Good Governance

Commitment

“We will work vigorously for early ratification of the UN Convention against Corruption and start discussions on mechanisms to ensure its effective implementation.”

-Africa Report

Background

Since the creation of the African Action Plan (AAP) at the Kananaskis Summit in 2002, the G8 countries have been explicit in their commitment to focus aid money directed to Africa on initiatives that strengthen practices of good governance. This includes projects that encourage the rule of law; anti-corruption campaigns; and efforts for democratization and fair elections.

At the Gleneagles Summit, the G8 reiterated many of the commitments contained in the African Action Plan and the NEPAD agreement regarding good governance in Africa. The four key commitments were: support for the African Peer Review Mechanism (APRM); support for African countries in their implementation of the APRM recommendations; support for greater transparency in public financial management; and supporting African partners in ratifying the Africa Union Convention on Preventing and Combating Corruption. The promotion of good governance was presented hand-in-hand with Official Development Assistance policies; the goal is not more but better aid. The G8 has recognized that most development policies require transparent and capable leadership if development is going to be sustained and African-led.

The United Nations Convention Against Corruption has 140 signatories, including all G8 members and the European Community. This convention commits parties to promote international cooperation and technical assistance; to strengthen measures to combat corruption; and to promote integrity, accountability, and better management of public affairs and property.

Team Leader: Mary Albino

Assessment:

<table>
<thead>
<tr>
<th>Score</th>
<th>Lack of Compliance</th>
<th>Work in Progress</th>
<th>Full Compliance</th>
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<tbody>
<tr>
<td>Canada</td>
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**Individual Country Compliance Breakdown**

1. Canada: 0

The Government of Canada registered a moderate level of compliance with the commitments made at Gleneagles regarding good governance in Africa. Showing some initiative to combat corruption and improve transparency in Africa, Canadian efforts have generally been peripheral and little progress has been made.

On 10 June 2005, Minister of Finance Ralph Goodale announced that the Government of Canada would agree to take on the Presidency of the Financial Action Task Force (FATF) for a 12-month period beginning July 2006.\(^{50}\) The FATF promotes global standards of anti-money laundering and anti-terrorist financing.\(^{51}\) Canada also participated in the 2005 APEC Anti Corruption and Transparency Symposium in September 2005 where it presented its economy’s anti-corruption strategies.\(^{52}\) The conference highlighted different procedures and conditions for extradition and asset recovery.\(^{53}\) This is particularly important as the G8 commitment made at Gleneagles stressed that asset recovery would be a central tenet in their fight against corruption.\(^{54}\)

Through further efforts to promote transparency, the Government of Canada sent a delegation, led by Senator Mac Harb, to the UN World Summit on the Information Society (WSIS) from 16-18 November 2005.\(^{55}\) Foreign Affairs Minister Pierre Pettigrew asserted that “Canadians understand the need for

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\(^{50}\) http://www.fin.gc.ca/news05/05-041e.html.

\(^{51}\) http://www.fin.gc.ca/news05/05-041e.html.


\(^{54}\) http://www.g8.utoronto.ca/summary/2005gleneagles/summary.html.

\(^{55}\) http://w01.international.gc.ca/minpub/Publication.asp?publication_id=383407&Language=E.
effective partnerships among government, industry, and civil society”. Accordingly, the Canadian government has supported the process (WSIS) through a total contribution of CAD$1.7 million over the past three years to the International Telecommunications Union (ITU) special trust fund for WSIS. Moreover, Minister of International Cooperation Aileen Carroll and Foreign Affairs Minister Pierre Pettigrew announced on 12 July 2005 that Canada will provide CAD$10 million to support a free, fair, and transparent election process in the Democratic Republic of Congo (DRC).

Analyst: Fauzia Isakka

2. France: +1

France has demonstrated compliance with respect to the commitments made at the Gleneagles Summit concerning the establishment of good governance. France has pledged to increase aid efficiency to the region, in and effort to help Africa reach the UN Millennium Development Goals by the targeted deadline of 2015. Specifically, at the 23rd Franco-African Summit in December 2005, France promised to target its aid on the development of infrastructure in African countries in order to establish the necessary conditions for effective governance. Moreover, France is the only G8 country to have ratified the UN Convention Against Corruption, having done so on 11 July 2005.

France is also in the process of seeking wider EU participation for the RECAMP Program (Reinforcement of African Peacekeeping Capabilities), which will help to achieve stability in the region.

France has also shown dedication to encouraging better governance at the cultural level, believing that political stability has a cultural dimension. This was evident when the Francophone African countries stood together behind France to push through an international convention on cultural diversity in October 2005. The hope is that this convention will aid in fostering economic growth in Africa through the link between culture and sustainable development.

Analyst: Emilie Gelinas

3. Germany: 0

At the Gleneagles Summit Germany issued a report articulating its contribution to the NEPAD agreement and the African Action Plan (AAP). The two main points of emphasis were the importance of African-led initiatives in an environment of partnership, and the critical nature of building infrastructure so that
economic and political reform initiatives meet better conditions.\(^{65}\) In both regards, Germany has registered a high level of compliance.

In November 2005, President Horst Koehler hosted the first annual Germany-Africa Partnership Forum in Bonn, a tradition that will continue until 2009. The purpose of the forum was, “to have open dialogue on relations between African and industrialized countries where tension and contradictions are not taboo at all with a view to moving towards partnership.”\(^{66}\) In attendance were AU Current Chairman and Nigerian President, Mr. Olusegun Obasanjo, and South African President Thabo Mbeki. Among other things, President Koehler agreed to help Nigeria to recover billions of embezzled dollars.\(^{67}\)

The German government had pledged a donation of 2.4 million euros to support the African Peer Review Mechanism (APRM).\(^{68}\) Also, The Konrad-Adenauer-Stiftung (KAS), a political foundation of German Government that promotes democracy in West Africa, has continued to contribute to strengthening good governance in Africa. The KAS works with governmental institutions to develop democratic structures and institutions, and to create democratic attitudes in the population.\(^{69}\) Since Gleneagles, KAS has hosted numerous workshops and lectures in African countries examining discreet issues of democratization such as the “role and management of political parties in Mali”\(^{70}\).

Since Gleneagles the German Government has also stepped up its offer of a partnership on development and governance policies with its former colony, Namibia. German support is aimed particularly at governance structures that will support ethnic monitors who suffered under German rule.\(^{71}\) Namibia is currently reviewing the offer. Germany has not, however, ratified the UN Convention Against Corruption.\(^{72}\)

Analyst: Mary Albino

4. Italy: 0

The Italian government supports many initiatives to combat corruption and improve transparency in Africa, and has, therefore, partially complied with its Gleneagles commitment. For one, the Italian Parliament launched the Global Centre for Information and Communication Technology (ICT) at the High-level Dialogue on Governance, Global Citizenship and Technology on 16 November 2005.\(^{73}\) Built on initiatives by Hon. Pier Ferdinando Casini, President of the Chamber of Deputies of Italy, and Hon. Ahmed Sorour of Egypt, along with key parliaments’ leaders around the world\(^{74}\), the Global Centre aims to improve levels of openness and accountability in legislatures.\(^{75}\)


Italy also supports the e-government for development (EG4D) - E-Accounting Initiative which was launched in November 2005. Mapping out all of the financial activities of a public administration, E-Accounting is a prerequisite for the sound functioning of national governance systems. In short, it promotes transparency and efficiency in the whole public system.

In further combating corruption, on 22 November 2005 the Italian Ministry of Foreign Affairs hosted an international conference on “Corruption as an Obstacle to Development and the Policies, Instruments and Strategies to Combat it”. In particular, the Conference underlined how corruption impedes transparent and fair markets. Ample discussion time was devoted to strategies for the prevention and repression of corruption. Additionally, Italian Undersecretary for Foreign Affairs, Alfredo Mantica, inaugurated a specialized training course on “Governance and Public Politics”; the course will focus on subjects such as the transparency of governmental activities.

Like the United States, the government of Italy supports anti-corruption campaigns around the world without having ratified the United Nations Convention against Corruption. Italy has not, however, ratified the UN Convention Against Corruption.

Analyst: Fauzia Isakka

5. Japan: -1

The Government of Japan’s central focus regarding Africa continues to be economic growth through investment and trade. As a result, Prime Minister Koizumi has directed very little effort to improving good governance on the continent. For this reason Japan registers inadequate compliance with the commitment made at Gleneagles.

According to Ambassador Toshinori Shigeie, in a speech given in September 2005, the three pillars of Japan’s African Development Strategy are: 1. “human centred development”; 2. poverty reduction through economic deployment; and 3. consolidation of peace. Japan has made important contributions in each of these areas including large private investment initiatives in Kenya, Tanzania and Uganda, and significant ODA, trade and private investments in South Africa, which it calls “the engine of economic growth in Africa.” Further, in an effort to realize the contents of the NEPAD Agreement Japan has partnered with the African Development Bank (AfDB) to create the “Enhanced Private Sector Assistance for Africa” facility.

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While it can be argued that economic growth indirectly enhances better governance, Japan has failed to take direct actions to comply with commitments made at Gleneagles to improving governance in Africa. Moreover, Japan has not ratified the UN Convention Against Corruption.\(^85\)

Analyst: Mary Albino

6. Russia: 0

The Russian commitment to promoting good governance can be evaluated in three ways: whether the Russian government has sought to ratify and implement the UN Convention against Corruption; whether Russia has attempted to eliminate corruption, increase transparency, and enhance governance structures in Africa; and whether Russia has made efforts to diminish domestic corruption.

Although Russia has not yet ratified the UN Convention against Corruption, President Vladimir Putin submitted the Convention to the Parliament’s lower chamber for ratification on 20 December 2005.\(^86\) Russia signed the convention on 9 December 2003.\(^87\) However, there is little evidence of implementation of anti-corruption measures stipulated by the Convention.\(^88\)

The Russian government’s relationship with governance structures in Africa has been enhanced in the period since Gleneagles Summit. A report by the Ministry of Foreign Affairs indicates that Russia took an active role in the activities of the African Partnership Forum (APF), including the preparation of the Draft Joint Action Plan of the APF.\(^89\) This report also describes the strengthening of Russian involvement with the African Union and the New Partnership for Africa’s Development (NEPAD).\(^90\) However, it appears that little action has been taken to directly combat corruption and increase transparency. A report by the NGO Christian Aid suggests that companies based in G8 countries including Russia are responsible for encouraging endemic corruption in Africa. Companies “pay enormous bribes to get a competitive advantage over their rivals” and G8 governments fail to prosecute them.\(^91\)

Domestic corruption remains a major problem for Russia; in 2005 Transparency International moved Russia down the list on their Corruption Perceptions Index to the 126\(^\text{th}\) most corrupt country in the world.\(^92\) Kirill Kabanov, the head of the National Anticorruption Committee, says that state corruption has increased exponentially over the past few years, while Transparency International finds that nearly 30% of Russians polled, or a close family member, have paid a bribe within the last month.\(^93\) The Indem Foundation expects USD$320 billion to be paid in bribes in 2005.\(^94\) Finally, Russia has yet to ratify the UN Convention Against Corruption.\(^95\)

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The Russian government has taken some limited anti-corruption measures since Gleneagles. A major assault on corruption in Russian courts was initiated in 2005, and there is significant Russian involvement in the Anti-Corruption Network for Transition Economies (ACN).

Analyst: Joanna Langille

7. United Kingdom: 0

In the final months of its presidency of the G8, Britain has made some progress in implementing the G8 commitment to reducing corruption and increasing transparency, particularly in Africa.

First, the British government facilitated the strengthening of the African Partnership Forum (APF) to monitor whether G8 members fulfill their Gleneagles commitments to Africa. The fifth meeting of the APF was held 4-5 October 2005 in London, and was hosted by the British government. The Joint Action Plan details how the G8, APF, African Union, etc. can work together to reach G8 commitments, including those which combat corruption and create transparency. The British government also proposed that the Gleneagles commitments be reviewed at the 2006 Summit in order to ensure implementation.

Second, Britain strengthened its relationship with African governance structures, particularly the New Partnership for African Development (NEPAD) and the African Union (AU). Britain continued its diplomatic support for NEPAD’s African Peer Review Mechanism, a governance-monitoring plan. In November Britain announced a USD 30 million boost to a NEPAD trade project. Although Britain did promote good governance in both of these ways, it has made little specific progress on this issue. The above measures tend to promote G8 commitments generally, with little effort ensure that corruption and transparency are affected.

Third, Britain placed a travel ban on Kenyan Minister Chris Murungaru, a convicted perpetrator of political corruption. Britain has also failed in its commitment to ratify the UN Convention against Corruption, despite calls from British NGOs, think tanks, and opposition parties. Britain has not attempted to change laws which permit British governments to perpetuate corruption abroad, thus indirectly contributing to corruption in Africa and elsewhere. In addition, Britain has not ratified the UN Convention Against Corruption.

Analyst: Joanna Langille

8. United States: 0

Despite having not yet ratified the UN Convention Against Corruption (UNCAC), the United States has made some significant contributions to good governance initiatives around the world. It has done this in two main ways: through significant financial contributions and by actively encouraging other countries to do the same.

The government affiliated Human Rights and Democracy Fund (HRDF), which monitors and promotes human rights and democracy worldwide, spent US$4.5 million on the National Endowment for Democracy Sub-Saharan Africa project. This money was used to support work on the rule of law, democratic initiatives, accountability, constitutional reform, and civic education. HRDF also contributed US$415,000 to evaluate various countries’ commitment to human rights and democracy through a series of surveys. It also gave US$250,000 to the National Endowment of Democracy World Movement for Democracy, which gathers in order to exchange ideas and experiences in efforts to promote democracy.

The US Agency for International Development (USAID) has significantly contributed to good governance initiatives. It donated US$2,560,000 to its Rule of Law Program in 2005, and US$2,095,000 to its Elections and Political Processes Program. Through the governance program, anti-corruption efforts, democratic governance, legislatures, and management of the policy reform process was supported by US$2,795,000.

At the 13th Asia-Pacific Economic Cooperation (APEC) Leaders’ Meeting, President George W. Bush took leadership in taking stronger action against corruption. Moreover, APEC leaders collectively decided to continue denying safe haven to corrupt officials and individuals and make the implementation of UNCAC principles a top priority.

The US receives a score of partial compliance because it has yet to ratify or move closer to ratifying the UN Convention against Corruption.

Analyst: Venus Yam

9. European Union: 0

The European Union registered partial compliance with the commitment it made to good governance at the 2005 Gleneagles Summit. The EU is dedicated to ensuring that levels of aid money from G8 countries is not only increased but also better allocated. The EU recognizes that good governance is an integral part of all further development policies.

In this context, the EU has made it a priority to direct its support to strengthening the internal institutional structure of the African Union and the African Peer Review Mechanism (APRM). The EU also agreed to launch several new joint initiatives, including deepening political cooperation between the EU and the AU, as well as between European and African institutions.\textsuperscript{118} There was also an acceptance by the AU to transform the draft “EU Strategy for Africa” into a formal treaty, and to develop a plan for its implementation.\textsuperscript{119} The EU also pledged its support to the fight against corruption, including a promise to help return all illegally acquired assets currently being held in foreign banks to the country of origin.\textsuperscript{120} These commitments were reiterated in the EU Strategy for Africa report issued in October 2005. Although the European Community and all of the EC’s G8 member states are signatories to the UN Convention Against Corruption,\textsuperscript{121} its G8 member states (with the exception of France) have yet to ratify the convention.\textsuperscript{122}

Analyst: Emilie Gelinas