revolving door from politics to business, according to our survey. As the elected candidates take to office, we are pressing them to turn conviction into action.

REAL LIVES.TRUE STORIES.

# GHOST POLITICS

**“As news of the suspected abuse grew, his popularity plummeted. Yet he still secured a victory. The reason, say the residents, is that he paid neighbouring communities to vote, hiring buses to bring them to the booths.”**

**Addressing crowds during campaign season, a local politician in Guatemala pledged that if he became mayor, he would make life better for residents. By investing money into public projects, he promised to fix up a local school that had fallen into disrepair, and make sure children received school meals. When elections came, the crowds stretched far outside the polling booth, winding across the square.**

The politician won. But he didn't keep to his word. A year into his leadership, the school continued to crumble, the food never arrived. According to rumours, the projects hadn't stalled due to a lack of money. A local person working in the public comptroller's office claimed the works were marked as completed in official reports. It looked as if the money had been paid out.

Amid growing frustration, residents started to gather for informal meetings in parks and houses. Soon their group swelled to more than 150 people. Petitioning the authorities, they were eventually granted access to the documents. Examining them, the full picture came into view. There were over 100 cheques paid out on projects that had no supporting documentation. All payments had been collected and signed for by the mayor himself.

With petitions and letters, they called on the authorities to take action, but there was little response. When the community turned to our legal advice centre for support, we contacted the public comptroller, calling for a full audit of the mayor's term in office. Opening investigations, the office confirmed they had found irregularities.

Meanwhile, it was election time again, and the mayor had already presented himself as a candidate. As news of the suspected abuse grew, his popularity plummeted. Yet he still secured a victory. The reason, say the residents, is that he paid neighbouring communities to vote, hiring buses to bring them to the booths. As outrage grew, the election was annulled and a new vote was held. This time local people positioned themselves at entry points to the town, keeping watch for any incoming buses. The mayor was defeated, and lost his immunity.

The office of the comptroller general charged the mayor with misuse of more than US\$250,000 that was allegedly “invested” in ghost projects. He's paid an initial fine of US\$100,000 and is now awaiting trial. As his successor takes over, the residents continue to keep watch. “We are a group of men and women who have confronted the irregular practices of a mayor,” one man said. “Now we are awake.”

## In Brief: Public Procurement

Representing as much as 30 per cent of national GDP in some countries, public contracts mean big money for the winning company, and high risks of backhanders and murky deals. With integrity agreements and monitoring programmes, we are working to open up procurement – ensuring fair competition for businesses, and better, safer services for citizens.

### KOSOVO

We raised the alarm when a new health tender proposed changing current cancer medication for an alternative that was 7,000 per cent more expensive than the version currently in use. After medical experts confirmed that the new drug had no additional benefits, we released our findings to the media. The minister of health cancelled the tender, saving Kosovan taxpayers US\$1.6 million.

### PAKISTAN

After media reports suggested murky deals in the procurement of emergency energy supplies, we submitted public information requests for additional contract documentation. When it didn't materialise, we took our complaint to the government, who asked the Asian Development Bank to assess the agreements. The result: 10 of the deals were cancelled immediately, six more were later discontinued – saving the taxpayer US\$500 million.

### UNITED STATES

Effective monitoring starts by identifying risks. With an interactive checklist, online training modules and a step-by-step monitoring guide, our new procurement tool supports those who want to identify corruption red flags in their country's system. Developed in the United States, it's being piloted in Indonesia and the Philippines, where 24 organisations have already taken part in trainings.

## BACK IN 2002

The Extractive Industries Transparency Initiative is announced – ushering in a new global standard on resource transparency: companies publish what they pay to governments, leaders declare what they receive and an independent committee checks that the accounts match. A few years later, our founder Peter Eigen is elected Chair of the Board.

## MORE THAN US\$135 MILLION

worth of public tenders in Bulgaria are being conducted using our integrity pacts – public commitments to carry out business honestly and fairly. We'll be keeping watch to ensure they do.



**“G20 finance ministers have the power to stop corrupt people hiding behind secret bank accounts.”**

*Transparency International Chair Huguette Labelle calls for G20 action.*



## US\$2.25 BILLION

of climate finance entered Mexico between 2009 and 2012, according to our new database – the country's first-ever comprehensive overview of climate change funds and international cooperation.

## Speaking Truth to Power G20 Advocacy

When the Group of 20 released its Anti-Corruption Action Plan in 2010, it was a landmark moment. Presiding over 85 per cent of the world's trade and two-thirds of its citizens, G20 leaders have an unparalleled opportunity – and responsibility – to inject transparency into global markets, taking us closer to stamping out crimes such as money laundering and asset theft.

Since then, we've collaborated closely with the group's dedicated Anti-Corruption Working Group to hold leaders to their word. With a presence in 18 of 19 countries and a dedicated EU office, our advocates work nationally, regionally and globally – successfully advocating for a two-year extension of the action plan that guarantees its continuity until at least the end of 2014.

With the creation of the Business 20 in 2011 came a new opportunity to engage corporations. As the only civil society organisation invited to join its Anti-Corruption Working Group, we've collaborated this year with a range of partners to develop recommendations on compliance in small and medium-sized enterprises and on government procurement processes.

The Civil 20 was established in 2012 – meeting another of our long term asks. Appointed co-chair of the Civil 20 Anti-Corruption Working Group, we're responsible for presenting civil society's recommendations on fighting corruption to the G20. Formally recognising the crucial input provided by civil society, the C20 sets an important precedent – we'll work to ensure it continues.

## United against Corruption? Global Action

Corruption doesn't stop at national borders. From laundering money to trafficking people, the crimes that are stamped out in one country can easily relocate to more lax environments as long as they're available. If we're going to beat corruption for good, countries need to work together.

Providing the world's most comprehensive framework for collaborative action, the UN Convention against Corruption has now been ratified by 167 countries, committing them to tighter anti-corruption measures at home and greater cooperation internationally. It's a powerful global agreement backed up by a review process that checks whether countries are fulfilling the requirements.

We support civil society assessments of country compliance that identify good and bad implementation practices and propose improvements. In addition, our trainings equip local groups with the skills to track government

### Around the World

#### CAMBODIA

Recognising our role in fighting corruption, Prime Minister Hun Sen invited us to join the national steering committee responsible for reviewing progress on the convention. Sitting alongside representatives from business, politics, media and education, we're using our role to advocate for improvements in the country's **access to information legislation** and **whistleblower protection**, while providing the government with feedback on their progress so far.

**“Be accountable.  
Be inclusive.  
Go public.”**

The UNCAC coalition calls on governments to increase transparency.

performance. As secretariat to the UNCAC Coalition – 350 organisations in over 100 countries – we also support global advocacy. We're calling for increased civil society involvement and transparency in the convention's workings, as well as more government action to prevent money laundering, sanction corruption offenders and repatriate stolen assets.

In 2012, the convention's intergovernmental review group held its first NGO briefing, giving the UNCAC Coalition the chance to call directly for stronger review processes and better access to enforcement statistics and case law, as well as improvements in criminal laws and enforcement processes nationally.

For more information visit [www.uncaccoalition.org](http://www.uncaccoalition.org)

#### ZAMBIA

Examining Zambia's implementation of the convention, our assessment called for additional steps to tackle **illicit enrichment and abuse of office**. Since then, both acts have been criminalised, and we're keeping watch to ensure the legislation is applied in practice. Our Zambia assessment joined other 2012 releases from Brazil, Papua New Guinea, the Philippines, Portugal and the United Kingdom. Using this unique research, we're calling governments to action.



# ●●●

## CORRUPTION RISKS IN EUROPE

» “You won’t get asked for a bribe at Dublin airport, but corruption means we urgently need more open government.”

Speaking at the launch of *Money, Politics, Power: Corruption Risks in Europe*, John Devitt of Transparency International Ireland gets straight to the heart of the matter. Citizens in Europe may not always see bribery in their daily lives, but corruption remains a reality, and it’s undermining public trust and economic recovery.

Covering 25 countries, this landmark survey is the most comprehensive ever of its kind. Assessing more than 300 institutions across the continent, it examines the key actors in each participating nation – examining how they interact, where they are effective in fighting corruption and where gaps and weaknesses increase the chance of abuse. Coming at a time when political scandals and the ongoing economic crisis bring the price of corruption complacency into stark relief, the results are sobering.

As the title suggests, we found particular risks at the intersection of business and politics, where the current system in many countries allows for undue influence and wrongful conduct, while avoiding public scrutiny. Only 10 countries ban undisclosed political donations outright, while 19 don’t regulate lobbying and 17 lack parliamentary codes of conduct.

In parts of Central and Eastern Europe, anti-corruption progress made since joining the EU is unravelling. In the south, Greece, Italy, Portugal and Spain face deep-rooted corruption that is exacerbated by low accountability in many state institutions.

Across Europe, political parties, public administrations and the private sector emerged as weakest. Audit offices and ombudspersons do the most to drive integrity, and anti-corruption legislation is relatively strong – although often poorly enforced. Effective whistleblower protection remains scarce across Europe.

Sparking almost 800 advocacy events and reaching an estimated one million people, our findings have fuelled political will and public pressure for reform. In the Czech Republic and Romania, for example, our recommendations have been included in government anti-corruption strategies, while in the UK they’ve been added to a new government strategy on organised crime. Slovakia’s political parties have committed to passing legislation on party financing, and electoral code amendments have been passed in Bulgaria.

Simona Habic of Transparency International Slovenia sees this as only the start. “The concept of ‘integrity’ was not recognised here before,” she says. “Now it is – and politicians are paying attention.”



01 Presenting results for Slovenia to the media.  
© DRUŠTVO Integriteta - Association for Ethics in Public Service

02 Transparency International Managing Director Cobus de Swardt at the launch of the survey in Brussels.  
© Transparency International

## A Forum for Change in the Americas

The room is filled with politicians, business leaders and civil society representatives. On stage is the vice president of Honduras. But these are not the ones speaking. At the opening of our third Central America and Dominican Republic Transparency Forum, we handed the floor to a group of young Hondurans who presented the vice president with their manifesto for change.

It was a fitting start to an event that focuses on the way to a brighter tomorrow. In a region where corruption has so often undermined democracy, human rights, and poverty reduction, the forum series provides a unique opportunity for representatives from all sectors to come together to discuss common challenges and identify opportunities.

Convened in association with the Honduran government and *Asociación para una Sociedad Más Justa*, our chapter in Honduras, this year's event focused on the use of public funds, social development and citizen security. At its closing, the forum's 400 participants called on citizens and governments to work together in ending corruption and increasing transparency in these key areas.

For our movement, activities are already on-going. Like in security, where our expert commission is advocating for high-level change in Honduras, while in Costa Rica and Guatemala we created a base-line study of transparency in the security sector. Momentum is building, but as the forum made clear, there is still much work to be done.

## In Brief: Access to Information

Corruption thrives in secretive governments. Safe from scrutiny, leaders can make decisions that benefit their friends, or move public money into private bank accounts. Public information gives citizens a voice in affairs that affect their lives, and the chance to make an informed choice during elections. It's more than a principle – it's a basic human right.

### CHILE

Around 2,000 public servants have received our guide on implementing the country's access to information law. Written in comic strips – with a partner guide for citizens – the booklet was produced after our study found that public information was often complicated and off-putting for the public. As a new law on access to information is passed, we are organising training workshops to ensure its potential for encouraging public participation is fulfilled.

### GERMANY

Supported by 15,000 signatures, we successfully lobbied for a new transparency law in one of the country's key states. Produced with two other NGOs, refined by a Supreme Court judge, and passed with support from all parties, our 10 page law is one of the most far-reaching in the world – obliging the government to publish all public data in an easily accessible information register, complementing the general right to information.

### KAZAKHSTAN

Gathered from the media, civil society and government, experts at our roundtable discussed our new draft law on access to legal information, which stipulates increased information on cases and the selection process for judges, as well as regulation of the relations between judges and the media. Praised by a supreme court judge, our proposals have now been submitted to the attorney general.



Election day in Papua New Guinea. Monitoring proceedings, our team assessed one in five polling stations as "unfair".

© Transparency International Papua New Guinea



As voters in Nicaragua prepare to cast their vote, a member of our volunteer network keeps watch to ensure the process is fair.

© Grupo Cívico Ética y Transparencia

## Levelling the Playing Field in Ghana

Like many countries, Ghana has clear rules on government spending. The laws are straightforward – when politicians are carrying out their work as public officials, they can use state resources. When they are carrying out their campaigns as party candidates, they cannot. It is a simple principle that is designed to ensure the level playing field that is essential for fair elections. But in Ghana, as in many countries, the rules are sometimes flouted.

Using mobile phone cameras and recorders, our trained observers set out to document these abuses as they happened. On film and audio, we captured moments when government candidates arrived at party rallies in state-owned vehicles and used national events to promote their party message, or candidates from both the ruling party and the opposition engaged in vote-buying. Back in the office, we carried out a detailed analysis of state media –

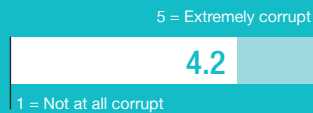
### Around the World

#### CROATIA

Monitoring the effectiveness of new legislation on **election spending**, we found grey areas around advertising and **party donations**. Calling for more oversight on donations and standardised advertising prices, we prompted the government to create a dedicated working group. Suggesting ways to increase transparency, the group's proposals have now been implemented.

## 4.2 OUT OF 5

The level of corruption in Ghana's political parties, as perceived by the public.



Source: Global Corruption Barometer 2013

looking at where media coverage was biased or advertising spots were unfairly allocated.

Releasing our findings to the media, public attention quickly led to high-level activity, as heads of public institutions who had planned to run for office withdrew their candidacy or resigned from their positions. Later, when the polls opened, the public got to vote on some high profile candidates accused of abusing their office. The result: many lost their seats, marking defeat for those who exploit their position and wealth to gain advantage, and a victory for fair elections.

#### VENEZUELA

As part of a citizen initiative, we kept watch for potential **abuses of office** throughout the presidential campaign. Finding numerous incidences of public resources being used inappropriately, from biased state media to an inflated state communications budget, we used bi-weekly bulletin alerts to keep the public informed as they prepared to go to the polls.

## COVERING 75,000

income and expenditure reports, our web-based analysis of spending in Colombia's 2011 elections is the most comprehensive ever created. Finding that two-thirds of campaign spending comes from personal wealth, we're calling on leaders to address potential corruption risks.



## 53 COUNTRIES AND 6 CONTINENTS

are represented by the Global Organisation of Parliamentarians against Corruption – a coalition of hundreds of political leaders dedicated to improving good governance. In 2012, we officially teamed up, pledging to work together for a better world for all.



## FOR ALMOST HALF

of the reported expenditures in Serbia's election campaigns, the ultimate source of income is still unknown according to our analysis – including the costs of a 60,000-person rally. Combining this with evidence of vote-buying and other abuses, we're calling for offenders to be investigated and sanctioned.

## Ending the Resource Curse: EU Votes Transparency

How much money do extractive companies pay governments in return for access to their natural resources? It's a simple question, and it's essential for holding leaders to account for their use of public money, yet for too many citizens around the world, it's impossible to answer. All too often, companies fail to reveal their national level incomings and outgoings – giving unscrupulous leaders the opportunity to siphon off a cut for themselves.

We have long called for increased transparency in the extractive industries, so when the European Commission published proposals late in 2011 that would make it mandatory for companies to disclose detailed information on payments to governments around the world, our EU office acted swiftly. Together with allies, we met with key parliamentarians, industry representatives and diplomats, and highlighted the importance of the legislation with a roundtable discussion featuring Transparency International representatives from a number of Sub-Saharan Africa countries. The event was addressed by a member of the European Parliament who subsequently led the fight for greater transparency in parliament, while we generated public awareness with a media campaign.

Almost a year after we started, the campaign was rewarded with a unanimous vote in parliament for a robust set of proposals that included all our principle recommendations. Now accepted by national governments, the law will come into effect later in 2013.

TRAINING LEADERS

## Promoting Political Integrity in Palestine

“We are not two societies, but two partners in one society.” Speaking before an audience of security leaders, Dr. Wahid Al-Qadomi, the head of training at the Palestinian National Authority's Interior Ministry opened our largest ever anti-corruption training series. We partnered with the General Council for Personnel to train 250 security leaders, and 370 civil service directors from 24 ministries. This landmark programme is one of the most significant public commitments from Palestinian leaders and civil society to join forces for a more just society for all.

One year after our report found evidence of ghost employees on the payroll of the Palestinian civil service, this training series addressed waste of public funds and inadequate complaints systems with discussions ranging from access to information and participatory governance to public accountability. Inviting officials

### Around the World

#### BANGLADESH

Seventy per cent of Bangladeshi parliamentarians were perceived to be involved in criminal activities such as **land grabbing, extortion and manipulation of public tenders**, according to our 2012 survey. Collating secondary data, expert reports and citizen opinions, we heard that parliamentarians were also believed to influence procurement decisions and break electoral rules. Generating widespread coverage, we're using the hard-hitting report to call for change.

24 ministries  
370 directors  
250 security leaders

Some of the recipients of our landmark training programme in Palestine.

to lead some sessions, we worked to build trust with government agencies that are often suspicious of civil society involvement. Ultimately, 95 per cent said they found the trainings helpful.

Now, we're putting these lessons into practice. Together with the General Personnel Council we've developed a code of conduct for public sector workers that the cabinet has ratified. As it goes into force, we'll be leading the joint follow-up committee responsible for monitoring its implementation. The partnership looks set to continue.

#### SIERRA LEONE

After a national audit report revealed that **US\$25 million of government funds were unaccounted for**, we started a new education project for all those involved in local governance. Bringing together 120 representatives from government as well as civil society, our training covered everything from basic documentation to ethics and leadership. As work recommences, three district monitoring teams are checking that lessons are put into practice.

## In Brief: The Transparency Test

As public demand for accountable governance increases, ever more leaders are pledging to open up their activities to scrutiny and oversight. But how many actually make good on their word? Analysing what information is available, how and to whom, we help citizens understand the true extent of transparency in public life, giving them the information they need to demand change.

### ISRAEL

Following a stream of corruption allegations against municipal governments, we set out to measure the levels of transparency and access to information in 15 municipalities. Finding a general opacity in procurement, environmental issues and construction, we publicly charted the results on an online map of the country and sent individual letters to each council. Already, many have responded asking for help in improving their scores.

### SLOVAKIA

Eighty per cent of Slovakia's largest cities and towns have become more transparent, according to our second bi-annual ranking of local governments in the country. Responding to our previous recommendations, three-quarters of municipalities now publish minutes and tender announcements online, and the number of cities publishing audio and video recordings of parliament sessions has tripled in the last two years.

### SPAIN

More than half of Spain's local governments fail the transparency test, according to our index. Listing basic information types – from councillors' names to the status of public tenders – our questionnaire scored each detail the council made public on their website. While the majority scraped less than half, a handful came in at over 90 per cent – showing there's no excuse for poor performance.



We team up with other NGOs to call on German parliamentarians to publish their exact additional income. The campaign sparked changes: previously there were three categories for declaring money – now there are 10.

© Creative Common Jacob Huber/Campact e.V.

## MORE THAN 60 NGOs

joined our coalition in support of open governance in the Ukraine. Five hundred regional and national consultations and an innovative web platform later, and the government has adopted a national action plan that is 80 per cent comprised of civil society recommendations.



In the run up to the country's general election, Kenyans take to the streets to rally against a proposed amendment to election legislation.

© Transparency International Kenya



## 33% OF OUR

access to information requests in Romania were met with silence in an initiative designed to test the law on Right to Know day. It's a small improvement on last year, when 41 per cent were ignored, but there's still far to go, and we're using the results to push for change.

## Rio + Transparency Rethinking Development

“We are determined to take urgent and decisive steps to continue to combat corruption in all its manifestations.” This sentence spelt victory for our six-month campaign. At the Rio+20 UN Conference on Sustainable Development, negotiators from nearly 200 member states acknowledged for the first time that corruption poses a serious threat to its goals.

Corruption is at stark odds with sustainable development, which is about ensuring that economic development occurs evenly, and not at the expense of our environment or our health. Corruption pedals in the opposite direction, undermining progress on poverty reduction and green growth.

Yet when the first draft of the Rio+ 20 resolutions was released, the word “corruption” was entirely absent. From Australia to Kenya to Mexico, we set to work calling governments and UN actors to agree on anti-corruption measures for the financing of sustainable growth – such as development aid and climate finance.

Our hard work paid off. The Rio+20 outcome document recognises that “corruption is a serious barrier to effective resource mobilization and allocation” – calling for strong institutions, accountable duty-bearers and visible spending.

The challenge now is to translate these pledges into real changes on the ground. Keeping a close watch on climate finance in their countries, our national teams are ensuring that happens. Where channels are opaque or decision-making hidden, where there’s a lack of independent oversight or affected communities are excluded from discussion – we’re calling for reform.

## Mapping the Way Forward: Forest Watch

The Taskik Chini lake in Malaysia, a UNESCO biosphere reserve and home to indigenous communities.

© The Malaysian Society for Transparency and Integrity



It is Malaysia’s only UNESCO biosphere reserve – an ecosystem rich in natural and cultural assets that is home to indigenous communities who have lived on the land for generations. Yet despite its protected status, it’s estimated that forest cover in Tasik Chini declined by almost 1,000 hectares from 1984 to 2002. The reason: illegal or uncontrolled logging and mining. The reason it came to light: Forest Watch – an online platform that is helping communities speak out against unrestrained deforestation.

Using geo-spatial technology, the site allows those who discover forest clearing to report and map the offences quickly and accurately. Working with coalition partners,

we’re training local people in several threatened sites to report potential abuses online, and capture evidence in photos – allowing the expert task force to review and monitor complaints across thousands of hectares of tropical forests.

Once their complaint has been verified, we work with communities to lobby the authorities. In the case of Chini, our campaign successfully caught the attention of the media and the government. Together with the community we submitted a memorandum to the prime minister, who has since visited the area to see the situation for himself. The fight is not over, but it’s a promising start, and thanks to Forest Watch, we’ll all be able to see what happens next.

## BACK IN 2011

Corruption is the world’s most talked about problem and **climate change** may be the greatest challenge we have ever faced. Yet before our Global Corruption Report on climate change, the links were largely undiscussed. Mapping the risks, we’re now working globally, nationally and locally to ensure they’re addressed.

REAL LIVES.TRUE STORIES.

# ISLAND SUPPORT

“When we explained to the development officer that the misappropriation of funds was corruption, and was an offence, he immediately denied stealing the reforestation grants, claiming he was working on disbursing them.”

**When 35 year-old Benjamin\* heard he'd won a reforestation grant from the Solomon Islands government, it came as a relief. A market vendor in a small rural community, he often struggled to earn enough money to support his family. With the grant, he would be able to supplement his income, while helping to protect the environment he had grown up in.**

Told to collect his money from officials in the provincial capital, Benjamin bought a ticket for the boat journey to town. Yet on arrival, he was redirected to the development officer in the country's capital, Honiara – a long, expensive journey away. The boat fare alone cost more than SBD\$500 (US\$68), which Benjamin could barely afford. Without money for accommodation in the city, he was forced to stay in a relative's overcrowded home. After his arduous journey, he was told that the funds weren't ready, and to return two weeks later. When he did, he heard the same story. This happened repeatedly for three months.

Desperate, he went to the Ministry of Forestry to enquire about the grants, only to be told that the funds had already been collected. According to the official, they had been given to the community development officer for distribution more than three months earlier.

When Benjamin was directed by the ministry to our legal advice centre for help, we called the development officer directly. “Cases like this are sadly common here, but they're rarely reported because people are intimidated by formal offices, or deterred by the costs of complaining,” says Shepherd Lapo who made the call on Benjamin's behalf.

“When we explained to the development officer that the misappropriation of funds was corruption, and was an offence, he immediately denied stealing the reforestation grants, claiming he was working on disbursing them,” says Shepherd. “Within 15 minutes of ending the call, our phone rang. It was Benjamin, calling to say that the officer had asked him to collect his grant. In the days that followed, all of the other successful applicants received their money.”

In collaboration with the government, we are planning trainings to help community development offices carry out their work with integrity and honesty. At the same time, we are using mobile workshops to reach out to the 80 per cent of the population who live in remote areas. People like Benjamin, who has since been back into the office to thank those who helped him get the funding he deserved. “He was very happy to have finally received the money,” says Shepherd “and now he's telling others in his community about the help and support we can offer them.”

\*Name has been changed

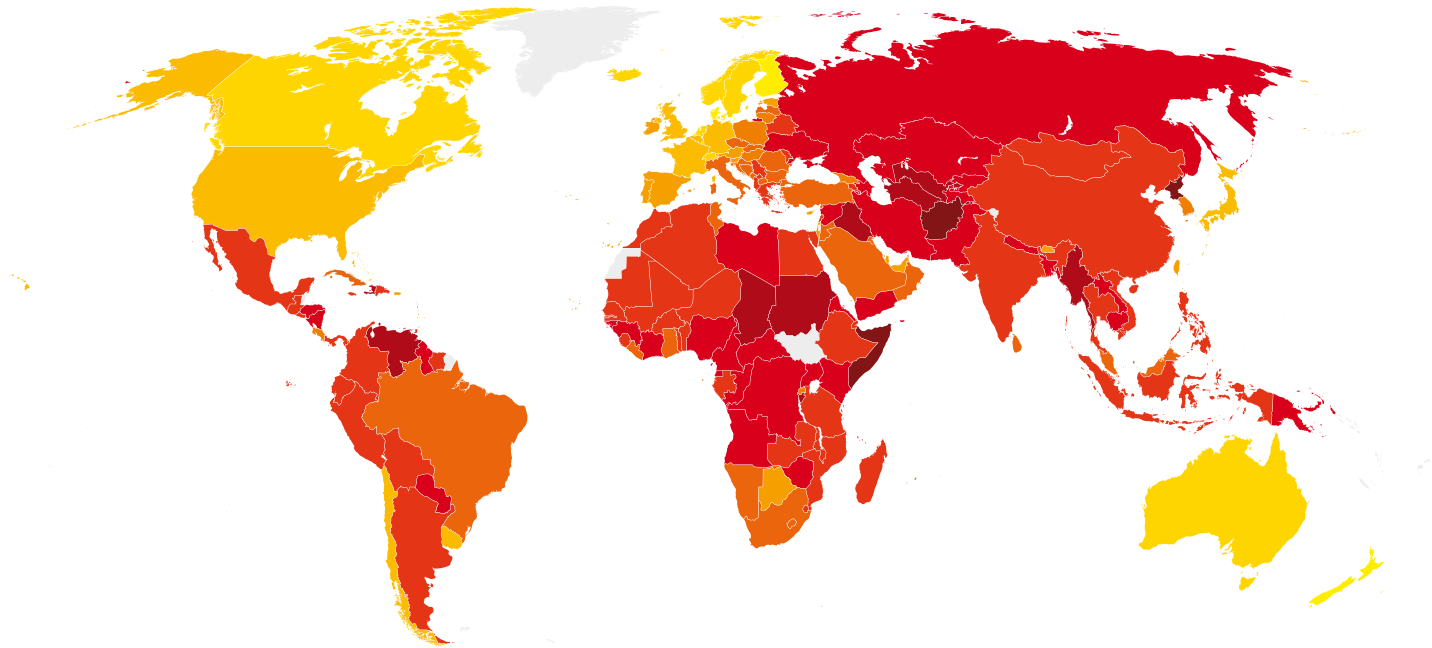
**“Some countries score well, but no country scores a perfect 100. Two-thirds of countries score below 50, indicating a serious corruption problem. Public institutions need to be more transparent, and powerful officials more accountable.”**

Corruption can happen anywhere. When politicians put their own interests above those of the public. When officials demand money and favours from citizens for services that should be free. Corruption is not just an envelope filled with money though – these people make decisions that affect our lives.

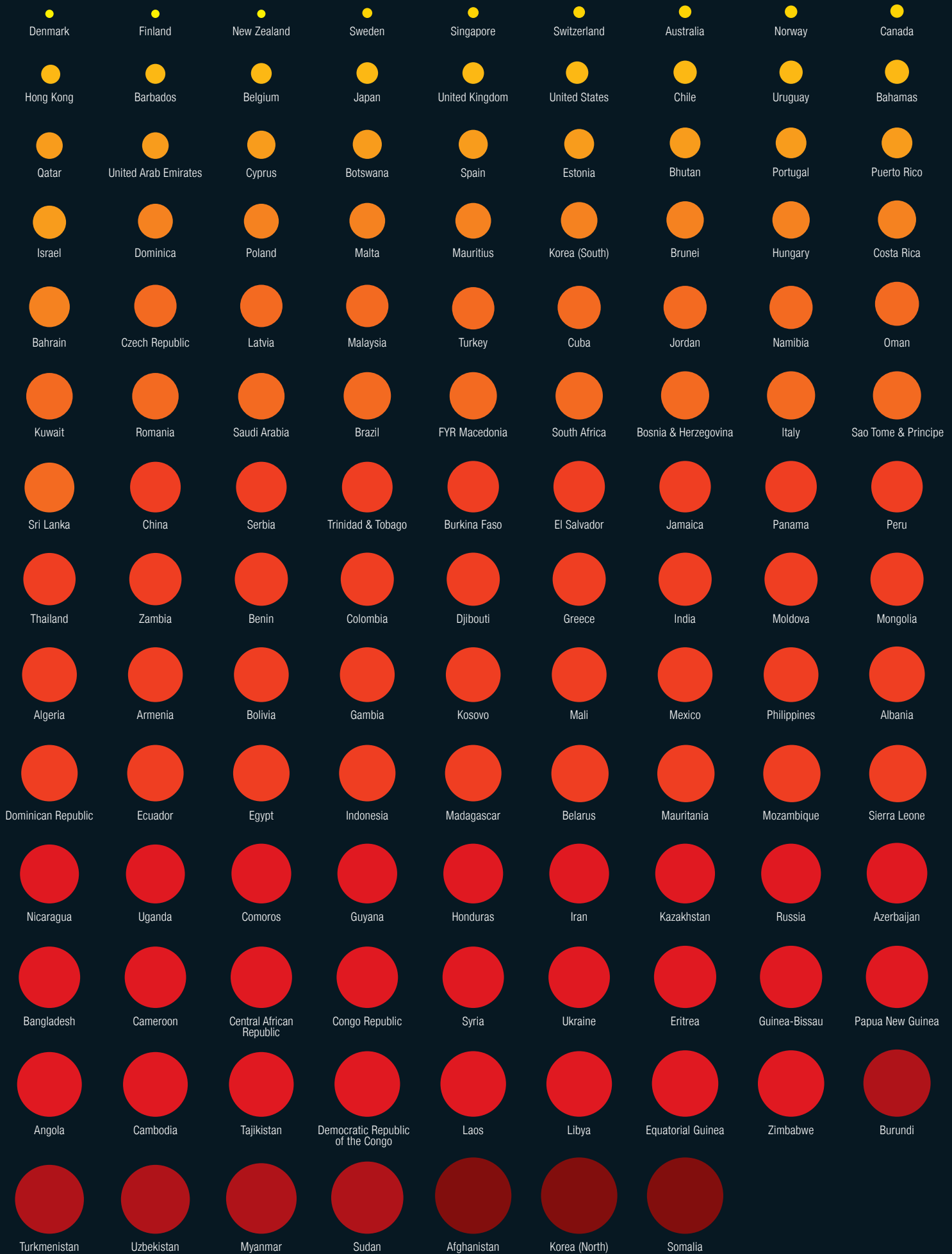
We know corruption is a problem around the world. But how bad is it and what can be done? The *Corruption Perceptions Index* measures the perceived levels of public sector corruption in countries worldwide. Based on expert opinion, countries are scored from 0 (highly corrupt) to 100 (very clean). Some countries score well, but no country scores a perfect 100. Two-thirds of countries score below 50, indicating a serious corruption problem. Public institutions need to be more transparent, and powerful officials more accountable.

The Corruption Perceptions Index forces governments around the world to take notice of corruption – their country’s score reflects on them. But recognising the problem is only the first step towards a solution. That is why we help citizens to demand accountability from their leaders. And we show governments what they can do to tackle corruption. Together, we can make corruption a thing of the past.





RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE
1	Denmark	90	37	Slovenia	61	72	Sao Tome and Principe	42	105	Mali	34
1	Finland	90	37	Taiwan	61	105	Mexico	34	144	Congo Republic	26
1	New Zealand	90	39	Cape Verde	60	105	Philippines	34	144	Syria	26
4	Sweden	88	39	Israel	60	75	Bulgaria	41	113	Albania	33
5	Singapore	87	41	Dominica	58	75	Liberia	41	113	Ethiopia	33
6	Switzerland	86	41	Poland	58	75	Montenegro	41	113	Guatemala	33
7	Australia	85	43	Malta	57	75	Tunisia	41	113	Niger	33
7	Norway	85	43	Mauritius	57	79	Sri Lanka	40	113	Timor-Leste	33
9	Canada	84	45	Korea (South)	56	80	China	39	118	Dominican Republic	32
9	Netherlands	84	46	Brunei	55	80	Serbia	39	118	Ecuador	32
11	Iceland	82	46	Hungary	55	80	Trinidad and Tobago	39	118	Egypt	32
12	Luxembourg	80	48	Costa Rica	54	83	Burkina Faso	38	118	Indonesia	32
13	Germany	79	48	Lithuania	54	83	El Salvador	38	118	Madagascar	32
14	Hong Kong	77	50	Rwanda	53	83	Jamaica	38	123	Belarus	31
15	Barbados	76	51	Georgia	52	83	Panama	38	123	Mauritania	31
16	Belgium	75	51	Seychelles	52	83	Peru	38	123	Mozambique	31
17	Japan	74	53	Bahrain	51	88	Malawi	37	123	Sierra Leone	31
17	United Kingdom	74	54	Czech Republic	49	88	Morocco	37	123	Vietnam	31
19	United States	73	54	Latvia	49	88	Suriname	37	128	Lebanon	30
20	Chile	72	54	Malaysia	49	88	Swaziland	37	128	Togo	30
20	Uruguay	72	54	Turkey	49	88	Thailand	37	130	Côte d'Ivoire	29
22	Bahamas	71	58	Cuba	48	88	Zambia	37	130	Nicaragua	29
22	France	71	58	Jordan	48	94	Benin	36	130	Uganda	29
22	Saint Lucia	71	58	Namibia	48	94	Colombia	36	133	Comoros	28
25	Austria	69	61	Oman	47	94	Djibouti	36	133	Guyana	28
25	Ireland	69	62	Croatia	46	94	Greece	36	133	Honduras	28
27	Qatar	68	62	Slovakia	46	94	India	36	133	Iran	28
27	United Arab Emirates	68	64	Ghana	45	94	Moldova	36	133	Kazakhstan	28
29	Cyprus	66	64	Lesotho	45	94	Mongolia	36	133	Russia	28
30	Botswana	65	66	Kuwait	44	94	Senegal	36	139	Azerbaijan	27
30	Spain	65	66	Romania	44	102	Argentina	35	139	Kenya	27
30	Estonia	64	66	Saudi Arabia	44	102	Gabon	35	139	Nepal	27
33	Bhutan	63	69	Brazil	43	102	Tanzania	35	139	Nigeria	27
33	Portugal	63	69	FYR Macedonia	43	105	Algeria	34	139	Pakistan	27
33	Puerto Rico	63	69	South Africa	43	105	Armenia	34	144	Bangladesh	26
36	Saint Vincent and the Grenadines	62	72	Bosnia and Herzegovina	42	105	Bolivia	34	144	Cameroon	26
			72	Italy	42	105	Gambia	34	144	Central African Republic	26
						105	Kosovo	34			



# CORRUPTION PERCEPTIONS INDEX 2012



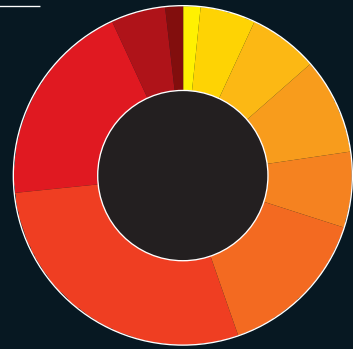
## SCORE



## GLOBAL

70% of countries score less than 50 out of 100.

43 is the average score worldwide.

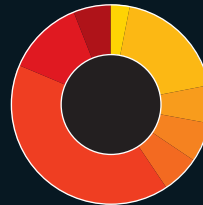


## AMERICAS

66% score below 50

Top: Canada

Bottom: Haiti, Venezuela

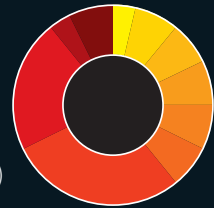


## ASIA PACIFIC

68% score below 50

Top: New Zealand

Bottom: Afghanistan, Korea (North)

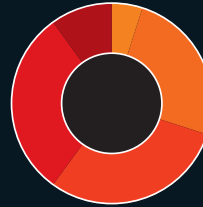


## EASTERN EUROPE & CENTRAL ASIA

95% score below 50

Top: Georgia

Bottom: Turkmenistan, Uzbekistan

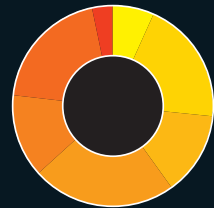


## EU & WESTERN EUROPE

23% score below 50

Top: Denmark, Finland

Bottom: Greece

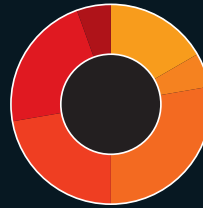


## MIDDLE EAST & NORTH AFRICA

78% score below 50

Top: Qatar, United Arab Emirates

Bottom: Iraq

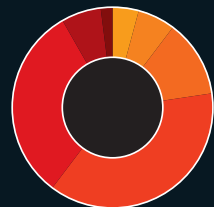


## SUB-SAHARAN AFRICA

90% score below 50

Top: Botswana

Bottom: Somalia





# TRANSPARENT RESPONSIBLE BUSINESS

● ..... **1997** .....

When we started, bribing foreign officials was tax deductible in some countries. Today, a backhander abroad could land you in jail. Heeding our calls, the OECD takes action with its **Anti-Bribery Convention** – an agreement by major economies to criminalise overseas bribery. Forty countries have since signed up and we've been tracking its enforcement.

..... **2002** .....

To raise standards among companies, we bring together experts from business, trade unions, academia and civil society. Together we develop a clear guide to designing an effective anti-bribery programme, our **Business Principles for Countering Bribery**, setting a new benchmark for corporate due diligence.

**Companies need to regain the trust of investors and the public, and integrity needs to be restored to the financial sector. Change is created with robust policies and programmes – trust comes when this activity is made public.**



Corporate corruption scandals destroy reputations and leave firms with hefty fines. With robust anti-corruption programmes, companies can help prevent bribery, even in high-risk environments. By making their zero tolerance to corruption public, they not only build trust with investors and customers, they also raise the bar for their competitors.

When companies are open and transparent in their reporting, citizens can monitor their activities and investors can make informed decisions. Journalists can trace a

corporation's impact and influence – even when it stretches across a myriad structure of subsidiaries and related entities – and it's far more difficult for corruption to go undetected.

Corruption steals vital resources from the most vulnerable, and threatens national stability and security. Those entrusted with public power should not find it easy to enjoy ill-gotten gains. With strong anti-money laundering policies and procedures, the financial sector can ensure that it isn't.

## 2004

The **UN Global Compact** pushes companies to embrace a set of core values in business. With more than 7,000 participating companies from 145 countries, the world's biggest corporate social responsibility initiative aims to ensure globalisation benefits citizens as well as markets. In 2004, a 10th principle is added to the list: anti-corruption.

## 2008

Recognising the role extractive companies can play in combating the resource curse, our **Promoting Revenue Transparency** project uncovers just how transparent some of the world's largest oil and gas companies are in their payments to host countries. The findings help lay the path for legislation in the United States and EU requiring such disclosure.





## In Brief: Starting the Conversation

Tackling corruption effectively requires cooperation and dialogue – business is no exception. Through a range of events, we help foster understanding and collaboration across sectors, and offer a space where the most urgent and complex issues can be tackled, debated and resolved.

### CANADA

Drawing more than 100 representatives from business, government and civil society into a single debate, our annual Day of Dialogue tackled some of the most pressing compliance issues facing business, from ensuring competitiveness to facilitation payments. Following the event, the government confirmed it would be adopting several of our recommended changes to the law governing foreign bribery.

### HUNGARY

The “revolving door phenomenon”, whereby employees move rapidly from the government and public sector into business, was the topic on the table for our business breakfast. In the presence of government ministers, business leaders and the chair of the national competition committee, we presented our new study on the risks of this process, and called on the government to address the situation.

### SWITZERLAND

By offering a space where corporate compliance officers can share experiences and workplace dilemmas, our anti-corruption practitioners’ circle is supporting officers from medium and large Swiss companies. Following public lectures – featuring, among others, FIFA’s compliance officer and a federal attorney specialising in corporate criminal liability – the participating officers submit anonymous questions and real-life cases in a private and confidential discussion group.



Representatives from business, government and civil society join the discussion at our annual Day of Dialogue in Canada.

© Transparency International Canada

## CORRUPTION: WHAT BUSINESS REALLY THINKS

» When companies bribe officials, it's bad news for business and citizens alike. There's little room for democracy if politicians are paid to put the wishes of companies above the basic needs of their citizens, and there's no guarantee on public safety if contractors are allowed to skirt regulations at will. Honest companies stand to lose out, and, if corporate bribery goes mainstream, the overall integrity of the corporate sector is at risk.

It's clear the issue is urgent, yet like all corruption, corporate bribes are passed covertly, hidden behind closed doors. So what is the real scale of the problem, and what measures are needed to tackle it? For our Bribe Payers Survey we asked those on the inside – business people – collecting the opinions and experiences of 3,000 senior business executives in 30 countries.

The results: more than a quarter believe they have lost business due to bribery. In countries such as Malaysia, Mexico and Pakistan, it rises to almost half. Asked why the problem persists, one in four said that corruption was not prosecuted. One in five believe their company doesn't take the problem seriously.

Yet the desire for improvement is there. Almost 80 per cent agreed that their company has an ethical responsibility to fight corruption, and three-quarters said they could imagine themselves getting involved. Presenting the data interactively online, we invited users to dig into the results, breaking it down according to gender, country and sector, and leave their thoughts in our discussion forum. There's a wealth of data to explore, but whatever way you cut it up, one result shines clear throughout – bribery is bad for business, and many of those at the heart of it are ready for change.

### AT A GLANCE

We interviewed more than **3,000** business executives in **13** sectors from **30** countries about their views on business and bribery.



More than **1 in 4** business people worldwide believe that they have lost business because a competitor paid a bribe.



More than **1 in 4** business people believe that the main barrier to stopping corruption in the private sector is that corruption is widely accepted as a fact of life.



More than **3 in 4** business people worldwide believe their company has an ethical duty to fight corruption.



More than **1 in 2** business people worldwide believe anti-corruption policies would be effective in addressing corruption in their company.



Almost **1 in 2** business people worldwide believe that investigative journalism would be an effective way to stop corruption in the private sector.

# BIG BUSINESS, LITTLE TRANSPARENCY?

» Despite the role of weak transparency in the financial crisis, many global companies still fail to disclose basic information relevant to understanding their anti-corruption behaviour, particularly when they're operating abroad.

Ranking the world's 105 largest publicly-listed companies on the information they make public, *Transparency in Corporate Reporting: Assessing the World's Largest Companies* found that while corporations are increasingly open about their anti-corruption programmes and 45 scored full marks for disclosing where they and their subsidiaries operate, too many remain worryingly quiet on their country-level reporting. Fifty of the companies failed to publish revenue or sales figures in foreign countries where they operate, 85 don't disclose their income tax and 39 give no financial data.

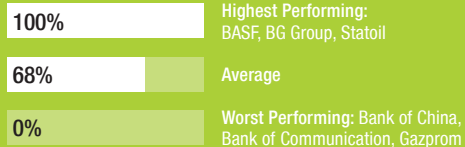
The implications are far-reaching. These 105 companies have a combined annual turnover of US\$11 trillion worldwide, yet many citizens have no way of knowing how much of that income was generated in their country, or what proportion was returned to the state in the form of tax or other payments to governments. It's this kind of opacity that can hide the proceeds of corruption and result in the denial of much needed public funding to citizens. In addition, three-quarters don't list where all their subsidiaries are registered, making it near impossible to tackle issues such as transfer mispricing.

Overall, the financial sector performed worst, with half the 24 financial companies coming in the bottom 35 – a worrying result in the wake of the economic crisis. The top performing sector was the extractive industries, with Norway's Statoil topping the table, but no-one received a perfect score.

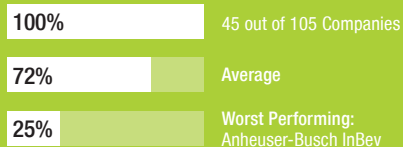
Improvement requires action from all those involved – from governments increasing and enforcing disclosure regulations, to investors demanding transparent reporting to ensure ethical growth and sound risk management. Above all, companies must act, making a public commitment to fighting corruption and providing information on their subsidiaries and country-level finances. The good news – change is happening. As the results hit the media, we were able to engage directly with many of the companies, about half of them at their own initiative. Keen to improve their performance in future indices, many are already taking our advice on board, with more pledging to follow soon.

## AT A GLANCE

### REPORTING ON ANTI-CORRUPTION PROGRAMMES



### ORGANISATIONAL TRANSPARENCY



### COUNTRY-BY-COUNTRY REPORTING





## The Global Goes Local National Results

While leading Swedish companies are taking steps to report on the anti-corruption programmes they have in place, too few provide a breakdown of their income per country, denying citizens the opportunity to track how much is being handed over to the local government in taxation and other payments to governments. These were the findings of our study of Sweden's 20 largest companies, the first in a series of national studies that use the methodology from our global report on transparency in corporate reporting in the world's 105 largest companies.

Change often begins even before the report is released. 18 out of 20 companies engaged with us directly during the research phase and one changed its company policy to increase its ranking. With findings released, we're working to ensure these positive developments continue.

Worldwide, this is only the beginning. Studies looking at companies from Argentina, Greece, Hungary, Italy, Kuwait, Lithuania and Norway are all in development, as is a global study of transparency in corporate reporting by multinationals from emerging market economies. Globally or nationally, our goal remains the same – making sure that consumers, employees, investors and civil society have the information they need to hold companies accountable for their anti-corruption behaviour.

## In Brief: Driving Change

Often sparking immediate improvements within companies, our comparative reports trigger a race to the top between competitors. Producing detailed, specialist research, we help companies identify what needs to change and whose best practices they should emulate, and give decision makers the information they need to create effective, viable legislation.

### AUSTRIA

After the government adopted a bill to protect public sector whistleblowers, we published new research in support of similar measures for the private sector. Building on our existing analysis of EU whistleblower best practice, our policy paper drew national coverage after its press conference launch. Change started the very same day, when the Ministry of Justice announced a pilot whistleblower hotline.

### COLOMBIA

Supplying the basic needs of citizens, utility companies have a greater responsibility than most to guarantee accountable business. Shining a light on the sector, our fifth annual audit rated the transparency of 22 companies. With scores averaging at 67 out of 100, there's room for improvement for many companies. All have now received tailored recommendations for change and we'll check up on progress in a year's time, when all participating companies meet to share experiences and best practices so far.

### GERMANY

Only one of 21 German companies that claimed to comply fully with the Global Reporting Initiative corporate reporting standard were telling the truth, according to our study. Focusing on corruption and lobbying, we presented our sobering findings to the initiative's consultation group. While our calls for greater independent controls have not been met, they generated interest among politicians and businesses, and we were invited to present our work at the government's Corporate Social Responsibility forum.

## BACK IN 1999

After our Corruption Perceptions Index exposed the hotspots for public sector corruption, what about the companies who supply illicit payments? Collecting the views of thousands of business people, our first **Bribe Payers Index** ranks leading economies on the likelihood that their companies would resort to bribery to win business.

## In Brief: Keeping Business Clean

Corporations committing to zero corruption is only a first step – the challenge is putting their promises into practice. Offering trainings, guidance and educational resources, we support companies as they seek to implement anti-corruption programmes, making it easier for them to stay true to their word.

### INDONESIA

Responsible for the country's national power supply, Indonesia's state electricity company faces a high risk of bribery from would-be vendors. Invited by the company to help strengthen their anti-corruption defences, we have implemented new whistleblower mechanisms, promoted anti-graft guidance and asked potential bidders to sign our integrity pact – a public commitment to honest dealings. Already, 35 contractors have taken up the offer.

### UGANDA

Uganda's economy is driven by small and medium-sized enterprises – they make up 80 per cent of the private sector and three-quarters of the gross domestic product. Yet as reports of kickbacks remain frequent and ethics trainings rare, corruption holds back development. Targeting these companies, our two-day workshop introduced 30 representatives to our new anti-corruption handbook, a comprehensive guide to keeping business clean.

### UNITED KINGDOM

Two out of three people think corruption is part of the UK's corporate culture, according to a recent survey, yet the take-up of our anti-corruption tools suggests we have reason to be positive. Offering best practice anti-bribery training for real-life scenarios, our e-learning course has been visited 6,000 times, while our due diligence guidance for mergers and acquisitions has racked up 9,000 downloads.

## A Framework for Success

Whether it's with customers or business partners, all enterprises understand the importance of trust. It's the key to solid and lasting business relationships, and as stakeholder demands for corporate responsibility mount, it's more important than ever. But for trust to develop, stakeholders need to be kept informed, and the information they receive needs to be credible.

This is where we come in. With the *Assurance Framework for Corporate Anti-Bribery Programmes*, we are helping companies demonstrate their integrity to the public in a way that is not only reliable, but independently verified.

The first tool of its kind, the framework defines criteria for independent assurance of companies' anti-corruption systems – providing benchmarks to help compliance teams design and evaluate bribery prevention programmes and show progress over time, and standards against which these programmes can be independently assessed by external assurance experts.

“Stakeholders are seeking greater credibility for companies' anti-bribery measures,” says Jermyn Brooks, Chair of our Business Advisory Board. “The Assurance Framework will help businesses demonstrate that they have well-designed systems in place, and assist them in benchmarking and improving their anti-bribery programmes.” In the complex global marketplace, the framework helps companies build an increasingly valuable asset – trust.



Participants from our training for micro, small and medium sized enterprises in Uganda, which introduced business people to our new anti-corruption handbook.

© Transparency International Uganda

REAL LIVES.TRUE STORIES.

# HONESTY TEST

“What came next was not what he had expected. Márton’s driving instructor told him that if he wanted to pass his test, he would need to bribe the examiner.”

**On a busy street in Hungary, Márton\* practised his driving skills with his instructor. It was days before his test, and he felt a blend of excitement and nerves. As the lesson drew to a close, he pulled the car to a halt and waited for final feedback from his teacher.**

What came next was not what he had expected. Márton’s driving instructor told him that if he wanted to pass his test, he would need to bribe the examiner. If Márton gave the instructor 25,000 Hungarian florints (US\$100), he would happily act as go-between, making sure the examiner received his money before the test began.

Márton did not know how to respond, and as time ticked down to the test date he searched the internet for advice. It was then that he came across the website for our centre in Hungary, which offers support and guidance to victims of corruption. With only 30 minutes to go until the deadline for paying his driving instructor, Márton called the centre and reported the incident.

“We realised immediately that there wasn’t time to involve the police,” says Miklós Legeti an expert

who works at the centre, “so we advised Márton to postpone payment by telling his instructor he hadn’t managed to get the money yet. After confirming the district where the transfer was supposed to take place, we called the local police station with Márton’s story.”

With our support, Márton agreed to take part in a police sting operation. Calling his instructor, he arranged a time to meet and hand over the money. In the meantime, he took the money to the police, who recorded the serial numbers on the bank notes. After Márton handed over the cash, the police followed the instructor. When he took the money to the examiner, they recorded the transaction on video and arrested them both, using the cash serial numbers as evidence. Márton was fully reimbursed – and is now looking forward to a corruption-free driving test.

Already, the story is inspiring others to refuse corruption. “Since we posted the news on our website, we’ve had a surge of reports from victims of bribery,” says Miklós. “Petty corruption is common in Hungarian life, but people are realising they don’t have to accept it. Márton’s story is helping us turn the tide.”

\*Name has been changed.

## DEFENCE INDUSTRIES: GUARDING AGAINST CORRUPTION?

» With contracts worth billions, and a tradition of secrecy, the defence sector is a clear corruption target – and when abuse creeps in, it harms us all. International security is threatened when decisions are swayed by powerful interests, murky deals destabilise efforts to protect citizens, and taxpayers are denied funding for other services such as education or healthcare.

Corruption in the defence sector steals as much as US\$20 billion of public funds every year. When scandals break, it can wipe away years spent building a strong reputation. But it doesn't need to happen. From installing transparent anti-corruption systems and increasing public accountability, to ensuring executives speak out on zero-tolerance, defence companies can do a lot to prevent corruption. The question is: do they?

To find out, we surveyed 129 of the world's biggest defence contractors. With combined revenues exceeding US\$500 billion, they come from 31 countries, including the largest arms-exporters – China, France, Germany, Russia, the UK and the US. The resulting index – the first of its kind – grades companies on the public evidence of their anti-corruption systems.

The findings were sobering. Only 10 leading defence companies have good levels of public disclosure. Almost half offered little evidence of basic anti-corruption systems, and two-thirds had low transparency levels. Yet despite such disappointing numbers, there is room for optimism. Thirty-four companies provided us further evidence of capabilities by allowing a review of their company-confidential anti-corruption systems. Such engagement demonstrates recognition of the issue and a willingness to improve.

In order to help them, we highlighted numerous examples of good practice from across the companies surveyed. Companies should review

their anti-corruption systems and levels of public disclosure, launch an improvement plan and track progress at board level. Crucially, they should commission an independent external organisation to assess their ethics and compliance systems annually, and publish the results for all to see.

In only six months, the index has already prompted 45 companies to respond – increasing public information on their anti-corruption systems and creating improvement plans. And it's also prompted government action, as procurement officials in several countries plan similar studies to benchmark national defence companies and push for better standards.

[www.companies.defenceindex.org](http://www.companies.defenceindex.org)

### AT A GLANCE

We surveyed **129** of the world's biggest defence contractors from **31** countries around the world, with a combined revenue of over **US\$500 billion**.



Only **10** companies have good levels of public disclosure.



**60** companies were not able to publicly demonstrate that they have basic anti-corruption systems in place.



**Two-thirds** of companies had low transparency levels.

## Murky Exports: Fighting Foreign Bribery

When it was created back in 1997, the OECD Anti-Bribery Convention marked a milestone for responsible business. Outlawing foreign bribery, it aimed to make corporations from the world's leading economies accountable at home for corrupt practices abroad.

Fast-forward 15 years and the 39 countries signatory to the convention make up two-thirds of world exports and three-quarters of foreign investment. By enforcing the prohibition on foreign bribery, they can have a huge impact on the way multinational businesses behave abroad – particularly in developing countries. Yet as our annual enforcement report shows, they're still far from fulfilling their commitments.

Assessing enforcement of the convention in 37 signatory countries, our 2012 report *Exporting Corruption? Country Enforcement of the OECD Anti-Bribery Convention* grouped states according to how many investigations were on-going in 2011 and how many offenders were prosecuted.

We've been monitoring enforcement for eight years, and while the 2012 report showed an improvement on the previous year, it also showed there's still a lot to do. With 144 new cases in 2011, legal proceedings against companies increased, yet the convention was actively enforced in only seven countries, with the United States topping the list. Twelve countries were moderate enforcers, while 18 had little or no enforcement.

Countries cannot afford to be so lax. Winning contracts through bribery is risky, unsustainable, and harmful. If governments condone bribery by their own companies the result is not competitive trading – it's a collective race to the bottom.

### AT A GLANCE

**1997**

The year the OECD Anti-Bribery Convention was adopted.

**39**

The number of countries signatory to the convention.

**2/3**

The amount of world exports the signatory countries are responsible for.

**3/4**

The amount of foreign investment the signatory countries are responsible for.

Please note: all information is correct as of August 2012.

**How well is the convention being enforced?\***

**7 countries**

out of the 37 we assessed had **Active Enforcement.**

**12 countries**

out of the 37 we assessed had **Moderate Enforcement.**

**10 countries**

out of the 37 we assessed had **Little Enforcement.**

**8 countries**

out of the 37 we assessed had **No Enforcement.**

\*Information taken from *Exporting Corruption? Country Enforcement of the OECD Anti-Bribery Convention Progress Report 2012*

## A BEACON OF CHANGE.

Our corporate integrity programme for a large state-owned company in Malaysia is being used as the example of best practice by the country's anti-corruption commission, and we're now preparing to roll-out the programme to state subsidiaries.



**“The guy who holds the money is equally as guilty as the guy who put it there.”**

*Transparency International's Vice-Chair Akere Muna at the World Economic Forum on Africa.*



**€1442.**

The average bribe requested in Greece's private sector, according to our survey – an increase of €36 compared to our 2011 poll.





09

**01** Joined by Transparency International Founder Peter Eigen, we launch 'The White Hands Campaign' in Lebanon on Anti-Corruption Day, encouraging people to say no to corruption.  
© Lebanese Transparency Association

**02** After reports of extortion and abuse of power from prison guards, we join waiting visitors outside a jail in Venezuela, to hear their stories first-hand and offer guidance on speaking out.  
© Transparencia Venezuela

**03** We help lead demonstrations in Armenia against plans to redevelop a public park into a commercial zone. The three month campaign achieved its goal – the park was protected.  
© Transparency International Anti-Corruption Center

**04** Travelling around Burundi, we conduct awareness-raising sessions to empower citizens to fight corruption.  
© Abuco: Association Burundaise des Consommateurs

**05** Preparing to release a fleet of balloons as part of our Anti-Corruption Day celebrations in Vanuatu.  
© Transparency Vanuatu

**06** A performance of the People's Theatre in Bangladesh. Run by volunteers, there are 46 such groups performing across the country.  
© Transparency International Bangladesh

**07** Guests at our party in the Czech Republic show their support for transparency by making their own anti-corruption badge.  
© Transparency International Czech Republic

**08** Dance performances draw crowds at the launch celebrations for our new legal advice centre in Bulawayo, Zimbabwe.  
© Transparency International Zimbabwe

**09** Young volunteers "warm up" for day three of surveying in Fiji, where our youth integrity survey polled young people on their perceptions of integrity and corruption.  
© Transparency International Fiji

**10** Following reports of corruption in Honduran healthcare, a young volunteer promotes our legal advice centre in hospitals.  
© Asociacion para una Sociedad Mas Justa

**11** We hold a training workshop in Ghana on how video can be used to capture issues surrounding corruption. Here a young participant tries her hand at using a camera, with help from our staff members.  
© Ghana Integrity Initiative

**12** In Indonesia, an activist from our anti-corruption cycling club distributes campaign materials to a traffic police officer.  
© Transparency International Indonesia

**13** Our week-long summer camp in China brings together students from 21 universities around the country.  
© Anti Corruption and Governance Research Center

**14** Sprinting to the finish line, athletes run against corruption in Guatemala.  
© Acción Ciudadana



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14



# FAIR INCLUSIVE SERVICES

## 2006

More than a billion people lack access to clean drinking water. Nearly three times as many endure inadequate sanitation. All too often, corruption is to blame. Working with partner organisations, we help establish the **Water Integrity Network**, an independent group that fights worldwide for clean, transparent water delivery for all.

## 2008

Even in the most corrupt environment, fair services are possible when citizens, local authorities and service providers work together. Our **development pacts** – public agreements between all three parties – create shared goals. More than 65 are signed in two years, setting in motion a new generation of community forums and monitoring initiatives.



**Public money should go on infrastructure and services, not on kickbacks for officials. Citizens should be able to track public spending, and they should be empowered to speak out if it fails to arrive.**



When budgets are freely available, and funding channels are independently monitored, there's no room for corrupt leaders to file money away into private bank accounts. If citizens know what they're entitled to, and have the skills to keep watch over spending, they can defend themselves against sub-standard resources and illegal payments.

No parent should have to choose which child to send to school because of illegal fees, and no patient should be left to suffer

because the medicine they're given is counterfeit. Citizens need safe channels to report corruption, and an effective system to bring offenders to justice.

We believe fair societies are built on dialogue between leaders and the public. When all citizens have a voice in decision-making, they can help leaders shape policies that work in practice. We want people to have the opportunity to address officials directly, and we want leaders who listen and respond.

## 2010

Corruption in **humanitarian aid** robs potentially lifesaving resources from the victims of conflict and natural disaster. Teaming up with a number of global humanitarian agencies, we develop a set of good practice tools to help keep corruption out of relief operations. The resulting handbook has since been put to use around the world.

## 2011

Untangling funding channels and surveying the public, **we map the loopholes and blind spots** that undermine service delivery in seven African countries – charting links between corruption and poverty. Later we deploy our toolkit on social programmes in the Americas, highlighting the accountability gaps that undermine effectiveness.





## Communities Leading Change in Lebanon

A girl and her grandmother cast their vote during the youth shadow council elections in Lebanon.

© Lebanese Transparency Association



The room is filled with people, and more are queuing outside. Young people sit at tables checking voters as they come in and out, while others keep watch over ballot boxes. In this Lebanese town it might be any other election day but for one clear difference – all candidates are under 35 years of age, and many are as young as 17.

Our youth shadow councils are democratically elected by their communities and act as a public watchdog over local councils in 20 different municipalities across Lebanon. Trained in advocacy, budget management and good governance, these future leaders will be directing service delivery tomorrow. Today, they are ensuring public money is well spent.

The initiative is called *Musharaka* – Arabic for “participation” – and in an often politically opaque country, these shadow youth councils have successfully broken down the barrier between citizens and their elected leaders. The initiative provides the shadow youth councils US\$10,000 each to pursue development projects of their choosing following discussions with elected municipality leaders. Although Lebanon has not yet regulated public access to information by law, local councils agreed to let their young counterparts scrutinise their budgets and provide recommendations for improvements.

### Around the World

#### HAITI

As part of our youth committees against corruption, more than **200 young people** have been trained in fighting corruption, and three groups have test-piloted our new system to monitor corruption in humanitarian operations.

#### MEXICO

Established in response to a **fatal fire in a kindergarten**, our community monitoring initiative continues to assess health and safety provisions in day-care units. Thanks go to the parent volunteers, who have now donated 30,000 hours of their time to the project.

## In Brief: Fighting Bribery Online

Affecting as many as one in three worldwide, petty bribes deny basic services to the poorest and most vulnerable. All too often they go unreported as people do not know their rights, fear recrimination for speaking out, or lack the opportunity to do so. Offering a quick, simple and anonymous way to report abuse, our online reporting platforms provide an alternative, and their users are growing quickly.

### MACEDONIA (FYR)

As access to our advice centre is difficult for those living outside the capital, we launched an online platform to enable all citizens to report, track and comment on cases of corruption, wherever they are located. Using Ushahidi technology, the platform generates mapped visualisations of complaints, offering anti-corruption activists vital information on trouble hot spots and trends.

### MOROCCO

From bribes to obtain ID cards to corruption in a psychiatric emergency ward, our new online platform *Mamdawrinch*, or “we will not bribe”, catalogues injustices in Moroccan daily life. The aim, though, is change, and each anonymous post to the platform represents another citizen speaking out against corruption. Pinned on maps and posted on Facebook and Twitter, this online community is growing fast.

### ZIMBABWE

Bringing legal advice and support to those who struggle to reach our two walk-in centres, our new mobile service allows anyone with a basic cell phone to report bribes or suspected foul play in a matter of seconds. After the project was launched in front of a crowd of politicians, journalists, activists and citizens, our legal experts received 150 cases in the first 24 hours alone.

## BACK IN 2001

Launching our first **Global Corruption Report**, we offered a comprehensive look at the state of corruption around the world. Mapping new territory and opening fresh debate, subsequent editions tap experts from around the world to hone in on the intersection of corruption, transparency and a specific topic, from the judiciary to sport.

## 1 IN 3 UKRAINIANS

have paid a bribe for medical services, according to research. By sharing positive experiences of bribe-free medical treatment, our new online platform *Aybolit* will soon make it easier for citizens to find doctors who act with integrity – and avoid those who don't.



“The best way to say thank you to a doctor is to smile”. Working to promote integrity in Lithuania's health system, our sticker messages suggest an alternative to unofficial payments to doctors.

© Transparency International Lithuania



Raising awareness of the impact of corruption in Haiti.

© La Fondation Héritage pour Haïti

## HELPING COMMUNITIES SPEAK OUT

» It's not often you get to present your demands to politicians live on television, without even leaving your house. Yet for hundreds of people across Armenia, this is exactly what happened, thanks to our brigade of election postwomen, who visited homes across the country in the run-up to the elections, gathering thousands of questions about poor services, fractured infrastructure and infringed rights. Sorting and summarising them, they presented the issues to politicians in television broadcasts, as hundreds of thousands of voters tuned in to see how they responded.

It was only one of many innovative projects we ran around the world over the last year. The day-to-day realities of corruption and mismanagement won't always make the headlines, so we work to create new spaces where citizens can make their voices heard – whether it's door-to-door post officers, community outreach or public debates.



Take Liberia, for example, where our “Resource and You” forums bring local communities, mining companies and government officials together in packed-out meeting halls, helping raise awareness of the benefits citizens should receive in return for resource exploitation, and enabling them to speak out when they fail to materialise. Facing public scrutiny, officials and parliamentarians have increased openness and agreed to review concession agreements to ensure communities accrue benefits and the environment is protected.

Travelling to remote communities, we help involve those who are often marginalised in public debates. In Argentina, we found that many indigenous people were being cut off from basic government support – such as healthcare and education – because they weren't recognised as citizens. Using outreach events to raise awareness of the importance of citizenship, we've already helped hundreds of people obtain identification cards from the government, and we're calling on the government to recognise the communities as a whole.

Most importantly, we want to give people the tools to speak out on their own. Citizens in India, for example, are often denied services by officials who want bribes in return for processing their application. Our community trainings, part of our *Pahal* project, offer a way to fight back. Learning how to use public information requests strategically, citizens can demand an official update on the status of their application, forcing corrupt staff to move their request forward. From land registration documents to support for new mothers, we've helped hundreds of people demand what is owed to them – all without paying illicit fees.

01 Election post officers in Armenia.

© Transparency International Anti-Corruption Center

02 Citizens in India learn about their rights.

© Transparency International India

## In Brief: Social Programmes in the Americas

Food, education, medicine – social programmes address the basic needs of the poorest and most vulnerable people, but their funding channels are often complex and opaque. With initiatives in Central and South America, we are working to open these schemes to public scrutiny, helping those who manage the programmes – and those who are entitled to them – ensure the money goes where it should.

### GUATEMALA

Where oversight is lacking, social programmes risk abuse from crooked politicians looking to reward their supporters. After reports of such clientelism led to violence in one Guatemalan town, we created a coalition of citizens, organisations and the ombudsperson that together lobbied for greater civic participation. The result: community groups now have increased monitoring powers, and reports of abuse have plummeted.

### MEXICO

We helped create the first-ever public catalogue of all social programmes in the country – a best practice model that has since been adopted by countries in Africa and Latin America. Revealing that only 50 per cent of programmes make their budget public, and less than half are independently evaluated, we're calling on the government to increase public accountability.

### PERU

Invited by the government to advise them on anti-corruption measures, we interviewed programme directors and communities across the country. Identifying widespread risks of unfair procurement and undue political influence, we found particular threats in the national food aid programme. Since cancelled, the scheme has now been replaced with a new system that empowers its recipients by creating community-level mechanisms for independent citizen oversight.



In Guatemala we interview citizens on their experiences with the country's social programmes.  
© Acción Ciudadana

**“People have more trust for governments that have transparency, integrity and respect for human rights.”**

*Huguette Labelle, Chair,  
Transparency International*



Teachers, parents and students at a school in Rwanda rate the delivery and use of a government education grant using community scorecards.

© Transparency International Rwanda



## 1 IN 3 URBAN CITIZENS

in Vietnam report having bribed to access health services, according to our survey. With new research and a workshop for health policy makers and managers, we're working to make healthcare fair.

## Making Citizens Safer in Russia

When Russia passed its new police law in 2011, few changes were as important as mandatory ID badges for all on-duty officers. Adopted following our campaign, the move was a direct blow to those who exploited their anonymity to abuse their position, and a boost for honest officers who suffered from the general lack of public trust in the police. Yet a year on, few were wearing their badges.

Held simultaneously in 10 different cities, we coordinated Badge Checking Day with several partner organisations. Walking the streets in small groups, our network of volunteers searched for officers without badges. Catching them, they tried to find out the officer's name and use it to file a complaint with the prosecutor's office on a specially-prepared form. By the end of the day, we'd collected 20 names in Moscow alone.

On Badge Checking Day in Russia, volunteers check if police officers are wearing identification badges.

© Center for Anti-Corruption Research and Initiative Transparency International Russia



As videos of the event went viral, media coverage followed quickly. Before long, badge use increased dramatically. "The action showed the importance of public control over police," says Ivan Ninenko, who took part in Moscow. Having held follow-up events to track progress, we're now encouraging people in smaller cities and towns to hold their own checking day. Thanks to the action, almost all officers in large cities now wear their badges. "And if for some reason they start taking them off," says Ivan "we'll just repeat the event."

### Around the World

#### MONGOLIA

Proving their commitment to fair law enforcement, representatives of police divisions from all of Mongolia's 21 provinces attended our two-day **anti-corruption training** at the National Police Authority headquarters.



© Transparency International Mongolia

#### RWANDA

**One in three bribes** in Rwanda are paid to the police, according to our 2012 Bribery Index. We're using the findings to call for change.

#### UNITED KINGDOM

English and Welsh police will soon have additional training in **ethical decision-making**, thanks to our recommendations – which led the forces to strengthen their integrity codes and practices.

## In Brief: Education

From skewed research agenda, to cash for grades, to schools denied vital resources, corruption in education perpetuates inequality, undermines academic integrity, and teaches children that cheating is the way to get ahead. With community monitoring tools, public awareness-raising and advocacy campaigns, we're working across society and around the world to stamp it out.

### BOSNIA AND HERZEGOVINA

Establishing partnerships with six public universities, we drafted targeted integrity plans for each university that could soon lead to a more transparent, accountable education for tens of thousands of students. Using these plans as a basis, we joined an expert team to draft a national corruption prevention programme for higher education that has since been adopted by the government.

### HONDURAS

One in four Honduran teachers is absent at any one time, according to some estimates, so we created an online database that allows parents to check if their child's teacher is at work. Lobbying the authorities to address cases of persistent absence, we successfully secured the return of a teacher who had been illegally transferred, leaving her school shut for three weeks.

### NIGER

"You wouldn't want your child treated by an unqualified doctor. Would you be happy if they were taught by an unqualified teacher?" With street theatre, debates and workshops, we raised awareness about fake teaching diplomas that can reportedly be bought in shops. Reaching out to schools, parents and state officials, we called on all groups to take action against corruption.



A young volunteer with his students in Vietnam, where we've now trained 30 young volunteers to teach more than 1,000 students about corruption and integrity.

© Towards Transparency



We hold a training session for parents in Honduras on how they can speak out if their child's teacher fails to show up for class.

© Asociación para una Sociedad más Justa

## MISSING SCHOOL FUNDS

have now been returned by a head teacher in Uganda, following our district meeting on combating corruption in education.



**"No impunity for the corrupt should not just be a slogan. It should be dealt with all of us by all of us with all our strength"**

*Transparency International Chair Huguette Labelle on International Anti-Corruption Day.*



## 200 TEACHERS FROM 200 SCHOOLS

took part in our anti-corruption training sessions in Palestine.

REAL LIVES.TRUE STORIES.

# STEALING FUTURES

“Panic in the crowd was growing. This was a fishing and mining community, where poverty is high and families struggle to survive on tight budgets. Yet without the report cards, the children would not be able to progress into the next school term.”

**It should be a proud day for any family. Each December in Cameroon, parents collect their children’s primary school report cards, showing each pupil’s grades for first term exams. In a coastal town in the south of the country, Peter\* looked forward to collecting report cards for his four children.**

When he arrived, he found that his children were among 100 pupils to be refused certificates. According to the head teacher, it was not the students, but the parents, who were to blame – they had failed to pay fees to the school’s parent teacher association. Despite a law that clearly makes these payments voluntary, the head teacher was demanding 5,000 Central African Francs (US\$30) per child before he would hand over the certificate.

Panic in the crowd was growing. This is a fishing and mining community, where poverty is high and families struggle to survive on tight budgets. Yet without the report cards, the children would not be able to progress into the next school term.

Sadly, the scene is not unique. “Children in Cameroon are often punished or expelled because their families can’t afford these association fees,” says Hulloge Touko, who works at our legal advice centre in the country. “It’s a big problem when head teachers decide on an amount arbitrarily, and some even siphon off a portion into their own pockets. Of course

parents know it’s illegal, but given the risks to their child’s future, they feel they have no choice but to pay.”

But as this story shows, things are starting to change. Peter, who works at a local radio station, had heard about our campaign on speaking out against enforced association fees. Throughout 2012, we held public meetings and radio discussions encouraging parents to report illegal demands for payment to local education officials, and explaining how we could support them if their reports were ignored.

Inspired by the campaign, Peter reported the demand to the education authorities. When he received no response, he turned to our legal advice centre for support. On his behalf, we contacted the Ministry of Education, which in turn approached the regional inspector general with the case. Responding quickly, the inspector instructed the school head teacher to issue all the report cards unconditionally and immediately. Soon after, Peter and fellow parents had their children’s report cards in their hands.

“The head teacher will be disciplined,” says Hulloge, “but changing one school isn’t enough – we want to stamp out these illegal fees for good. We’ve started a petition calling on the government to take action, and already more than 3,000 people have added their signature. These thousands of people have spoken out clearly against these crippling charges. When we present the petition and our research to parliament, we’ll make sure their voices are heard.”

\*Name has been changed



## Participation for All in Fiji

A woman stands at the front of a room, speaking into a microphone. She's listing the improvements needed in her community – notifications of water cuts, street lighting, increased access to education. In another room, a group of young people talk animatedly around a table, scribbling down ideas for a more just society – from better job security to lower crime. When Fiji's Prime Minister Voreqe Bainimarama announced the country's new constitution, he pledged that “for the first time, everyone will have a voice.” With a series of constitution trainings, we ensured his promise was put into action.

With a new constitution in development, we conducted targeted trainings for women and children, making sure the interests of these often-marginalised groups were represented in the final draft.

### Around the World

#### MADAGASCAR

Travelling to remote rural communities where understanding of corruption is often low, we held public events that brought officials and community members together to identify and define different types of **abuses in the delivery of local public services**. Collecting the topics raised, we broadcast a series of radio programmes that mixed presentations with live calls from listeners reporting corruption and requesting legal advice.

With a new constitution in development, a group of women in Fiji discuss issues facing their community.  
© Transparency International Fiji



Inviting citizens to think of the problems that affected their daily lives, we staged mock-commissions where participants could practise making a verbal submission, giving five women's groups the confidence to go on and make their contribution before the constitution-making body. Joining them, we also made our own demands for greater transparency in politics, successfully adding a code of conduct and integrity pledge for politicians, and increased transparency in political financing.

#### PANAMA

Despite making up 10 per cent of the population, Panama's indigenous communities are rarely heard in national discussion. Interviewing 120 tribal representatives, we found that a **lack of public information** was hindering their participation and leaving funding channels unmonitored. Visually mapping all policies currently targeting indigenous people, we're working to give communities the information they need to hold leaders to account.

## FOOD SHORTAGES

affecting 3.75 million Kenyans was worsened by corruption, according to our study, which sparked groundbreaking meetings between officials, humanitarian aid staff and community representatives, and led one global aid agency to establish a corruption hotline.



## 9 EDUCATION OFFICERS

were suspended in Pakistan after we raised concerns that cooking oil intended to go to parents as part of a social programme was being stolen. Looking to prevent future abuses, officials are now increasing their monitoring efforts.



We join a marathon in Nairobi in support of treatment for preventable blindness, a major problem in Kenya.

© Transparency International Kenya





**01** In Port Moresby, Papua New Guinea, 3,000 people take to the streets to show their support for the fight against corruption.  
© Transparency International Papua New Guinea

**02** Spreading the word in Peru about access to information and reporting corruption – part of a series of events organised for International Right to Know Day.  
© Proética

**03** We help call citizens in El Salvador to the streets after a legislative assembly decision to choose the judges of the Supreme Court was felt to violate the constitution.  
© Funde

**04** Students in Vietnam wear wrist bands with the slogan “For a Clean Education”, showing their commitment to academic integrity.  
© Towards Transparency

**05** Students at a high school in Jamaica discuss a film they’ve just watched on political victimisation – part of our activities for International Peace Day in Jamaica.  
© National Integrity Action

**06** A student draws an anti-corruption poster for our competition in Pakistan, part of our global Time to Wake Up campaign.  
© Transparency International Pakistan

**07** Carrying transparent umbrellas to demonstrate taking a stand against corruption, young people rally in the streets of Casablanca.  
© Transparency Maroc

**08** At one of our anti-corruption outreach events in Rwanda, a woman tells an audience how corruption has affected her life.  
© Transparency International Rwanda

**09** In Kenya our advocacy and legal advice centres provide training and education to citizens on their rights. Here a young boy learns about his.  
© Transparency International Kenya

**10** An anti-corruption banner displayed on a car in Senegal, part of a National Youth Convention we organised to raise awareness and mobilise young people to “wake up” against corruption and impunity.  
© Forum Civil

**11** At our “Walk Against Corruption” in Kuala Lumpur, young participants pen their hopes for a corruption-free Malaysia.  
© The Malaysian Society for Transparency and Integrity

**12** Joined by victims and media in Georgia, we present the findings of our report into a potential corruption in the construction industry.  
© Transparency International Georgia



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# EMPOWERED INFORMED PEOPLE

● ..... **2000** .....

Corruption fighters can be extraordinary people who risk everything to demand a world that is fair and just. Celebrating the inspirational acts of courage and resilience, we hold our first-ever **Integrity Awards**, publicly honouring a Moroccan military officer who was jailed for blowing the whistle on an oil-and-supplies scam.

..... **2003** .....

Breaking records from day one, our first **Global Corruption Barometer** is the largest-ever public opinion survey on corruption. Capturing the voice of tens of thousands of people around the world, the survey continues to lay bare how corruption impacts daily lives and how people view their government's efforts to tackle it.

**We believe that no-one should have to remain silent in the face of injustice and extortion. Almost 90 per cent of people worldwide say they'd be willing to fight corruption. We want to show them that they can.**



Corruption is not inevitable, and it cannot be dismissed as custom or tradition. When they're empowered with the right tools and support, people in all environments will fight back against injustice. When they're backed by a global network, these individual victories can snowball into lasting change.

Speaking out against corruption should be met with praise, not retaliation or imprisonment – meaning strong laws to protect the victims of corruption, and justice for those who abuse their position.

Ordinary people do extraordinary things when they stand up against corruption. We think their stories should be heard around the world.

We believe the best solutions are those that we all stand behind. Everyone should be able to join the fight against corruption, from business people and journalists, to students and community leaders. We want those who would steal, cheat and intimidate to know that we are watching – and we will not let them get away with it.

## 2004

People around the world mark the first **International Anti-Corruption Day** – 24 hours officially dedicated to raising awareness of corruption, and the role we can all play in stamping it out. Six years later and the BBC labels corruption as the world's most talked about problem.

## 2011

A milestone for our **advocacy and legal advice centres** – more than 100,000 people have come forward to seek assistance. Offering support and guidance to the victims and witnesses of corruption, and targeted recommendations to policymakers, our network has since grown to 90 centres across 60 countries.





## Rallying for Change in Zimbabwe

For those few hours, business was brought to a standstill. Traffic ground to a halt and people gathered at windows and doorways as crowds filled the streets, waving placards and singing. It was the launch of our new legal advice centre in Bulawayo, Zimbabwe, and the residents were ready to show their support.

Swelling to thousands, the march culminated in front of the Bulawayo City Hall, where the crowd was addressed by a diverse range of speakers – from student and council representatives, to journalists, police chiefs and business people – all voicing the same message: corruption needs to stop.

It wasn't the first time we had taken to the streets that year in Zimbabwe. When citizens in Harare were issued high electricity bills despite a string of power cuts that left hospitals and households in darkness, we started a petition calling on the electricity

As we open our new legal advice centre, citizens in Zimbabwe take to the streets in support of transparency.  
© Transparency International Zimbabwe



company to address poor service delivery, and led a public march to present thousands of names to the company directly. Already, the company has addressed complaints that meter readers were extorting citizens with threats of power disconnection – installing pre-paid meters in most households across the country.

Back in Bulawayo, the party continued, as a renowned dance troupe took to the stage. “The response from the crowds was overwhelming,” says Programme Officer Nyasha Mpahlo, “and by the end of day one, we had already provided legal assistance to 200 people.”

### Around the World

#### DOMINICAN REPUBLIC

As the national deficit increased, considered by many to be the result of corruption, our network for **tax justice** gathered thousands in the streets to call for change.

#### GUATEMALA

As their mayor was **dettained on corruption charges**, we invited citizens of one city to show their support for a better future by running against corruption. Covering 10 kilometres, hundreds raced along routes marked out with huge banners bearing anti-corruption slogans.

#### MONTENEGRO

Amid allegations of corruption in the privatisation of electricity supply, we helped organise six protests across the country. **Bringing thousands to the streets**, we called on the government to address the complaints.

#### SENEGAL

Asking government officials to declare their assets and calling for action on corruption in public institutions, our **“No Impunity”** campaign gathered together young people with a public concert, street theatre and film screenings.

## In Brief: A Day to Change the World

9 December is International Anti-Corruption Day. From open air concerts to cartoon competitions, it's an opportunity for people around the world to come together in rejection of extortion, cronyism and injustice at all levels of society. Here's a selection of some of our activities in 2012.

### CAMBODIA

Millions tuned in for the live broadcast of our anti-corruption day concert, which showcased the work of national celebrities and artists in an extravaganza of fashion, music, poetry and inspirational speeches. Appearing alongside the famous personalities, young people came to the stage to voice their protest against corruption in our youth poetry competition.

### MOROCCO

With breakdancing, slam poetry and street art, our *Paroles Urgentes* ("urgent messages") project used art to encourage young people to take a stand against corruption. A group of young actors took over the streets with open air performances, musicians gathered in Casablanca's cathedral, and graphic design students expressed their protest against injustice in a series of original posters.

### TRINIDAD AND TOBAGO

T-shirts, bags and one of the country's most popular comedians helped us draw in the crowds at our anti-corruption day event in a crowded shopping mall. Staging monologues and skits, our star performer showed shoppers how everyone can help fight corruption – including children, who were given a brightly-coloured brochure introducing them to the importance of transparency and fair play in daily life.



A dance competition in Morocco makes up part of the "Paroles Urgentes" arts festival on International Anti-Corruption Day.  
© Transparency Maroc



A packed audience watches our anti-corruption day concert in Cambodia, featuring music, theatre and dance.  
© Transparency International Cambodia



© Transparency International Hungary

## BIG SPLASH!

A regular feature at Hungary's summer festivals, our water fights proved an innovative way of waking young people up to the effects of corruption. It's just one of hundreds of events held as part of our global Time to Wake Up campaign.

## 30 COUNTRIES

have now joined the campaign, spanning Africa, Asia, Latin America and Europe.

## MORE THAN 3 MILLION

people have been reached worldwide.

Like in Portugal, where our campaign reached

## HUNDREDS OF THOUSANDS

of people in the first weeks alone.

Or in Lebanon, where

## 30,000 PEOPLE

signed our petition calling on the government to sign the UN Convention against Corruption.

Please note: Information correct as of July 2013.

...  
TECH VS.  
CORRUPTION:  
HAC 2012

» Six countries. 24 hours. One day of sleep deprivation, frenzied tweeting and intense innovation. Two hundred programmers from all around the world joined our first global hackathon, working against the clock to achieve their goal – find new ways to stop corruption with technology.

As events such as the Arab Spring reaffirm technology's potential to support change, we wanted to support new and innovative ways to harness this power. Teaming up with the global tech initiative Random Hacks of Kindness, we created Hacks against Corruption (HAC) 2012 – a packed weekend of events in Colombia, Hungary, Indonesia, Lithuania, Morocco and Russia that brought policy and tech experts together to brainstorm solutions to a diverse range of real-world problems.

Collecting suggestions from around the world in the run-up to the event, we developed challenge statements for participants. Tackling issues that anti-corruption activists felt could benefit from technological innovation, challenges included prototype tools to support election and parliamentary monitoring, programmes to report everyday incidents of corruption or track public funds for mitigating climate change, and new applications to engage young people in anti-corruption activities.

From phone apps showing how corruption harms communities, to online tools to monitor courts, the hackers worked non-stop to deliver effective, tailor-made solutions. Results included a tool for citizens to report advertising in Colombian elections, a website for filing corruption complaints in Morocco, and platforms for journalists to review asset declarations in Lithuania. Our Moscow team tackled issues ranging from illegal construction to sexual harassment, while in Budapest we developed game concepts including an app giving guided tours of "Corruption City". Indonesian

creations included a court rating application, and a web platform for feedback on health services.

The event left hackers bleary-eyed but full of enthusiasm for refining their prototypes, many of which we are now supporting with seed funding. Fresh from the success of the global event, we've since held an event in Kenya focusing on developing tools for corruption reporting, processing and visualising data, and more are in the pipeline. Uniting people and technology in unprecedented ways, these innovations could redefine the boundaries in exposing and preventing corruption. HAC 2012 is just the start.



01 A hacker at our event in Lithuania.  
© Transparency International Lithuania

02 Sharing ideas at our hackathon in Kenya.  
© Transparency International Kenya



## Behind Closed Doors in Peru

“There’s the perception in certain municipalities that corruption is rampant. A lot of politics is conducted behind closed doors here, and some politicians give the impression that they can act with impunity. We aim to show them that they can’t.”

Cecilia Blondet is the director of our new online programme in Peru. Broadcast nationally every Wednesday evening, the show investigates and profiles reports of corruption in local governments, taking issues that are discussed among the public but not reported on, and putting them on the national agenda. Its name: *Poder Ciudadano* – citizen power.

Working with renowned corruption experts and a national network of investigative journalists, the programme has already sparked several actions from the judiciary.

### Around the World

#### LATVIA

Appearances can be deceiving. With our **History of Ugliness photo exhibition**, we offer a sober look at some of Riga’s newest landmarks, giving tourists a glimpse of the opaque permit system that allowed these landmarks to be created – often at excessive costs. Now available on the location-based social network Foursquare, users can now view sites at the click of a button.



Staying informed with *Poder Ciudadano* – the Peruvian online programme that profiles reports of corruption in local governments.

Some of these cases had already been reported to the authorities, but without public attention, they had not been pursued. Today, the minister of women is looking into allegations of child trafficking, and the official of one province is under investigation for alleged embezzlement of public funds, while another is facing accusations of irregular payments from constituents. If politicians ever felt they were above the law, things are changing quickly.

#### SRI LANKA

More than **60 trade unions and civil society organisations** have joined our new coalition against corruption, a group that exposes public sector abuses. Among many cases, we found evidence that US\$4.75 million in educational employee cooperative funds had disappeared from a state bank account. Calling for action, we sparked an investigation by the president’s investigative unit.

## 3,000 STUDENTS FROM 23 UNIVERSITIES

joined our anti-corruption day activities in China – voicing their views in public debates, signing up to be an integrity ambassador and testing their knowledge in our anti-corruption quiz.



## 5,000 STUDENTS

took part in our Palestinian student competition for the best exposé of abuses in public services. The winning entries described waste in service provision and nepotism in local council recruitment.



## MORE THAN 160,000 PEOPLE

joined our 2012 campaign activities in Bangladesh, including street theatre, cartoon competitions and public rallies.

## Corruption Fighter TV in Indonesia

A packed auditorium watches our “Kita versus Korupsi” series in Indonesia, winner of best omnibus film at a national film festival.  
© Transparency International Indonesia



Bribes for urgent medical treatment, crooked local officials, families torn apart by corruption – for many people, these are daily realities. For the people of Indonesia, they’re also the subject matter for a series of award-winning short films. Entitled “Kita versus Korupsi” or “Us versus Corruption”, these powerful shorts were created by renowned directors, and feature some of the country’s most famous actors. Screened to packed auditoriums across the country, they’re attracting thousands to the cinema, and bringing the devastating effects of corruption to the forefront of public thinking.

Shown in theatres, universities and the in-flight channel of the country’s biggest airline, nine million people

have watched the films so far, and the country’s most prestigious film festival honoured them as the best omnibus film. There are now spin-off materials for using the films in schools, and additional short announcements were broadcast to promote integrity during the two rounds of elections for the governor of Jakarta, Indonesia’s capital city.

Supporting the work of Indonesia’s anti-corruption commission, the videos reject the view that corruption in the country is inevitable. “Corruption is often seen as endemic in Indonesia” says Ilham B. Saenong who helped lead the project. “By taking scenarios from daily life, we hope our viewers will see that it can, and should, be rejected.”

### Around the World

#### BALKANS

**60 journalists** from Bosnia and Herzegovina, Croatia and Serbia learnt how to use freedom of information requests to drive investigative journalism at our regional “legal leaks” training sessions.

#### VIETNAM

**Created for the youth, by the youth**, productions from our Youth Box Channel/Online have already been viewed 30,000 times through social media, and more new releases are coming soon.

## The New Arab Media Young Activists Meet in Morocco

They are, in the words of TIME magazine, the “generation changing the world.” When demonstrations erupted across the Middle East and North Africa, it was the youth who dominated the headlines. The young crowds filling the streets used online channels to coordinate actions and send their message worldwide, demanding an end to corruption and inequality in tweets, photos, and blog posts.

Fast forward to today, and the youth remain determined. Their challenge now is turning a vision into concrete change. To support them, we brought 50 young activists from across the region to Morocco to strategise on how to bridge the divide between online activism, grassroots initiatives and people power. Renowned bloggers and experts shared experiences, from using tech tools to communicating across borders.

The four-day event was not a one-off meeting, but the beginning of a community of young people



A community is born. Young bloggers and activists from across the Middle East come together to share ideas and develop plans for collaborative corruption-fighting across the region.

© Adham Bakry

whose combined determination and creativity will drive corruption-fighting projects across the region, and plans for a shared regional campaign are already underway. This is the generation that is changing the world – and they’ve only just started.

## Voices of Latin America Investigative Journalism Awards

It starts with the purchase of a São Paulo apartment, it ends with the resignation of Brazil’s chief of staff. Working from an isolated piece of information, a trio of Brazilian journalists began an investigation that unveiled an illicit enrichment scheme and brought down a leading minister within days of publication. Their efforts were long and painstaking – the result was felt by millions. It was, in the words of the judging panel, “a classic piece of investigative journalism.”

Honoured during the Latin American Conference on Investigative Journalism, *Folha de Sao Paulo* reporters José Ernesto Credendio, Andreza Matais and Catia Seabra won the 2012 Latin American Investigative Journalism Award. Offering a cash prize of US\$15,000, the award is given annually by Transparency International and the Instituto Prensa y Sociedad to outstanding journalism from Latin America and the Caribbean.

A jury of world-renowned journalists selected winners from more than 200 nominations from 19 countries. Second prize went to an exposé on youth detention centres that sparked national reforms, the third to a report on multi-million dollar auditing failures in Peru’s powerful fishing industry. The topics may be diverse, but a basic belief is common to all – that citizens have a right to public accountability, and that journalism, when it’s free and independent, provides a vital check on power.

## BACK IN 1995

We join up with the **International Anti-Corruption Conference** to organise the world’s premier forum for representatives from government, business and civil society to exchange ideas for a more transparent future. As talk turns into projects, and projects into change, the community grows quickly. By its 15th outing, the conference is attracting almost 1,900 people from 140 countries.

AT A GLANCE

**Around the World**

**2003.**

We open our first advocacy and legal advice centres.

**90 centres**

are now open in 60 countries worldwide.

**25,000 people**

contacted us for help in 2012.

**140,000+ people**

have contacted our centres to date.

**Spotlight on Rwanda**

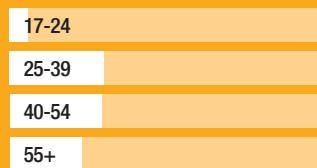
**2,797 people**

have contacted the centre in 2012.

**GENDER**



**AGE**



**PROBLEM HOT SPOTS**



**In Brief: Speaking Up around the World**

Offering free and confidential legal advice to witnesses and victims of corruption, our advocacy and legal advice centres help citizens break their silence on corruption. They're also sparking wider change – harnessing this real-life data on corruption hotspots, we engage in strategic advocacy to bring about systemic improvements.

**AZERBAIJAN**

Our centres don't stop work when a case is resolved. Analysing the types of complaints received, we offer targeted recommendations to governments on areas that require increased transparency. In Azerbaijan, 72 government actions were triggered by such recommendations in 2011-2012 alone – among them new instruments to put court hearings online, electronic payment tools for utility bills, and video recordings of civil servant recruitment interviews.

**EL SALVADOR**

Using public information requests, we helped expose the illegal use of public funds to purchase Christmas gifts for politicians. Announcing that such purchases will be stopped, Congress has suspended those involved pending investigations, and the Supreme Court is investigating whether initial rejections of information requests were in violation of the constitution.

**MALDIVES**

In a country of just 350,000 people, the Maldives is home to 150,000 migrant workers. In this large, often undocumented community, where understanding of rights can be minimal, there are many opportunities for abuse and exploitation. We have offered free legal support to more than 3,000 workers, helping them speak out about withheld passports, missing wages and inhuman living conditions.



Reaching out to marginalised communities at an awareness-raising event for our advice centre in the Maldives.

© Transparency Maldives



Our legal advice centre in El Salvador talk to the press about legal protection after helping expose the illegal use of public funds to purchase Christmas gifts for politicians.

© Funde

REAL LIVES.TRUE STORIES.

# EMERGENCY HELP

“For Kamal, who is a vendor at a local market, paying the doctor would mean finding around a third of his monthly income overnight.”

**Kamal’s anxiety increased with the heat of the day. His 11 year-old daughter, who is partially blind, had injured her head and urgently needed a brain scan. It was a hot, sticky day in Casablanca, and they sat uncomfortably in the hospital, waiting for the doctor to arrive.**

Eventually, the nurse in charge of brain scans spoke to them. He told Kamal that it would be several months before they would be able to find an appointment for his daughter. If he wanted her to be seen sooner, Kamal should return early the next morning with 500 dirhams (US\$60), on top of the standard 200-dirham (US\$24) scan fee. For Kamal, who is a vendor at a local market, paying the doctor would mean finding around a third of his monthly income overnight.

It’s a dilemma that regularly faces too many parents around the world – pay an illegal backhand, or risk the health of your child. Fortunately, Kamal knew of an alternative. Calling our anti-corruption helpline, he reported what had happened to him. When our advisors recommended that he file a complaint directly to the Attorney General’s Office, he quickly agreed, and presented the complaint in person that day.

As a result, he wasn’t alone when he arrived at the hospital the next morning. Unnoticed by the nurse, the two men who arrived with Kamal were undercover police officers. When the nurse arrived and asked for his money, the officers arrested him on the spot. After a fast-moving court case, the nurse was imprisoned for two months. In the meantime, Kamal’s daughter received the scan she so urgently needed – free from any excess charge.

With help, more citizens could follow this example. “All Moroccans are legally entitled to call for police assistance when faced with bribery, but most people don’t know about this right,” says Ali Lahlou, coordinator of the legal advice centre that helped Kamal on his case. “In addition, others are reluctant to act on it, because they think the judiciary will simply ask for more bribes. They also fear retaliation by the authorities against which they file complaints.”

Kamal agrees. “We need to make sure there is real protection and support for people who speak out,” he says, “then more people in situations like mine can come forward and take action against corruption.”

\*Name has been changed

## A WORLD BUILT ON TRANSPARENCY 15TH IACC

» What is needed to stamp out dirty money? How do we ensure development is sustainable? For four days in November, 1,900 people from 140 countries gathered in Brasília, coming from politics, business, journalism, civil society and academia. Held under the banner “Mobilising People: Connecting Agents of Change”, the 15th International Anti-Corruption Conference was the largest to date – and the discussion took on some of the most pressing issues facing the world today.

Opened by Brazilian President Dilma Rousseff, the world’s premier forum against corruption gathered leaders and experts around one common goal: end corruption’s devastation. In the words of Transparency International Chair Huguette Labelle, “corruption is a plague on all our houses, but together we can and must find a sustainable cure.”

Discussion was wide-ranging. In the wake of global protests, we asked how public energy and desire for change could be harnessed, and how transitional states could best be supported. Against the backdrop of preparations for both the World Cup and the Olympics in host country Brazil, our panellists debated the best way to keep multi-billion dollar events corruption-free.

One message, however, was repeated throughout – corruption must not go unpunished. Whether it’s corruption fuelling impunity, or impunity fuelling corruption, there is an urgent need to enforce legislation and support those who risk everything to demand change. The conference declaration laid down a stark challenge to those who wish to undermine democracy and justice: “We are watching those who act with impunity and we will not let them get away with it.”

In 2014, the IACC will meet again – this time in Tunisia. Find out more at [www.16iacc.org](http://www.16iacc.org)

01 From left to right: Transparency International Chair Huguette Labelle, Nobel Peace Prize Laureate Tawakkol Karman and Brazilian President Dilma Rousseff.

© 2012 AFP



**New thinking:** Showcasing groundbreaking projects, our interactive Game Changer sessions transformed individual initiatives into future global collaborations within hours. Covering everything from resource transparency to whistleblower protection, all sessions asked the same question: “How are you changing the rules of the game?”

**New solutions:** Nepotism, match fixing, murky deals – the problems may be familiar, the solutions aren’t. Selecting the freshest, brightest projects from hundreds of competitors, The Social Entrepreneurs Initiative supports young innovators as they turn plans – from investigative journalism in Colombia to youth work in Yemen – into reality.

**New voices:** Writers, broadcasters and photographers, our 23 young journalists were selected for their outstanding talent and commitment to social justice. Coming to Brazil from Egypt, Nepal, Peru and beyond, they captured the debate in articles, photographs and video interviews.

**New tools:** Taking on participants’ challenges, our hackers transformed problems into prototypes overnight. From opening up financial data with a “singing bank” to helping citizens find a doctor with integrity, their tools show the many and varied ways technology can help end corruption.

01

## In Brief: Anti-Corruption Education

Sometimes corruption is dismissed as the “way things are done”, other times the damage it causes is not widely known. Whether it’s a classroom game or training for young activists, our education programmes raise awareness of the real nature and extent of the problem, giving people the skills and knowledge they need to resist injustice in daily life.

### IVORY COAST

How can you put integrity into action? Held in the Ivory Coast, we helped organise a youth integrity camp to tackle this and other big questions. Gathering 40 young activists from six West African countries, we offered trainings in the different tools available for fighting corruption and helped each participant develop a concrete project to be implemented in their home country.

### LITHUANIA

Bringing together almost 100 participants from 40 countries, our Summer School on Integrity offered tomorrow’s leaders expert training and real-world advice from anti-corruption experts. The impact of the event continues to be felt around the world, as students try out their skills in their home countries, many with action grants to pursue innovative projects.

### THAILAND

With song and dance, drama exercises and now a series of short films, our “Growing Good” initiative offers a comprehensive programme to teach school children the importance of honesty and transparency. Started as an initiative for kindergarten children, this year the project expanded to cover pupils aged 13 to 15, as manuals and trainings were rolled out to over 1,000 teachers.



A student at our 2012 Summer School on Integrity, which offered 90 future leaders from 40 countries a week-long intensive anti-corruption training.

© Transparency International Lithuania



Students in Thailand take part in our growing good programme, which teaches young people the importance of honesty and transparency.

© Transparency Thailand

## EVERY SIGNATURE COUNTS!

As our new video campaign in France raises awareness of how corruption undermines democracy, thousands of citizens are adding their name to an online petition calling on leaders to take action.



## 2,500 PEOPLE

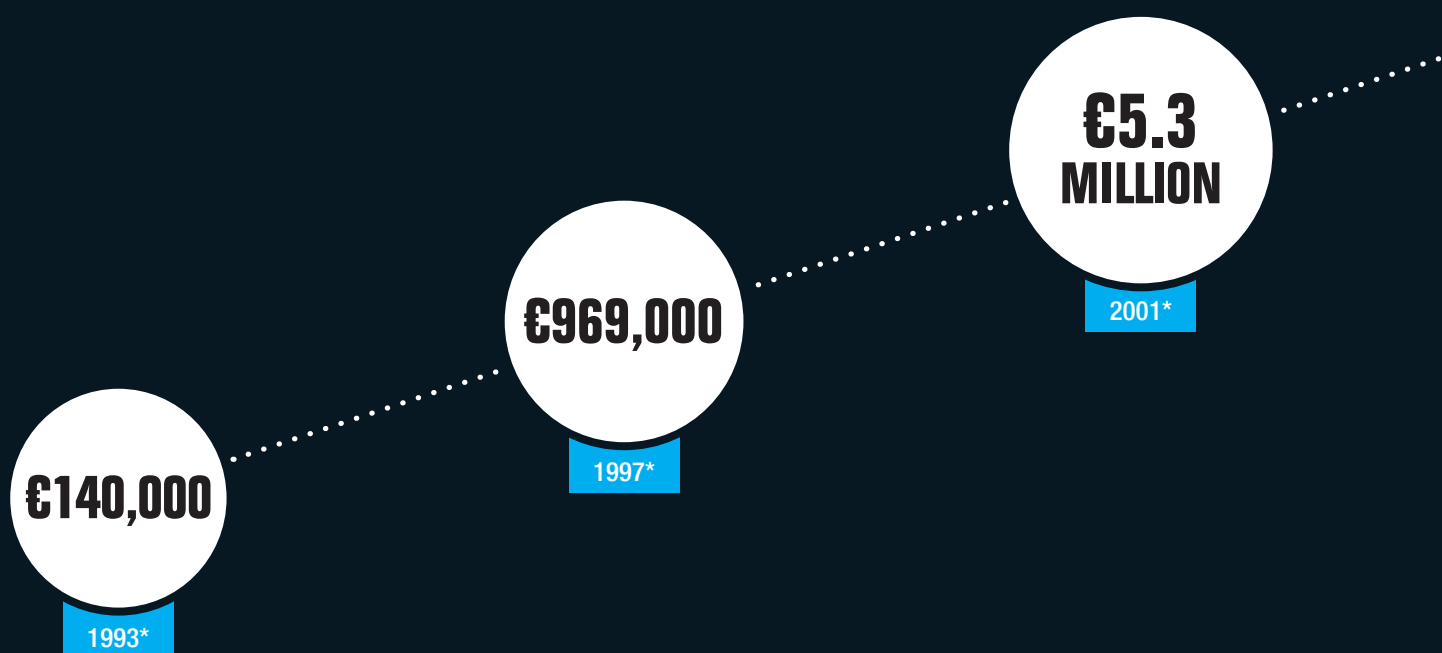
arrived at our mobile legal advice centre in India, one-day events that bring anti-corruption experts and volunteers to rural areas where citizens otherwise struggle to access government departments. Working with local volunteers, we’re now sorting, categorising, and responding to every single case.



## 40 STUDENTS AND 20 GUEST SPEAKERS

attended our integrity summer school in Portugal, which addressed topics ranging from opaque party financing to conflict of interest across five days of discussions.

# FINANCIALS GOVERNANCE TRANSPARENCY



\*Income before 2002 was converted from DEM-EUR at a rate of 1.99583



**€7.1  
MILLION**

2005

**€12.3  
MILLION**

2009

**€22.8  
MILLION**

2012



**TOTAL  
INCOME**

## CONTRIBUTIONS IN 2012



### Contributions to the Transparency International Secretariat in 2012<sup>1</sup>

#### Governments, Foundations, Multilateral Agencies and others

##### €2,000,000 AND OVER

Department for International  
Development (DFID), United  
Kingdom **€5,835,352**

##### BETWEEN €1,000,000 AND €1,999,999

Australian Agency for International  
Development (AusAID) **€1,674,774**

European Commission **€1,470,501**

Ministry of Foreign Affairs, the  
Netherlands **€1,200,000**

Swedish International Development  
Cooperation Agency (Sida)  
**€1,189,963**

Federal Foreign Office, Germany  
**€1,189,806**

##### BETWEEN €500,000 AND €999,999

Ministry of Foreign Affairs, Finland  
**€895,597**

Swiss Agency for Development &  
Cooperation SDC **€815,737**

Ministry for Economic Cooperation  
and Development (BMZ), Germany  
**€801,071**

United States Agency for  
International Development (USAID)  
**€675,794**

Bill & Melinda Gates Foundation  
**€669,893**

Norwegian Agency for Development  
Cooperation (Norad) **€601,091**

##### BETWEEN €100,000 AND

€499,999

Amarribo Brazil **€497,718**

Norwegian Ministry of Foreign Affairs  
**€445,852**

Royal Danish Ministry of Foreign  
Affairs (Danida) **€432,573**

OSI Development Foundation  
**€419,670**

Federal Ministry for the Environment,  
Nature Conservation and Nuclear  
Safety (BMU), Germany **€328,277**

Gesellschaft für internationale  
Zusammenarbeit (GIZ), Germany  
**€300,000**

Foreign and Commonwealth Office  
(FCO), United Kingdom **€254,997**

Swedish Postcode Foundation  
**€248,295**

Canadian International Development  
Agency (CIDA) **€235,645**

Kingdom of Belgium Foreign Affairs,  
Foreign Trade and Development  
Cooperation **€197,204**

American Jewish World Service  
**€134,687**

Christian Michelsen Institute (CMI)  
**€122,154**

French Ministry of Foreign and  
European Affairs **€120,770**

United Nations Development  
Programme (UNDP) **€116,027**

Irish Aid **€100,000**

Social Science Research Center,  
Berlin **€100,000**

*Governments, foundations,  
multilateral agencies and others  
donating below €100,000 can be  
found in our 2012 audited financial  
statements.*

<sup>1</sup> Recorded as income in our financial statements; for a detailed breakdown of all contributions to the Transparency International Secretariat in 2012, please see our audited financial statements.

<sup>2</sup> These companies provided financial support towards Transparency International USA's activities. Please refer to [www.transparency-usa.org](http://www.transparency-usa.org) for more details.

## Private Sector support to Transparency International

We seek to engage all sectors of society in the fight against corruption. The success of this endeavour is reflected in generous support from the private sector. The following companies have contributed €50,000 or more and we gratefully acknowledge their support in 2012:

Deloitte<sup>2</sup>, Ernst & Young, Exxon Mobil<sup>1</sup>, General Electric<sup>1</sup>, Kohlberg Kravis Roberts & Co. (KKR), Pfizer<sup>1</sup>, Shell International, Tyco International<sup>1</sup>, Wermuth Asset Management

## Other private sector donors

Anglo American, BP, HSBC, International Federation of Inspection Agencies, Norsk Hydro, PricewaterhouseCoopers, Rio Tinto, Sanlam, SGS.

## Organisations participating in the Business Principles for Countering Bribery (BPCB) steering committee in 2012

### CORPORATE MEMBERS

BP, General Electric, HSBC, Norsk Hydro, Organización Corona, PricewaterhouseCoopers, Rio Tinto, SAP, Sanlam, Shell International, SGS.

### OTHERS

AccountAbility, The Conference Board, European Bank for Reconstruction and Development, International Federation of Consulting Engineers, International Federation of Inspection Agencies, Social Accountability International, Transparency International, United Nations Global Compact.

## Individuals

Rolf Hellenbrand Johann Peter Jessen, Patrick Kinsch, Giovanna Longo, John Walter donated €1,000 or more. We express our sincere gratitude to them and other individuals who donated to us in 2012.

## 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 and Microsoft for their generosity. We greatly value the pro bono legal assistance to TI-S and/or National Chapters facilitated by pro bono clearinghouses Advocates for International Development (A4ID), TrustLaw of the Thomson Reuters Foundation and PILnet the Global Network for Public Interest Law, and provided by Covington and Burling, ORRICK, CMS Cameron McKenna, Gibson Dunn, McDermott Will & Emery UK LLP, Steptoe & Johnson LLP, Gide Loyrette Nouel, DLA Piper, White & Case LLP, LATHAM & WATKINS LLP and Reed Smith LLP, throughout 2012.

## Support us today to create lasting change

Yes, you can make an impact. The donations we receive from individuals are extremely valuable. If you would like to support the international anti-corruption movement or a particular TI chapter, you may donate to TI by credit card, PAYPAL or by bank transfer.

### CREDIT CARD AND PAYPAL

Donate online using PAYPAL or your VISA or MasterCard. Please visit the secure online donations page at [www.transparency.org/donate](http://www.transparency.org/donate)

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Account holder: Transparency International e.V.

Bank name: Commerzbank

Bank code: 100 800 00

SWIFT code: DRES DE FF 100

IBAN: DE64 1008 0000 0933 2145 00

Bank address: Theodor-Heuss-Platz 6, 14052 Berlin, Germany

### Bank Transfer in Euro

Account No: 09 33 21 45 00

### Bank Transfer in US-Dollar

Account-No: 09 33 21 45 00/ 400

### Bank Transfer in British Pounds

Account-No: 09 33 21 45 00/ 006

When you make a donation by bank transfer, we will not automatically receive your mailing address from your bank. Please send us your contact details via e-mail, fax or regular mail to enable us to acknowledge receipt of your donation.

Transparency International is an internationally operating NGO and registered as a non-for-profit organisation in the Federal Republic of Germany. Donations are tax-deductible within the limits prescribed by German law.

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](mailto:pmahassen@transparency.org)



## STATEMENT OF FINANCIAL POSITION

For the years ended 31 December; figures in thousands of Euros.

ASSETS	2012	2011	2010
Fixed and Intangible Assets	270	198	231
Investments	3	3	3
Loans	17	66	-
Advances to National Chapters & other Parties	6,786	5,940	5,696
Donor Commitments	1,558	1,272	447
Prepayments & Receivables	334	260	270
Cash and Cash Equivalents	14,202	10,192	8,003
<b>Total Assets</b>	<b>23,170</b>	<b>17,931</b>	<b>14,650</b>

LIABILITIES	2012	2011	2010
Donors' Funding Received in Advance	11,054	6,909	4,408
Liabilities to Donors	6,786	5,940	5,696
Accounts Payable & Accruals	1,796	1,520	1,086
Liabilities to National Chapters & other Parties	185	242	199
Reserves	3,349	3,320	3,261
<b>Total Liabilities</b>	<b>23,170</b>	<b>17,931</b>	<b>14,650</b>

# STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December; figures in thousands of Euros.

INCOME	2012	2011	2010
Donor income	22,343	20,024	14,830
Other Income	358	162	190
Finance Income	68	120	301
<b>Total Income</b>	<b>22,769</b>	<b>20,306</b>	<b>15,321</b>

EXPENDITURE	2012	2011	2010
Organisational Development Unit and Strategy 2015 Implementation	63	232	236
Governance and Special Initiatives	3,832	2,676	1,836
Advocacy, External Relations and Fundraising	3,009	2,706	2,187
Research and Knowledge	2,701	2,565	2,035
Chapters and Programmes	13,078	12,006	8,772
Other (incl. FX Gains & Losses)	57	62	18
<b>Total Expenditure</b>	<b>22,740</b>	<b>20,247</b>	<b>15,084</b>

Surplus	29	59	237
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Transparency International e.V. (TI) is a not-for-profit association registered in Berlin, Germany<sup>†</sup>, and is tax exempt. In compliance with its charter, TI serves solely charitable purposes. TI's financial statements 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.

[www.transparency.org/whoweare/accountability/governance\\_reporting](http://www.transparency.org/whoweare/accountability/governance_reporting)

<sup>†</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 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 2012, Funde (El Salvador), Association Pour la Promotion de la Transparence (Luxembourg), Centro de Integridade Publica (Mozambique) and DRUSTVO Integriteta - Association for Ethics in Public Service (Slovenia) received full national chapter status.

Association Burundaise des Consommateurs (Burundi),  
Asociación para una Sociedad

más Justa (Honduras), Kosova Democratic Institute and NGO Creative Union TORO (Ukraine) were accredited as national chapters in formation.

Costa Rica Integra and Transparency Institute of Guyana Inc were accredited as national contacts.

### 2012 RESOLUTIONS

Held in November in Brasilia, our 2012 Annual Membership Meeting brought together more than 260 Transparency International representatives from nearly 100 countries. In addition to the election for the Board of Directors and due completion of accountability processes, the meeting adopted six resolutions: on civil society space, the post 2015 Millennium Development Goals, Afghanistan, integrity of the financial sector, transparency in natural resources, and individual membership.

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

**[www.transparency.org/  
whoware/organisation/our\\_  
chapters](http://www.transparency.org/whoware/organisation/our_chapters)**

## AMERICAS

### NATIONAL CHAPTERS

**Argentina** - Poder Ciudadano  
**Canada** - Transparency International Canada  
**Chile** - Chile Transparente  
**Colombia** - Transparencia por Colombia  
**Dominican Republic** - Participación Ciudadana  
**El Salvador** - Funde  
**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  
**United States** - Transparency International USA  
**Venezuela** - Transparencia Venezuela

### NATIONAL CHAPTERS IN FORMATION

**Honduras** - Asociación Para Una Sociedad Mas Justa

### NATIONAL CONTACTS

**Bolivia** - Transparencia Bolivia  
**Brazil** - Amarribo Brazil  
**Costa Rica** - Costa Rica Integra  
**Guyana** - Transparency Institute of Guyana Inc.  
**Jamaica** - National Integrity Action

## 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** - Transparency International 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  
**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  
**Luxembourg** - Association Pour la Promotion de la Transparence (APPT)  
**Macedonia (FYR)** - Transparency International Macedonia  
**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  
**Slovakia** - Transparency International Slovakia  
**Slovenia** - DRUSTVO Integriteta - Association for Ethics in Public Service  
**Spain** - Transparency International España  
**Sweden** - Transparency International Sweden  
**Switzerland** - Transparency International Switzerland  
**Turkey** - Transparency International Turkey  
**United Kingdom** - Transparency International UK

## NATIONAL CHAPTERS IN FORMATION

**Kosovo** - Kosova Democratic Institute  
**Ukraine** - NGO Creative Union TORO

### NATIONAL CONTACTS

**Belarus** - Belarus National Contact  
**Cyprus** - Transparency Cyprus  
**Greenland** - Transparency International Greenland  
**Portugal** - Transparência e Integridade, Associação Cívica (TIAC)

## MIDDLE EAST AND NORTH AFRICA

### NATIONAL CHAPTERS

**Bahrain** - Bahrain Transparency Society  
**Israel** - Transparency International Israel  
**Kuwait** - Kuwait Transparency Society  
**Lebanon** - The Lebanese Transparency Association  
**Morocco** - Transparency Maroc  
**Palestine** - The Coalition for Accountability and Integrity - AMAN

### NATIONAL CONTACTS

**Yemen** - Yemeni Transparency & Integrity Team

## SUB-SAHARAN AFRICA

### NATIONAL CHAPTERS

**Cameroon** - Transparency International Cameroon  
**Ghana** - Ghana Integrity Initiative  
**Kenya** - Transparency International Kenya  
**Madagascar** - Transparency International Initiative Madagascar  
**Mauritius** - Transparency Mauritius  
**Mozambique** - Centro de Integridade Publica  
**Niger** - Association Nigérienne de Lutte contre la Corruption  
**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  
**Burundi** - ABUCO : Association Burundaise des Consommateurs

Chapter accreditation status as of 31 December 2012. Please refer to [www.transparency.org/whowere/contact](http://www.transparency.org/whowere/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



### **Huguette Labelle, Chair** Canada

Huguette Labelle is Chair of the Board of Transparency International, Vice Chair of the Senior Advisory Board of the International Anti-Corruption Academy; 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 Asian Development Bank on Climate Change and Sustainable Development; the Executive Board of the Africa Capacity Building Foundation; the Board of the Global Centre for Pluralism and the Advisory Council of the Order of Ontario. A former Chancellor of the University of Ottawa. Labelle served as Deputy Minister of different Canadian Government departments for 19 years.

### **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 an Individual Member of the Governing Board of the Africa Governance Institute. He is on the Panel of Eminent Persons which oversees the African Peer Review process, and Sanctions Commissioner of the African Development Bank, where he is responsible for ensuring an efficient, effective and fair sanctions process. Having helped draft the AU Convention on Preventing and Combating Corruption, he later authored a guide to the convention. He was elected Vice-Chair of TI's Board in 2005 and again in 2008 and 2011.

### **Jermyn Brooks** United Kingdom/Germany

Jermyn P. Brooks joined Price Waterhouse London in 1962, and worked for the company in senior roles around the globe until 2000. He was a founding Board Member of the World Economic Forum's Partnering Against Corruption Initiative, and since 2009 chairs the 10th Principle Working Group of the United Nations Global Compact. He was also a member of the Wolfsberg Group, which developed the Wolfsberg Anti-Money Laundering Principles, and serves as Independent Chair of the Global Network Initiative. Brooks also played a key role in the development of the Business Principles for Countering Bribery. Brooks served on TI's Board from 2003-2006 and was elected again in 2011.

### **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.

### **Rueben Lifuka** Zambia

Rueben Lifuka is an architect and environmental consultant in private practice. He is the founder and Chief Executive of the consultancy firm Dialogue Africa and chairperson of the National Governing Council of the Africa Peer Review Mechanism process in Zambia. He serves on the boards of several other organisations, including Build IT International - Zambia, and the Zambian Governance Foundation, and was appointed by the Zambian President to the technical committee responsible for drafting the country's new constitution. He was president of TI Zambia from 2007 to 2012 and is the Chairperson of the Membership Accreditation Committee. He was elected to the TI Board in 2008 and again in 2011.

### **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 and advocated for a more effective UN Convention Against Corruption at the 2009 Conference of State Parties. He 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. Sergej Muravjov was elected to the TI Board in 2009 and again in 2012.





Left to right: Iftekhar Zaman, Elena A. Panfilova, Delia Matilde Ferreira Rubio, Jacques Terray, Rueben Lifuka, Elisabeth Ungar Bleier, Jermyn Brooks, Huguette Labelle, José Carlos Ugaz, Akere Muna, Sergej Muravjov, J. C. Weliamuna.

**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. Since 2012 she is a member of the Russian Governmental Commission on the Open Government. 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.

**Jacques Terray**  
France

Jacques Terray has been director and vice-chairman of TI France from 2003 to date. He holds degrees from the Sorbonne Law School and the Columbia Law School. On graduating, he joined the Paris law firm Gide, where he became the head of the banking and finance department. Terray was also French counsel to the worldwide derivatives association, the ISDA, until his retirement in 2002. He was influential 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, and contributes to Transparency International's work on financial transparency in issues relating to the G8 and G20. Terray joined the TI board in 2010.

**José Carlos Ugaz**  
Peru

A lawyer by training, José Carlos Ugaz is the former President of TI's chapter in Peru. He served as Ad-Hoc State Attorney of Peru in several corruption cases, and his office opened more than 200 cases against 1500 members of the Fujimori network. A member of the UN Election Observers Mission for El Salvador, Ugaz also served at the World Bank's Institutional Integrity Office, and is currently a member of the International Commission assessing the process of security and justice reform in Honduras. He is a Board Member of the Faculty of Law at the Universidad Católica del Perú, where he teaches criminal law, and Senior Partner of Benites, Forno & Ugaz. An Individual Member since 2008, Ugaz was elected to the TI Board in 2011.

**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 a member of numerous commissions and oversight committees for the election of members of High Courts and processes of political and constitutional reform. Ungar Bleier was elected to TI's Board in 2011.

**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. He has lectured at the University of Colombo and Sri Lanka Law College, and is an Eisenhower and Senior Ashoka Fellow. An established commercial lawyer, Weliamuna moved to constitutional and human rights law, becoming actively involved in national, regional and international human rights networks. An elected bureau member of the South Asians for Human Rights movement, he contributes regularly to local and global media on Sri Lanka's governance and human rights challenges. He was TI Sri Lanka's first Executive Director, serving from 2002 to 2010. Weliamuna was elected to TI's Board in 2010.

**Iftekhar Zaman**  
Bangladesh

Iftekhar Zaman is Executive Director of TI-Bangladesh. Before joining the chapter, he was Executive Director of the Bangladesh Freedom Foundation and Executive Director of the Regional Centre for Strategic Studies, Colombo. He is Chair of the Board of Trustees of Acid Survivors Foundation, Trustee of the Bangladesh Freedom Foundation, Manusher Jonno Foundation, World Literary Centre and International CHT Commission. Zaman has a PhD in Economics, holds degrees from the University of Dhaka and the Academy of Economics, Warsaw and was a post-doctoral fellow of the Department of International Relations of the University of Tokyo. Zaman served on TI's Board from 2008 to 2011 and was elected again in 2012.

## 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**  
Chair of the  
Advisory Council  
Germany

Founder and former  
chair, Transparency  
International  
EITI Special  
Representative Member,  
African Progress Panel



**Oscar Arias Sanchez**  
Costa Rica  
Peace Nobel Prize Laureate  
Former president

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

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

**John Brademas**  
United States  
President Emeritus, New York University

**Jimmy Carter**  
United States  
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**  
Belgium  
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

**HRH Prince El Hassan bin Talal**  
Jordan  
Founder, Royal Institute of Interfaith  
Studies  
Former president, Club of Rome

**Fritz Heimann**  
United States  
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**  
United States  
Senior Partner, Weil, Gotshal & Manges

**Festus Mogae**  
Botswana  
Former president

**Kumi Naidoo**  
South Africa  
Executive Director, Greenpeace

**Olusegun Obasanjo**  
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**  
Thailand

Former prime minister  
Chairman, Siam Commercial Bank PCL

**Devendra Raj Panday**  
Nepal

Former finance minister, Nepal  
Human Rights advocate

**Hartmut Ruppel**  
Namibia

Board of Trustees of the Members of  
Parliament

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**  
United States

President, Carnegie Endowment for  
International Peace

**Frank Vogl**  
United States

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

**Alma Balcazar**  
Colombia

**Nancy Boswell**  
United States

**Jermyn P. Brooks**  
United Kingdom/Germany

**Laurence Cockcroft**  
United Kingdom

**Peter Conze**  
Germany

**Brian Cooksey**  
Tanzania

**Boris Divjak**  
Bosnia and Herzegovina

**Peter Eigen**  
Germany

**Hansjörg Elshorst**  
Germany

**Oby Ezekwesili**  
Nigeria

**Delia Ferreira Rubio**  
Argentina

**Dieter Frisch**  
Belgium

**John Githongo**  
Kenya

**Roslyn Hees**  
Ireland

**Fritz Heimann**  
United States

**Michael Hershman**  
United States (suspended at own request)

**Kamal Hossain**  
Bangladesh

**Karen Hussmann**  
Germany

**Huguette Labelle**  
Canada

**Pierre Landell-Mills**  
United Kingdom

**Chong San Lee**  
Malaysia

**Akere Muna**  
Cameroon

**Trevor Munroe**  
Jamaica

**Donal O'Leary**  
Ireland

**Rosa Inés Ospina Robledo**  
Colombia

**Peter L. Rooke**  
Australia

**José Carlos Ugaz**  
Peru

**Chantal Uwimana**  
Burundi (temporarily released)

**Frank Vogl**  
United States

**Michael H. Wiehen**  
Germany

## BUSINESS ADVISORY BOARD

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

**Fulvio Conti**  
Italy  
CEO, Enel

**Brackett Denniston**  
United States  
Senior Vice President and General  
Counsel, General Electric

**Sam Di Piazza**  
United States  
Vice Chair, Institutional Clients, Citigroup

**Tsega Gebreyes**  
Ethiopia  
Founding Partner, Satya Capital LLP

**Kris Gopalakrishnan**  
India  
CII President and Vice-Chair,  
Infosys

**Jannik Lindbeak**  
Norway  
Former chair, Statoil

## SENIOR ADVISORS

Transparency International would like to thank all those who volunteered their time, skill and hard work in 2012, in particular the following senior advisors:

Arun Duggal, Hansjörg Elshorst, 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.

*Please note: Information correct as of July 2013*

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## ANNUAL REPORT CONTRIBUTIONS

The 2012 *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 Virginie Coulloudon, Stephanie Debere, Esther Kersley, Tim Lee and Julie Anne Miranda-Brobeck for their support and work.

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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.

## 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.

## 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.

## 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.

## 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.

## 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.

# CREATE CHANGE WITH US

## ENGAGE

More and more people are joining the fight against corruption, and the discussion is growing. Stay informed and share your views on our website and blog, and social media.

## VOLUNTEER

With an active presence in more than 100 countries around the world, we're always looking for passionate volunteers to help us increase our impact. Check out our website for the contact details for your local organisation.

## DONATE

Your donation will help us provide support to thousands of victims of corruption, develop new tools and research, and hold governments and businesses to their promises.

We want to build a fairer, more just world. With your help, we can. Find out more at:

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

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