

## 7. Corruption [115]

### Commitment

“We are committed to full implementation of their obligations under existing international agreements created to combat corruption, particularly those of the United Nations and the Organization for Economic Co-operation and Development (OECD).”<sup>715</sup>

*Growth and Responsibility in the World Economy*

### Assessment

Country	Final Compliance Score		
	Lack of Compliance	Work in Progress	Full Compliance
	-1	0	+1
Canada			+1
France			+1
Germany		0	
Italy		0	
Japan	-1		
Russia		0	
United Kingdom			+1
United States			+1
European Union		0	
<b>Average Score</b>			<b>+0.33</b>

### Background

Cognizant of the problems that corruption presents to economic growth and global stability, at Evian the G8 committed to: strengthening the OECD Anti-Bribery Convention; concluding the UN Convention Against Corruption (UNCAC); and supporting the accelerated ratification of the UN Convention Against Transnational Organized Crime (UNCATOC). Most G8 states, however, have slowly come to ratify the UNCAC. As of the St. Petersburg Summit, Canada, Germany, Italy, Japan and the European Union had all failed to do so. In October 2007, Canada ratified the UNCAC.<sup>716</sup> Shortly thereafter, at the St. Petersburg Summit, Italy became the second-to-last member to ratify the UNCATOC. Japan has signed but not ratified the treaty.

The G8 has also pledged to encourage partner countries and companies, both in the private and public sectors, to disclose pertinent information to various International Financial Institutions (IFIs), such as the World Bank and the International Monetary Fund (IMF). At the 2004 Sea Island Summit, the G8 reiterated its commitment to fighting corruption and improving transparency and accountability in coordination with other relevant actors, and formed compacts with the governments of Georgia, Nicaragua, Nigeria, and Peru. More recently, the G8 pledged to continue its earlier efforts to promote transparency in public financial management and accountability, including by following through on its 2004 Sea Island commitment to launch four compacts, and its 2005 Gleneagles commitment to increase support for the Extractive Industries Transparency Initiative (EITI) and for countries implementing it.<sup>717</sup>

<sup>715</sup> Growth and Responsibility in the World Economy, G8 Information Centre (Toronto) 7 June 2007. Date of Access: 6 January 2008. <<http://www.g8.utoronto.ca/summit/2007heiligidamm/g8-2007-economy.html>>

<sup>716</sup> UN Convention Against Corruption, United Nations Office on Drugs and Crime (Vienna) 31 October 2003. Date of Access: 6 January 2008. <<http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>>

<sup>717</sup> Transnational Crime and Corruption, G8 Information Centre (Toronto) 15 May 2007. Date of Access: 6 January 2008. <[http://www.g8.utoronto.ca/evaluations/2006compliance\\_final/14-2006\\_g8compliance\\_crime.pdf](http://www.g8.utoronto.ca/evaluations/2006compliance_final/14-2006_g8compliance_crime.pdf)>

	UN Convention Against Transnational Organized Crime		UN Convention Against Corruption	
	Signed	Ratified	Signed	Ratified
Canada	14 Dec 2000	13 May 2002	21 May 2004	2 Oct 2007
France	12 Dec 2000	29 Oct 2002	9 Dec 2003	11 Jul 2005
Germany	12 Dec 2000	14 June 2006	9 Dec 2003	
Italy	12 Dec 2000	2 Aug 2006	9 Dec 2003	
Japan	12 Dec 2000		9 Dec 2003	
Russia	12 Dec 2000	26 May 2004	9 Dec 2003	9 May 2006
United Kingdom	14 Dec 2000	9 Feb 2006	9 Dec 2003	9 Feb 2006
United States	13 Dec 2000	3 Nov 2005	9 Dec 2003	30 Oct 2006
European Union	12 Dec 2000	21 May 2004	15 Sep 2005	

Team Leader: Aaron Ghobarah

### Canada: +1

Canada has fully complied with its commitment on corruption made during the Heiligendamm Summit in June 2007. The Canadian government ratified the UNCAC and deposited the instrument of ratification on 2 October 2007.<sup>718</sup>

The Government of Canada amended the Federal Accountability Act – which serves as Canada’s primary means of combating corruption - to reflect the necessary changes dictated by the UNCAC. On 9 July 2007, the Government of Canada reinforced and improved the role of the Ethics Commissioner.<sup>719</sup> The Canada Elections Act was also altered to include new provisions: “[t]he Government of Canada closed loopholes in the election laws by applying new restrictions on the use of trust funds and the receipt of gifts by candidates for federal political office.”<sup>720</sup>

Moreover, the Honorable Vic Toews, President of the Treasury Board, declared a new stage in the fight against corruption. On 9 July 2007, a new *Conflict of Interest Act* came into force. “*The Conflict of Interest Act* prohibits ministers from voting on matters related to their personal gain and ensures Parliamentarians focus on the public interest.”<sup>721</sup> All major Canadian inter-provincial actors participated in developing new statutes and improving existing laws. While on a state visit to Haiti, Canadian Prime Minister Stephen Harper underlined his support for fighting corruption worldwide: “I told him [the Haitian leader] that Canada remains committed to supporting his efforts in this regard, as well as those he is leading to establish good governance and to fight corruption.”<sup>722</sup>

On the international stage, Canada has participated in all three of the working groups associated with the UNCAC for 2007.<sup>723</sup>

Thus, Canada has been awarded a score of +1 for its incorporation of the UNCAC into Canadian law and for its promotion of transparency abroad.

<sup>718</sup> Canada ratifies the United Nations Convention against corruption, Canadian Ministry of Foreign Affairs and International Trade (Ottawa) 2 October 2007. Date of Access: 30 December 2007.

<[http://w01.international.gc.ca/minpub/Publication.aspx?isRedirect=True&publication\\_id=385475&docnumber=133&bPrint=False&Year=2007&ID=149&Language=E](http://w01.international.gc.ca/minpub/Publication.aspx?isRedirect=True&publication_id=385475&docnumber=133&bPrint=False&Year=2007&ID=149&Language=E)>

<sup>719</sup> Strengthening the role of the Ethics Commissioner. Federal Accountability Act (Ottawa). Date of Access: January 6 2008. <[http://www.faa-lfi.gc.ca/fs-fi/16/03fs-fi\\_e.asp](http://www.faa-lfi.gc.ca/fs-fi/16/03fs-fi_e.asp)>

<sup>720</sup> Banning secret donations to political candidates, Federal Accountability Act (Ottawa). Date of Access: January 6 2008. <[http://www.faa-lfi.gc.ca/fs-fi/16/02fs-fi\\_e.asp](http://www.faa-lfi.gc.ca/fs-fi/16/02fs-fi_e.asp)>

<sup>721</sup> New *Conflict of Interest Act* Comes Into Force, Treasury Board of Canada Secretariat (Ottawa) 9 July 2007. Date of Access: 21 December 2007. <[http://www.tbs-sct.gc.ca/media/nr-cp/2007/0709\\_e.asp](http://www.tbs-sct.gc.ca/media/nr-cp/2007/0709_e.asp)>

<sup>722</sup> Statement by the PM on his visit to Haiti, Office of the Prime Minister (Ottawa) 20 July 2007. Date of Access: 23 December 2007 <<http://pm.gc.ca/eng/media.asp?id=1766>>

<sup>723</sup> Working Groups established by the conference of the State Parties, United Nations Office on Drugs and Crime (Vienna) Date of Access: 6 January 2008. <<http://www.unodc.org/unodc/en/treaties/CAC/working-groups.html>>

*Analyst: Igor Puzhevich*

**France: +1**

France has fully complied with its commitment on corruption made during the Heiligendamm Summit in June 2007. In addition, France has also been named one of the countries in which the fewest bribes are paid, with less than 1% of French nationals reporting that they have paid a bribe.<sup>724</sup>

On 19 September 2007, French Minister of Justice Rachida Dati introduced a new bill against corruption.<sup>725</sup> The bill, which places French laws in line with international obligations, was adopted on 13 October 2007.<sup>726</sup> The new law on corruption allows authorities investigating cases of both corruption and influence peddling to use more enhanced technical methods of surveillance, including the monitoring of goods and people and the use of electronic eavesdropping. The bill's passage now brings French law into line with the requirements of the Penal Convention of the Council of Europe and the United Nations Convention Against Corruption.<sup>727</sup>

On 29-31 August 2007, and again on 1-2 October 2007, French delegates attended the second session of the Conference of the States Parties to the UNCAC in Vienna.<sup>728,729</sup> On 25 September 2007, French President Nicolas Sarkozy spoke at the 62nd Session of the United Nations General Assembly. President Sarkozy issued "a solemn appeal to the United Nations to do more to tackle the corruption which is undermining countries that are suffering and are too poor."<sup>730</sup>

Between 28 January and 2 February 2008, France attended the second session of the Conference of the States Parties to the United Nations Convention Against Corruption in Nusa Dua, Indonesia.<sup>731</sup> At the session, France revised a number of draft resolutions to further strengthen anti-corruption legislation.<sup>732</sup>

On 3-7 December 2007, French delegates attended the 35<sup>th</sup> Plenary Meeting of the Group of States against Corruption (GRECO), where the Permanent Representative of France to the Council of Europe, Bruno Gain, was elected as President of the Statutory Committee.<sup>733</sup> In addition, France was represented at the 36<sup>th</sup> and 37<sup>th</sup> Plenary Meeting of GRECO 11-15 February 2008<sup>734</sup> and from 31 March 2008 to 4 April 2008<sup>735</sup> respectively. On 17 October 2007, French delegates attended the OECD's GOVNET Seminar on Anti-Corruption in Fragile States, where the challenge of tackling corruption in fragile states was identified.

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<sup>724</sup> One in 10 'forced to pay bribes', BBC News International Edition (London) 6 December 2007. Date of Access: 2 January 2008. <<http://news.bbc.co.uk/2/hi/business/7130529.stm>>

<sup>725</sup> Rachida Dati a présenté le texte en Conseil des ministres, Ministry of Justice (Paris) 19 September 2007. Date of Access: 28 December 2007. <<http://www.justice.gouv.fr/index.php?rubrique=10030&article=13141>>

<sup>726</sup> Adoption du texte à l'Assemblée Nationale, Ministry of Justice (Paris) 10 October 2007. Date of Access: 21 June 2008. <<http://www.justice.gouv.fr/index.php?rubrique=10016&ssrubrique=10259&article=13365>>

<sup>727</sup> Adoption du texte à l'Assemblée Nationale, Ministry of Justice (Paris) 10 October 2007. Date of Access: 21 June 2008. <<http://www.justice.gouv.fr/index.php?rubrique=10016&ssrubrique=10259&article=13365>>

<sup>728</sup> Conference of the Parties to the United Nations Convention against Corruption, United Nations Office on Crime and Drugs (Vienna) 31 August 2007. Date of Access: 8 January 2008.

<[http://www.unodc.org/pdf/crime/convention\\_corruption/cosp/WGs/WG1/LOP.pdf](http://www.unodc.org/pdf/crime/convention_corruption/cosp/WGs/WG1/LOP.pdf)>

<sup>729</sup> Conference of the Parties to the United Nations Convention against Corruption, United Nations Office on Crime and Drugs (Vienna) 2 October 2007. Date of Access: 8 January 2008.

<[http://www.unodc.org/pdf/crime/convention\\_corruption/cosp/WGs/WG3/LOP.pdf](http://www.unodc.org/pdf/crime/convention_corruption/cosp/WGs/WG3/LOP.pdf)>

<sup>730</sup> Address by French President M. Nicolas Sarkozy at the 62<sup>nd</sup> Session of the United Nations General Assembly, French Embassy in the United Kingdom (London) 25 September 2007. Date of Access: 15 December 2007.

<[http://www.ambafrance-uk.org/President-Sarkozy-s-speech-to-UN.html?var\\_recherche=anti-corruption](http://www.ambafrance-uk.org/President-Sarkozy-s-speech-to-UN.html?var_recherche=anti-corruption)>

<sup>731</sup> Second Session of the Conference of the States Parties to the United Nations Convention against Corruption Final List of Participants, United Nations Office on Crime and Drugs (Vienna) 1 February 2008. Date of Access: 7 May 2008.

<<http://www.unodc.org/documents/treaties/UNCAC/COSP/session2/2ndCOSP-LOP2008.pdf>>

<sup>732</sup> Report of the Conference of the States Parties to the United Nations Convention against Corruption on its second session, United Nations Office on Crime and Drugs (Vienna) 27 February 2008. Date of Access: 6 May 2008.

<<http://www.unodc.org/documents/treaties/UNCAC/COSP/session2/V0851339e.pdf>>

<sup>733</sup> 35<sup>th</sup> Plenary Meeting of GRECO Summary Report, Group of States against Corruption (Strasbourg) 4 February 2008. Date of Access: 6 May 2008. <[http://www.coe.int/t/dq1/greco/documents/2007/Greco\(2007\)25\\_EN.pdf](http://www.coe.int/t/dq1/greco/documents/2007/Greco(2007)25_EN.pdf)>

<sup>734</sup> 36<sup>th</sup> Plenary Meeting of GRECO Summary Report, Group of States against Corruption (Strasbourg) 5 March 2008. Date of Access: 6 May 2008. <[http://www.coe.int/t/dq1/greco/documents/2008/Greco\(2008\)5E.pdf](http://www.coe.int/t/dq1/greco/documents/2008/Greco(2008)5E.pdf)>

<sup>735</sup> 37<sup>th</sup> Plenary Meeting of GRECO Summary Report, Group of States Against Corruption (Strasbourg) 30 April 2008. Date of Access: 6 May 2008. <[http://www.coe.int/t/dq1/greco/documents/2008/Greco\(2008\)8E.pdf](http://www.coe.int/t/dq1/greco/documents/2008/Greco(2008)8E.pdf)>

Participants also took stock of donors' interventions on the issue of corruption.<sup>736</sup> In addition, at the Tenth Anniversary of the OECD Anti-Bribery Convention held in Rome, France was praised for its support of the convention.<sup>737</sup>

French officials have stated that they would attempt to cut old corrupt ties and promote humanitarian aid and clean governments in Africa.<sup>738</sup> On 19 June 2007, French prosecutors launched an investigation into alleged embezzlement by two African leaders: Gabonese President Omar Bongo Ondimba and Congolese leader Denis Sassou Nguesso.<sup>739</sup> During his visit to Senegal, President Sarkozy gave an interview to French newspaper *Le Soleil*. President Sarkozy reiterated France's development assistance to Senegal, including aid for the fight against corruption.<sup>740</sup>

On 13 July 2007, Minister Dati announced that "integrated cooperation [in the Mediterranean region], based on a common judicial area is the best answer that we can bring together to corruption, organized crime and terrorism."<sup>741</sup> On 5 February 2008, Minister Dati and the Dutch Minister of Justice, Ernst Hirsch Ballin, signed a memorandum for the creation of a joint investigative team to fight organized crime and terrorism.<sup>742</sup> On 28 February 2008, President Sarkozy spoke to the Parliament of the Republic of South Africa, stating France's intention to become directly involved in denouncing corruption and poor governance in Africa.<sup>743</sup> Lastly, during a visit to Kabul, French Foreign Minister Bernard Kouchner promised to help Afghanistan battle not only the Taliban but also poverty, corruption and work towards the promotion of good governance.<sup>744</sup>

Thus, France has been awarded a score of +1 for its active diplomacy on the issue of corruption and its domestic compliance with UN Conventions.

*Analyst: Tatyana Zeljković*

## **Germany: 0**

Germany has partially complied with its commitment on corruption made during Heiligendamm Summit in June 2007. Germany's compliance is demonstrated by its participation in multiple working groups and seminars in the latter half of 2007. However, Germany must ratify the UNCAC to gain full compliance.

From 29-31 August 2007, Germany participated as a signatory party in the Open-Ended Intergovernmental Expert Working Group on Review of the Implementation of the UNCAC held by the UNODC.<sup>745</sup> It also participated in its Intergovernmental Expert Working Groups on Asset Recovery and on Technical

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<sup>736</sup> Seminar on Anti-corruption in Fragile States: 17 October 2007. Organisation for Economic Co-Operation and Development (Paris) 17 October 2007. Date of Access: 11 January 2008.

<[http://www.oecd.org/document/4/0,3343,en\\_2649\\_34565\\_39721604\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/4/0,3343,en_2649_34565_39721604_1_1_1_1,00.html)>

<sup>737</sup> Tenth Anniversary of the OECD Anti-Bribery Convention: its Impact and its Achievement. Organisation for Economic Co-Operation and Development (Paris) 21 November 2007. Date of Access: 11 January 2008.

<[http://www.oecd.org/document/37/0,3343,en\\_21571361\\_39316778\\_39656933\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/37/0,3343,en_21571361_39316778_39656933_1_1_1_1,00.html)>

<sup>738</sup> Sarkozy's Africa Policy Shift, BBC News International Edition (London) 26 September 2007. Date of Access: 28 December 2007. <<http://news.bbc.co.uk/2/hi/africa/7014776.stm>>

<sup>739</sup> France starts African cash probe, BBC News International Edition (London) 19 June 2007. Date of Access: 2 January 2008. <<http://news.bbc.co.uk/2/hi/africa/6768197.stm>>

<sup>740</sup> Interview given by French President M. Nicolas Sarkozy to the Senegalese Newspaper "La Soleil", French Embassy in the United Kingdom (London) 26 July 2007. Date of Access: 15 December 2007. <[http://www.ambafrance-uk.org/President-Sarkozy-talks-to\\_9280.html?var\\_recherche=anti-corruption](http://www.ambafrance-uk.org/President-Sarkozy-talks-to_9280.html?var_recherche=anti-corruption)>

<sup>741</sup> Une reception sous le signe de l'Europe et de la Méditerranée, Ministry of Justice (Paris) 13 July 2007. Date of Access: 16 December 2007. <<http://www.justice.gouv.fr/index.php?rubrique=10030&article=12866>>

<sup>742</sup> Lutte contre le terrorisme et la criminalité organisée, Ministry of Justice (Paris) 5 February 2008. Date of access: 5 May 2008. <http://www.justice.gouv.fr/index.php?rubrique=10030&article=14067>

<sup>743</sup> Speech by French President M. Nicolas Sarkozy to the Parliament of the Republic of South Africa, French Embassy in the United Kingdom (London) 28 February 2008. Date of access: 29 April 2008. [http://www.ambafrance-uk.org/President-Sarkozy-s-speech-to-the.html?var\\_recherche=corruption](http://www.ambafrance-uk.org/President-Sarkozy-s-speech-to-the.html?var_recherche=corruption)

<sup>744</sup> French, Canadian ministers pledge Afghan support, Reuters (London) 12 April 2008. Date of access: 6 May 2008. <http://www.reuters.com/article/latestCrisis/idUSL12591553>

<sup>745</sup> Working Group on the Review of Implementation, United Nations Office on Drugs and Crime (Vienna). Date of Access: 6 January 2008. <<http://www.unodc.org/unodc/en/treaties/CAC/working-group1.html>>

Assistance held from 27-28 August 2007 and 1-2 October 2007 respectively.<sup>746 747</sup>

On 5-7 September 2007, Germany participated in several working groups on corruption, including the OECD's 6th Regional Technical Seminar on Asset Recovery and Mutual Legal Assistance held in Bali, Indonesia. Germany participated in this conference under the auspices of its UNCAC project. The prime focus of this project is "contributing to mainstreaming the UN Convention Against Corruption in development cooperation." The project's activities are country-specific and aim to "not only complement efforts of the United Nations Office on Drugs and Crime (UNODC) ..., but also link with regional initiatives such as the ADB/OECD Anti-Corruption Initiative Asia and Pacific, cooperate with the OECD Govnet, partner with the U4 Anti-Corruption Resource Centre, the Basel Institute on Governance, and support the activities of Transparency International."<sup>748</sup>

On 7 September 2007, the German Association for Technical Cooperation (GTZ) released a background paper, "Making Technical Assistance Work: The German UNCAC Project," at the aforementioned Regional Technical Seminar. The GTZ reiterated its commitment to promote "the key provisions of the UN Convention Against Corruption" and to "support the capacity of developing countries and countries in transition to prevent and combat corruption as well as to assist them in meeting their needs for the implementation of the Convention."<sup>749</sup> "The Steering Group meeting is to be followed by an international seminar on asset recovery organized for the Initiative by the Indonesian Anti-Corruption Commission in cooperation with UNODC, the Basel Institute on Governance and sponsored by Germany, the Asia Foundation, the Australian Agency for International Development (AusAID), the Swedish International Development Cooperation Agency (SIDA) and the United States Department of State. The German UNCAC project stands ready to sponsor similar events for African and Latin American countries in 2008, thereby responding to the increasing need for supporting capacities in partner countries for asset recovery and mutual legal assistance."<sup>750</sup>

On 22 October 2007, the GTZ, in conjunction with the Bertelsmann Foundation engaged in a "hitherto unique" study on Corporate Social Responsibility presented in Berlin. The study is entitled "The CSR Navigator – Public Policies in Africa, the Americas, Asia and Europe." It was an attempt to enhance public-private cooperation in order to battle corporate corruption and help companies meet their social obligations.<sup>751</sup>

On 30 November 2007, Germany, under the aegis of its Federal Foreign Office, hosted the G8 Conference on the Rule of Law held in Berlin, in cooperation with the German Foundation for International Legal Cooperation (IRZ). The conference witnessed discussion on issues of "sustainable economic and civil society development as well as legislation and administration."<sup>752</sup>

On 22 January 2008, The GTZ in association with Forum for Latin America, Berlin and Transparency International, conducted a seminar on Fighting Corruption and Promoting Good Governance in Latin

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<sup>746</sup> Working Group on Asset Recovery, United Nations Office on Drugs and Crime (Vienna). Date of Access: 6 January 2008. <http://www.unodc.org/unodc/en/treaties/CAC/working-group2.html>>

<sup>747</sup> Working Group on Technical Assistance, United Nations Office on Drugs and Crime (Vienna). Date of Access: 6 January 2008. <<http://www.unodc.org/unodc/en/treaties/CAC/working-group3.html>

<sup>748</sup> Implementing the UN Convention against Corruption- Making Technical Assistance work:

The German UNCAC Project, Federal Ministry for Economic Cooperation and Development (BMZ) and Deutsche Gesellschaft fuer Technische Zusammenarbeit (GTZ) (Berlin) August 2007. Date of Access: 6 January 2008.

<[http://www.baselgovernance.org/fileadmin/docs/pdfs/Bali/Dedo\\_Geinitz.pdf](http://www.baselgovernance.org/fileadmin/docs/pdfs/Bali/Dedo_Geinitz.pdf)>

<sup>749</sup> Making Technical Assistance work: The German UNCAC Project, Federal Ministry for Economic Cooperation and Development (BMZ) and Deutsche Gesellschaft fuer Technische Zusammenarbeit (GTZ) (Berlin) 10 August 2007. Date of Access: 6 January 2008. <[http://www.u4.no/pdf/?file=/themes/uncac/documents/GER-UNCAC-Project\\_GTZ.pdf](http://www.u4.no/pdf/?file=/themes/uncac/documents/GER-UNCAC-Project_GTZ.pdf)>

<sup>750</sup> Implementing the UN Convention against Corruption- Making Technical Assistance work:

The German UNCAC Project, Federal Ministry for Economic Cooperation and Development (BMZ) and Deutsche Gesellschaft fuer Technische Zusammenarbeit (GTZ) (Berlin) August 2007. Date of Access: 6 January 2008.

<[http://www.baselgovernance.org/fileadmin/docs/pdfs/Bali/Dedo\\_Geinitz.pdf](http://www.baselgovernance.org/fileadmin/docs/pdfs/Bali/Dedo_Geinitz.pdf)>

<sup>751</sup> Study: The CSR Navigator – Public Policies in Africa, the Americas, Asia and Europe, Deutsche Gesellschaft fuer Technische Zusammenarbeit (GTZ) (Berlin) 22 October 2007. Date of Access: 2 January 2008.

<<http://www.gtz.de/en/presse/21396.html>>

<sup>752</sup> G8 Conference on the Rule of Law, Deutsche Gesellschaft fuer Technische Zusammenarbeit (GTZ) (Berlin) 30 November 2007. Date of Access: 2 January 2008. <<http://www.gtz.de/en/aktuell/21779.html>>

America in Berlin. The discussion focused “on the political and societal context, challenges as well as possible actions and initiatives to tackle the issue of corruption in the region.”<sup>753</sup>

Germany fared relatively well in Transparency International's 2007 Progress Report on Enforcement of the OECD Convention on Combating Bribery of Foreign Public Officials, although areas of inadequacy persist.<sup>754</sup> Germany demonstrated the political will to prosecute major multinationals and to initiate a substantially higher number of investigations in 2007. However, despite satisfactory levels of coordination and supervision, Germany has failed to institutionalize a centralized national office or unit for foreign bribery enforcement. Its allocation of financial and human resources for foreign bribery enforcement and its statutory and legal measures to affirm corporate criminal liability have also been deemed unsatisfactory.<sup>755</sup>

Thus, Germany has been awarded a score of 0 for its promotion of transparency abroad. Germany's progress towards this commitment is hindered by the fact that as of May 2008, it has not yet ratified the UNCAC.<sup>756</sup>

*Analyst: Elliot DeSouza*

### **Italy: 0**

Italy has partially complied with its commitment on corruption made during the Heiligendamm Summit in June 2007. Despite attending a number of anti-corruption conferences and bilateral meetings, Italy has yet to ratify the UNCAC.<sup>757</sup>

On 30 June 2007, Italy became the 45<sup>th</sup> member of the GRECO, confirming its commitment to fighting corruption.<sup>758</sup> Italy attended the 34<sup>th</sup> and 35<sup>th</sup> Plenary Meetings on 19 October 2007,<sup>759</sup> 3-7 December 2007,<sup>760</sup> 11-15 February 2008,<sup>761</sup> and from 31 March to 4 April 2008.<sup>762</sup> In addition, on 29-31 August 2007 and 1-2 October 2007, Italian delegates attended the Open-Ended Intergovernmental Working Group on Review of the Implementation of the UNCAC and on Technical Assistance in Vienna.<sup>763</sup>

From 28 January to 2 February 2008, Italy attended the second session of the Conference of the States Parties to the UNCAC in Nusa Dua, Indonesia.<sup>764</sup> On 4 October 2007, Italian Minister of the Interior

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<sup>753</sup> Fighting Corruption and Promoting Good Governance in Latin America, Transparency International (Berlin) 22 January 2008. Date of Access: 7 May 2008

<[http://www.transparency.org/news\\_room/events/2008/2008\\_01\\_22\\_governance\\_latina\\_america](http://www.transparency.org/news_room/events/2008/2008_01_22_governance_latina_america)>

<sup>754</sup> Arme Familien - auch in reichen Ländern - leiden am meisten unter Bestechung, Transparency International (Berlin) 6 December 2007. Date of Access: 9 January 2008.

<[http://www.transparency.de/fileadmin/pdfs/Korruptionsindices/PM\\_uebersetzt\\_Poor\\_families\\_TI.pdf](http://www.transparency.de/fileadmin/pdfs/Korruptionsindices/PM_uebersetzt_Poor_families_TI.pdf)>

<sup>755</sup> Progress Report 07: Enforcement of the OECD Convention on Combating Bribery of Foreign Public Officials, Transparency International (Berlin) 18 July 2007. Date of Access: 4 January 2008.

<[http://www.transparency.org/content/download/21619/314761/file/3rd\\_OECD\\_progress\\_report\\_07.pdf](http://www.transparency.org/content/download/21619/314761/file/3rd_OECD_progress_report_07.pdf)>

<sup>756</sup> Fact Sheet on Stolen Asset Recovery, The World Bank (Washington D.C.). Date of Access: 9 January 2008.

<<http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21475797~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>>

<sup>757</sup> United Nations Convention against Corruption: Signatories. United Nations Office on Drugs and Crime (Vienna). Date of Access: 24 December 2007. <<http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>>

<sup>758</sup> Italy becomes 45<sup>th</sup> member of the Group of States against Corruption (GRECO), Group of States against Corruption (Strasbourg) 2 July 2007. Date of Access: 3 January 2007.

<[http://www.coe.int/t/dg1/greco/news/News\(20070702\)PressReleaseItalia45thmember\\_en.asp](http://www.coe.int/t/dg1/greco/news/News(20070702)PressReleaseItalia45thmember_en.asp)>

<sup>759</sup> Calendar of GRECO meetings, Group of States against Corruption (Strasbourg) December 2007. Date of Access: 11 January 2008. <[http://www.coe.int/t/dg1/greco/meetings/calendar2007\\_en.asp](http://www.coe.int/t/dg1/greco/meetings/calendar2007_en.asp)>

<sup>760</sup> Doppio Impegno Internazionale per l'Alto Commissario Anticorruzione, High Commissioner for the Fight and Prevention of Corruption (Rome) 3 December 2007. Date of Access: 11 January 2008.

<[http://www.anticorruzione.it/site/ArtId\\_614/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_614/355/DesktopDefault.aspx)>

<sup>761</sup> 36<sup>th</sup> Plenary Meeting of GRECO Summary Report, Group of States against Corruption (Strasbourg) 5 March 2008. Date of Access: 7 May 2008. <[http://www.coe.int/t/dg1/greco/documents/2008/Greco\(2008\)5E.pdf](http://www.coe.int/t/dg1/greco/documents/2008/Greco(2008)5E.pdf)>

<sup>762</sup> 37<sup>th</sup> Plenary Meeting of GRECO, Group of States against Corruption (Strasbourg) 30 April 2008. Date of Access: 7 May 2008. <[http://www.coe.int/t/dg1/greco/documents/2008/Greco\(2008\)8E.pdf](http://www.coe.int/t/dg1/greco/documents/2008/Greco(2008)8E.pdf)>

<sup>763</sup> Open-Ended Intergovernmental Working Group on Review of the Implementation of the UNCAC List of Participants, United Nations Office on Crime and Drugs (Vienna) 31 August 2007. Date of Access: 8 January 2008.

<[http://www.unodc.org/pdf/crime/convention\\_corruption/cosp/WGs/WG1/LOP.pdf](http://www.unodc.org/pdf/crime/convention_corruption/cosp/WGs/WG1/LOP.pdf)>

<sup>764</sup> Second Session of the Conference of the States Parties to the United Nations Convention against Corruption Final List of Participants, United Nations Office on Crime and Drugs (Vienna) 1 February 2008. Date of Access: 7 May 2008.

<<http://www.unodc.org/documents/treaties/UNCAC/COSP/session2/2ndCOSP-LOP2008.pdf>>

Giuliano Amato attended the 7<sup>th</sup> Regional Ministerial Conference on Illegal Migration, Organized Crime, Corruption and Terrorism in Brdo, Slovenia.<sup>765</sup> On 17 October 2007, Italian delegates attended the GOVNET Seminar on Anti-Corruption in Fragile States, where the challenge of tackling corruption in fragile states was discussed.<sup>766</sup>

On 21 November 2007, the Italian Government and the OECD Working Group on Bribery hosted the Tenth Anniversary of the OECD Anti-Bribery Convention in Rome. The Working Group raised awareness of progress on implementation of and continued commitment to the convention.<sup>767</sup> On 4-7 December 2007 and on 18-21 March 2008, Italy attended the Paris Plenary of the Working Group on Bribery in International Business Transaction, created by the OECD.<sup>768,769</sup> On 7-8 February 2008, Italy attended the meeting for the third phase of the European Pool against Organized Crime (E-POC III), a project co-financed by the European Commission and promoted by Eurojust.<sup>770</sup>

On 13 June 2007, the High Commissioner met with a delegation from Macedonia in order to assist in aligning their anti-corruption policies with those of the European Union.<sup>771</sup> On 25 July 2007, then Italian Foreign Minister Massimo D'Alema also met with Montenegrin Foreign Minister Milan Rocen.<sup>772</sup> The two ministers signed a Cooperation Agreement aimed at intensifying bilateral relations in preventing organized crime, illegal trafficking and money laundering.<sup>773</sup> On 9 November 2007, anti-corruption High Commissioner Achille Serra received a German delegation to exchange information on measures for combating corruption.<sup>774</sup> On 12 November 2007, High Commissioner Serra met with Serbian Minister of Justice Dušan Petrović to discuss anti-corruption policies.<sup>775</sup> On 27 March 2008, Vincenzo Grimaldi replaced Achille Serra as the High Commissioner for the Combat against and Prevention of Corruption.<sup>776</sup> On 10 April 2008, the new High Commissioner received a Chinese delegation with the aim of exchanging information on the activities of both countries in combating corruption.<sup>777</sup>

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<sup>765</sup> Brdo: VII conferenza sull'immigrazione, la criminalità, la corruzione e il terrorismo, High Commissioner for the Fight and Prevention of Corruption (Rome) 4 October 2007. Date of Access: 12 January 2008.

<[http://www.anticorruzione.it/site/ArtId\\_575/302/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_575/302/DesktopDefault.aspx)>

<sup>766</sup> Seminar on Anti-corruption in Fragile States: 17 October 2007. Organisation for Economic Co-Operation and Development (Paris) 17 October 2007. Date of Access: 11 January 2008.

<[http://www.oecd.org/document/4/0,3343,en\\_2649\\_34565\\_39721604\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/4/0,3343,en_2649_34565_39721604_1_1_1_1,00.html)>

<sup>767</sup> Tenth Anniversary Celebration of the OECD Anti-Bribery Convention, OECD: Organisation for Economic Cooperation and Development (Paris) 21 November 2007. Date of Access: 3 January 2007.

<[http://www.oecd.org/site/0,3407,en\\_21571361\\_39316778\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/site/0,3407,en_21571361_39316778_1_1_1_1,00.html)>

<sup>768</sup> OSCE: Presentato il Rapporto Italia in Materia di Lotta alla Corruzione, High Commissioner for the Fight and Prevention of Corruption (Rome) 22 March 2008. Date of Access: 7 May 2008.

<[http://www.anticorruzione.it/site/ArtId\\_755/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_755/355/DesktopDefault.aspx)>

<sup>769</sup> Doppio Impegno Internazionale per l'Alto Commissario Anticorruzione, High Commissioner for the Fight and Prevention of Corruption (Rome) 3 December 2007. Date of Access: 11 January 2008.

<[http://www.anticorruzione.it/site/ArtId\\_614/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_614/355/DesktopDefault.aspx)>

<sup>770</sup> Lotta alla Corruzione: Impegni Internazionali per l'Alto Commissario Anticorruzione, High Commissioner for the Fight and Prevention of Corruption (Rome) 11 February 2008. Date of access: 7 May 2008.

<[http://www.anticorruzione.it/site/ArtId\\_705/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_705/355/DesktopDefault.aspx)>

<sup>771</sup> Lotta alla Corruzione: Gemmellaggio Italia-Macedonia, High Commissioner for the Fight and Prevention of Corruption (Rome) 13 June 2007. Date of Access: 11 January 2008.

>[http://www.anticorruzione.it/site/ArtId\\_487/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_487/355/DesktopDefault.aspx)

<sup>772</sup> Minister D'Alema meets with the foreign Minister of Montenegro, Ministry of Foreign Affairs (Rome) 24 July 2007. Date of Access: 24 December 2007.

<[http://www.esteri.it/MAE/EN/Stampa/Sala\\_Stampa/News/2007/07/20070724DalemaRocen](http://www.esteri.it/MAE/EN/Stampa/Sala_Stampa/News/2007/07/20070724DalemaRocen)>

<sup>773</sup> Minister D'Alema meets with Foreign Minister of the Republic of Montenegro, Milan Rocen, Ministry of Foreign Affairs (Rome) 25 July 2007. Date of Access: 24 December 2007.

<<http://www.esteri.it/MAE/EN/Ministero/Ministro/Comunicati/2007/07/20070725DalemaRocen>>

<sup>774</sup> Lotta alla Corruzione: Incontro di Studio Italia-Germania, High Commissioner for the Fight and Prevention of Corruption (Rome) 9 November 2007. Date of Access: 11 January 2008.

<[http://www.anticorruzione.it/site/ArtId\\_601/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_601/355/DesktopDefault.aspx)>

<sup>775</sup> L'Alto Commissario Incontro il Ministro della Giustizia Serbo, High Commissioner for the Fight and Prevention of Corruption (Rome) 12 November 2007. Date of Access: 11 January 2008.

<[http://www.anticorruzione.it/site/ArtId\\_602/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_602/355/DesktopDefault.aspx)>

<sup>776</sup> Anticorruzione: Si è insediato il nuovo Alto Commissario, High Commissioner for the Fight and Prevention of Corruption (Rome) 27 March 2008. Date of Access: 7 May 2008.

<[http://www.anticorruzione.it/site/ArtId\\_754/353/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_754/353/DesktopDefault.aspx)>

<sup>777</sup> Lotta alla Corruzione: Incontro di Studio Italia-Cina, High Commissioner for the Fight and Prevention of Corruption (Rome) 10 April 2008. Date of Access: 7 May 2008.

<[http://www.anticorruzione.it/site/ArtId\\_759/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_759/355/DesktopDefault.aspx)>

Domestically, High Commissioner Serra has implemented a number of anti-corruption policies which include: the creation of a toll-free hotline urging citizens to denounce any abuses within the public administration; and the launching of a number of initiatives promoting transparency within the government.<sup>778</sup> The High Commissioner was involved in the creation of the Fight Against Corruption in Europe (FACE) project, which studies corruption levels in several countries.<sup>779</sup> Furthermore, the Italian Chamber of Deputies approved the 2007 *Comunitaria* law, which implements the decisions of the framework of European police and judiciary with regards to criminal matters, including corruption within the private sector.<sup>780</sup>

Thus, Italy has been awarded a score of 0 for its promotion of transparency at home and abroad. Italy's progress towards this commitment is hindered by the fact that as of May 2008, it has not yet ratified the UNCAC.

*Analyst: Tatyana Zeljković*

### **Japan: -1**

Japan has failed to comply with its commitment on corruption made during the Heiligendamm Summit in June 2007.

In early 2008, the Asian Development Bank (ADB) and the OECD published their joint annual Anti-Corruption Initiative Report for 2007. The Report contains a summary of anti-corruption activities undertaken by Asia-Pacific governments and other groups in 2007. The Report also reviews national policies and proposals for future anti-corruption plans. Japan is among the 27 countries whose policies are reviewed in the Report. The Report notes that Japan has "renewed and deepened its financial support of the program."<sup>781</sup> However, there is no specific indication of how Japan will implement the aforementioned strategies and or of Japan's engagement with the program.

According to the OECD's most recent review of extradition treaties in the Asia-Pacific Region, nearly all agreements to which Japan is party - with respect to the extradition of individuals for corruption - are based on domestic legislation.<sup>782</sup> The only international treaty governing extradition on charges of corruption to which Japan is party is the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. There is no evidence that extradition treaties between Japan and other nations have been affected by the UNCAC.<sup>783</sup>

On 3-5 September 2007, Japan attended the 10th Steering Group Meeting of the ADB/OECD Anti-Corruption Initiative for Asia-Pacific, held in Bali, Indonesia.<sup>784</sup> From 28 January-2 February 2008, Japan was also present at the second session of the Conference of the States Parties to the UNCAC held in Nusa Dua, Indonesia.<sup>785</sup>

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<sup>778</sup> Lotta alla Corruzione: I Primi 4 Mesi dell'Alto Commissario Achille Serra, High Commissioner for the Fight and Prevention of Corruption (Rome) 28 December 2007. Date of Access: 11 January 2008.

<[http://www.anticorruzione.it/site/ArtId\\_627/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_627/355/DesktopDefault.aspx)>

<sup>779</sup> Conferenza Stampa di Presentazione del Progetto "FACE", High Commission for the Fight and Prevention of Corruption (Rome) 11 March 2008. Date of Access: 7 May 2008.

<[http://www.anticorruzione.it/site/ArtId\\_746/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_746/355/DesktopDefault.aspx)>

<sup>780</sup> *Comunitaria 2007: Sì a Reato Corruzione Privata*, High Commissioner for the Fight and Prevention of Corruption (Rome) 20 February 2008. Date of Access: 7 May 2008.

<[http://www.anticorruzione.it/site/ArtId\\_711/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_711/355/DesktopDefault.aspx)>

<sup>781</sup> Supporting the fight against corruption in Asia and the Pacific, Organisation for Economic Cooperation and Development (Paris) 2008. Date of Access: 27 April 2008. <<http://www.oecd.org/dataoecd/46/42/40485068.pdf>>

<sup>782</sup> Extradition Arrangements within Asia-Pacific, Organisation for Economic Cooperation and Development (Paris) September 2007. Date of Access: 27 April 2008. <<http://www.oecd.org/dataoecd/49/10/39356136.pdf>>

<sup>783</sup> Extradition Arrangements within Asia-Pacific, Organisation for Economic Cooperation and Development (Paris) September 2007. Date of Access: 27 April 2008. <<http://www.oecd.org/dataoecd/49/10/39356136.pdf>>

<sup>784</sup> 10th Steering Group Meeting of the ADB/OECD Anti-Corruption Initiative for Asia-Pacific, Organisation for Economic Cooperation and Development (Paris) 2007. Date of Access: 2 May 2008. <<http://www.oecd.org/dataoecd/50/10/39350445.pdf>>

<sup>785</sup> Second Session of the Conference of the States Parties to the United Nations Convention against Corruption Final List of Participants, United Nations Office on Crime and Drugs (Vienna) 1 February 2008. Date of Access: 7 May 2008. <<http://www.unodc.org/documents/treaties/UNCAC/COSP/session2/2ndCOSP-LOP2008.pdf>>



Thus, Japan has been awarded a score of -1. Japan's progress towards this commitment is hindered by the fact that as of May 2008, it has not yet ratified the UNCAC.

*Analysts: Jack (Jie) Dong and Arina Shadrikova*

## **Russia: 0**

Russia has partially complied with its commitment on corruption made during the Heiligendamm Summit in June 2007.

In June 2007, the Federal Bailiff Service opened a hotline as a part of a program to help combat corruption and bribery within the Service.<sup>786</sup> In July 2007, the Government Administrative Reform Commission approved the Full Model Program to Fight Corruption in the executive branch of the state at both regional and federal levels.<sup>787</sup> In September 2007, then Prime Minister Viktor Zubkov declared the fight against corruption to be one of the government's priorities. He proposed to pass anti-corruption laws and to create a commission dedicated to the fight against corruption.<sup>788</sup>

In the latter half of 2007, Andrey Mylov and deputy Gennady Yartsev - both representing the Head of Personnel at the Central Office of the Ministry of Economic Development and Trade - were arrested and replaced for accepting bribes.<sup>789</sup> Additionally, on 10 July 2007, fourteen lawmakers and the former speaker of the Tver City Duma faced trial on charges of corruption.<sup>790</sup>

In August 2007, a special subdivision was opened in the Prosecutor General's Office with the aim of implementing Article 36 (Specialized Authorities) of the UNCAC. Similar subdivisions have been set up in the regions of the Russian Federation.<sup>791</sup> A new option was also added to the official website of the Prosecutor General's Office. The new service allows citizens to report incidences of corruption and bribery anonymously to the proper authorities.<sup>792</sup>

On 7 November 2007, Russia participated in the OECD High Level Conference on the Fight Against Corruption. The conference discussed Russia's bid to join the Convention on Combating Bribery of Foreign Public Officials. Russia plans to concentrate its efforts on joining the OECD Convention.<sup>793</sup>

On 22 January 2008, then First Deputy Prime Minister Dmitry Medvedev emphasized the need for stability and strengthening the fight against corruption in a thirty-minute speech at a Kremlin-organized forum of civil society organizations. At the forum, former Prime Minister Medvedev commented that "[c]orruption in the official structures has a huge scale and the fight against it should become a national program."<sup>794</sup>

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<sup>786</sup> Hotline against bribery, *Rossiskaya Gazeta* (Moscow) 20 June 2007. Date of Access: 4 December 2007.

<<http://www.rg.ru/2007/06/20/bezopasnost.html>>

<sup>787</sup> The Wages of Virtue, *Kommersant* (Moscow) 30 June 2007. Date of Access: 7 December 2007.

<<http://www.kommersant.com/p790929/corruption/>>

<sup>788</sup> Russia's new prime minister Zubkov aims to root out corruption, *Russia Now* (Moscow) 13 September 2007. Date of Access: 7 December 2007/

<[http://russia-now.info/russia/news/russia\\_s\\_new\\_prime\\_minister\\_zubkov\\_aims\\_to\\_root\\_out\\_corruption\\_13.html](http://russia-now.info/russia/news/russia_s_new_prime_minister_zubkov_aims_to_root_out_corruption_13.html)>

<sup>789</sup> Economics Ministry Officials Face Corruption Charges, *Kommersant* (Moscow) 3 July 2007. Date of Access: 9 December 2007. <[http://www.kommersant.com/p779542/corruption\\_bribery\\_/>](http://www.kommersant.com/p779542/corruption_bribery_/>)

<sup>790</sup> Tver City Duma Goes on Trial, *Kommersant* (Moscow) 10 July 2007. Date of Access: 10 December 2007.

<[http://www.kommersant.com/p781325/Corruption\\_Bribery\\_Tver\\_Duma/](http://www.kommersant.com/p781325/Corruption_Bribery_Tver_Duma/)>

<sup>791</sup> The work of authorities in fight against corruption, Prosecutor General's Office (Moscow) 22 August 2008. Date of Access: 11 March 2008. <<http://www.genproc.gov.ru/news/news-6588/>>

<sup>792</sup> The Prosecutor General's Office attracts the citizens to fight against corruption, *rb.ru* (Moscow) 19 February 2008. Date of Access: 14 March 2008. <<http://www.rb.ru/topstory/incidents/2008/02/19/224748.html>>

<sup>793</sup> OECD High Level conference on the fight against corruption, Organisation for Economic Cooperation and Development (Paris) 21 November 2007. Date of Access: 10 December 2007.

<[http://www.oecd.org/document/33/0,3343,en\\_2649\\_201185\\_39592161\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/33/0,3343,en_2649_201185_39592161_1_1_1_1,00.html)>

<sup>794</sup> Medvedev's strongest statement was about corruption, *International Herald Tribune* (Paris) 22 January 2008. Date of Access: 3 March 2008. <http://www.ihf.com/articles/ap/2008/01/22/europe/EU-POL-Russia-Medvedev.php>>

From 28 January to 2 February 2008, a delegation from Russia participated in the second session of the Conference of the States Parties to the UNCAC held in Nusa Dua, Indonesia.<sup>795</sup>

According to new Russian President, Dmitry Medvedev, the fight against corruption will be one of the key priorities of his administration. On 19 May 2008, President Medvedev signed the Decree on Measures to Combat Corruption. The Decree envisages the creation of a special Council to fight corruption, which will be chaired by the President of the Russian Federation.<sup>796</sup> Furthermore, by the end of June 2008, a new Russian National Plan to combat corruption should be elaborated.<sup>797</sup>

Thus, Russia has been awarded a score of 0 for its actions in meeting its anti-corruption obligations under existing international agreements, particularly those of the UN and of the OECD.

*Analyst: Julia Ovchinnikova*

### **United Kingdom: +1**

The United Kingdom (UK) has fully complied with its commitment on corruption made during the Heiligendamm Summit in June 2007.

On 20 June 2007, British Secretary of State for International Development Douglas Alexander announced an international initiative, in cooperation with multinational construction firms and NGOs, to combat corruption in the construction sector.<sup>798</sup> The UK is one of the first countries to pilot the program domestically.<sup>799</sup> In addition to the pilot program in the UK, the Department for International Development (DFID) launched a Construction Sector Transparency Initiative in Tanzania on 22 May 2008.<sup>800</sup> The UK has provided GBP4.4 million to support this program, which aims to increase transparency in the construction sector and reduce corruption of public officials.<sup>801</sup> On 21 September 2007, Secretary Alexander reiterated the British Government's commitment to fighting corruption abroad and supporting the activities of Transparency International.<sup>802</sup> The DFID has pledged GBP3 million over three and a half years to support efforts to combat corruption in Uganda.<sup>803</sup> The DFID will also implement complimentary anti-corruption projects in Uganda in partnership with the Royal Netherlands Embassy, such as public service and tax reform.<sup>804</sup>

Within the UK, the Serious Fraud Office has initiated a number of investigations regarding fraud and the corruption of public officials. Most recently, as a result of a Serious Fraud Office investigation, two former

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<sup>795</sup> Second Session of the Conference of the States Parties to the United Nations Convention against Corruption Final List of Participants, United Nations Office on Crime and Drugs (Vienna) 1 February 2008. Date of Access: 7 May 2008. <<http://www.unodc.org/documents/treaties/UNCAC/COSP/session2/2ndCOSP-LOP2008.pdf>>

<sup>796</sup> Medvedev signed the Decree on combating corruption. RIA Novosti (Moscow) 19 May 2008. Date of Access: 20 May 2008. <<http://rian.ru/politics/20080519/107769989.html>>

<sup>797</sup> Decree on National Plan to combat corruption should be prepared in a month period. RIA Novosti (Moscow) 19 May 2008. Date of Access: 20 May 2008. <<http://rian.ru/politics/20080519/107722472.html>>

<sup>798</sup> Get what you pay for – UK leads the way building transparency in construction, Department for International Development (London) 20 June 2007. Date of Access: 3 January 2008.

<<http://www.dfid.gov.uk/news/files/pressreleases/construction-transparency.asp>>

<sup>799</sup> Get what you pay for – UK leads the way building transparency in construction, Department for International Development (London) 20 June 2007. Date of Access: 3 January 2008.

<<http://www.dfid.gov.uk/news/files/pressreleases/construction-transparency.asp>>

<sup>800</sup> Launch of Construction Sector Transparency (CoST) Initiative, Department for International Development (London) 22 May 2008. Date of Access: 25 May 2008. <<http://www.dfid.gov.uk/news/files/pressreleases/cons-trans-launch.asp>>

<sup>801</sup> Launch of Construction Sector Transparency (CoST) Initiative, Department for International Development (London) 22 May 2008. Date of Access: 25 May 2008. <<http://www.dfid.gov.uk/news/files/pressreleases/cons-trans-launch.asp>>

<sup>802</sup> DFID's response to Transparency International's Corruption Perceptions Index, Department for International Development (London) 21 September 2007. Date of Access: 3 January 2008. <<http://www.dfid.gov.uk/news/files/ti-cpi.asp>>

<sup>803</sup> DFID Uganda: Anti-Corruption Fact Sheet, Department for International Development (London) January 2008. Date of Access: 3 January 2008. <<http://www.dfid.gov.uk/pubs/files/Anti-corruption-factsheet.pdf>>

<sup>804</sup> DFID Uganda: Anti-Corruption Fact Sheet, Department for International Development (London) January 2008. Date of Access: 3 January 2008. <<http://www.dfid.gov.uk/pubs/files/Anti-corruption-factsheet.pdf>>

accountants were handed prison sentences for investment fraud of US\$200 million and conspiracy to corrupt a United States public official.<sup>805</sup>

From 28 January to 2 February 2008, the UK participated in the second session of the Conference of the States Parties to the United Nations Convention against Corruption held in Nusa Dua, Indonesia.<sup>806</sup>

In April 2008, the British government came under intense pressure after its decision to stop a Serious Fraud Office investigation became publicly known. The Serious Fraud Office was instructed to drop its investigation into allegations of corruption at defense firm BAE Systems regarding a deal with the Saudi government, on the basis that the investigation would compromise national security.<sup>807</sup> Steps have since been taken at BAE Systems to improve the ethical practices of the company through the implementation of Lord Woolf's recommendations.<sup>808</sup>

Thus, the United Kingdom has been awarded a score of +1 for its active participation in the fight against corruption.

*Analyst: Aaron Ghobarah*

### **United States: +1**

The United States has fully complied with its commitment on corruption made during the Heiligendamm Summit in June 2007. In its annual report, Transparency International noted that the United States had initiated the highest number of investigations and prosecutions for corruption of all nations surveyed.<sup>809</sup>

The United States attended the 34<sup>th</sup> and 35<sup>th</sup> Plenary Meetings on 19 October 2007,<sup>810</sup> 3-7 December 2007,<sup>811</sup> 11-15 February 2008,<sup>812</sup> and from 31 March to 4 April 2008.<sup>813</sup> In addition, on 29-31 August 2007 and 1-2 October 2007, US delegates attended the Open-Ended Intergovernmental Working Group on Review of the Implementation of the UNCAC and on Technical Assistance in Vienna.<sup>814</sup> From 28 January to 2 February 2008, the United States attended the second session of the Conference of the States Parties to the UNCAC in Nusa Dua, Indonesia.<sup>815</sup>

On 21 November 2007, the United States participated in a conference to mark the Tenth Anniversary of the OECD Anti-Bribery Convention in Rome. The Working Group raised awareness of progress on

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<sup>805</sup> Accountants jailed for \$200m investment fraud and conspiracy to corrupt a US official, Serious Fraud Office (London) 11 April 2008. Date of Access: 1 June 2008. <[http://www.sfo.gov.uk/news/prout/pr\\_539.asp?id=539](http://www.sfo.gov.uk/news/prout/pr_539.asp?id=539)>

<sup>806</sup> Second Session of the Conference of the States Parties to the United Nations Convention against Corruption Final List of Participants, United Nations Office on Crime and Drugs (Vienna) 1 February 2008. Date of Access: 7 May 2008. <<http://www.unodc.org/documents/treaties/UNCAC/COSP/session2/2ndCOSP-LOP2008.pdf>>

<sup>807</sup> Calls to Reopen Saudi Arms Probe, BBC News (London) 11 April 2008. Date of Access: 25 May 2008. <[http://news.bbc.co.uk/2/hi/uk\\_news/politics/7341925.stm](http://news.bbc.co.uk/2/hi/uk_news/politics/7341925.stm)>

<sup>808</sup> BAE review seeks bribery controls, BBC News (London) 6 May 2008. Date of Access: 25 May 2008. <<http://news.bbc.co.uk/2/hi/business/7384937.stm>>

<sup>809</sup> TI Progress Report 2007: Enforcement of the OECD Convention on Combating Bribery of Foreign Public Officials, Transparency International (Berlin) 18 July 2007. Date of Access: 9 January 2008. <[http://www.transparency.org/publications/publications/3rd\\_oecd\\_progress\\_report](http://www.transparency.org/publications/publications/3rd_oecd_progress_report)>

<sup>810</sup> Calendar of GRECO meetings, Group of States against Corruption (Strasbourg) December 2007. Date of Access: 11 January 2008. <[http://www.coe.int/t/dg1/greco/meetings/calendar2007\\_en.asp](http://www.coe.int/t/dg1/greco/meetings/calendar2007_en.asp)>

<sup>811</sup> Doppio Impegno Internazionale per l'Alto Commissario Anticorruzione, High Commissioner for the Fight and Prevention of Corruption (Rome) 3 December 2007. Date of Access: 11 January 2008. <[http://www.anticorruzione.it/site/ArtId\\_614/355/DesktopDefault.aspx](http://www.anticorruzione.it/site/ArtId_614/355/DesktopDefault.aspx)>

<sup>812</sup> 36<sup>th</sup> Plenary Meeting of GRECO Summary Report, Group of States against Corruption (Strasbourg) 5 March 2008. Date of Access: 7 May 2008. <[http://www.coe.int/t/dg1/greco/documents/2008/Greco\(2008\)5E.pdf](http://www.coe.int/t/dg1/greco/documents/2008/Greco(2008)5E.pdf)>

<sup>813</sup> 37<sup>th</sup> Plenary Meeting of GRECO, Group of States against Corruption (Strasbourg) 30 April 2008. Date of Access: 7 May 2008. <[http://www.coe.int/t/dg1/greco/documents/2008/Greco\(2008\)8E.pdf](http://www.coe.int/t/dg1/greco/documents/2008/Greco(2008)8E.pdf)>

<sup>814</sup> Open-Ended Intergovernmental Working Group on Review of the Implementation of the UNCAC List of Participants, United Nations Office on Crime and Drugs (Vienna) 31 August 2007. Date of Access: 8 January 2008. <[http://www.unodc.org/pdf/crime/convention\\_corruption/cosp/WGs/WG1/LOP.pdf](http://www.unodc.org/pdf/crime/convention_corruption/cosp/WGs/WG1/LOP.pdf)>

<sup>815</sup> Second Session of the Conference of the States Parties to the United Nations Convention against Corruption Final List of Participants, United Nations Office on Crime and Drugs (Vienna) 1 February 2008. Date of Access: 7 May 2008. <<http://www.unodc.org/documents/treaties/UNCAC/COSP/session2/2ndCOSP-LOP2008.pdf>>

implementation of and continued commitment to the convention.<sup>816</sup>

Domestically, the US continues to fight corruption in both the private and public sectors. In Alaska, “FBI and Internal Revenue Service agents searched the Alaska home of longtime Sen. Ted Stevens amid a corruption probe that already has snared two oil-company executives and a state lobbyist.”<sup>817</sup> In New Orleans, “a wave of recent federal convictions shows New Orleans’ most chronic image – that killers and crooked politicians are under assault.”<sup>818</sup> In November 2007, another important investigation took place in New York. The Washington Post reported that “[f]ederal prosecutors are planning to unveil an indictment against former New York City police commissioner Bernard B. Kerik...spotlighting alleged corruption...”<sup>819</sup>

In December 2007, the US Office of Government Ethics set up a series of workshops at its location in Washington D.C. The main theme of these workshops was “[c]orrectly identifying and resolving real and potential conflict of interest issues reported on confidential financial disclosure reports.”<sup>820</sup> There were also a number of federal laws proposed that will help battle corruption at home. These laws include a proposition by the Governmental Affairs Committee to advance the Inspector General (IG) legislation, which will allow the IG to “gain more independence from the federal agencies.”<sup>821</sup>

The American government has also used its financial and political strength to organize information forums. At home and abroad, the US participates in or hosts events that are essential to the complete execution of OECD and UN conventions on anti-corruption. From 31 October to 2 November 2007, the conference entitled “Challenges and Successes in Combating Corruption in Serbia” took place at the Novi Sad Fair Congress Centre.<sup>822</sup> The US embassy organized this event for prosecutors and police, contributing to the fight against corruption.

On 29 October 2007, Elizabeth G. Verville, Deputy Assistant Secretary for Bureau of International Narcotics and Law Enforcement Affairs, participated in the APEC Anticorruption Conference, which took place in Lima, Peru. She noted that “[w]e should also seek to develop here in Lima specific ideas that we might take to Indonesia to promote effective implementation of UNCAC, including in the three working groups created by the Conference: asset recovery, review of implementation and technical assistance.”<sup>823</sup>

Thus, the United States has been awarded a score of +1 for its efforts in combating corruption both at home and abroad.

*Analyst: Igor Puzhevich*

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<sup>816</sup> Tenth Anniversary Celebration of the OECD Anti-Bribery Convention, OECD: Organisation for Economic Cooperation and Development (Paris) 21 November 2007. Date of Access: 3 January 2007.

<[http://www.oecd.org/site/0,3407,en\\_21571361\\_39316778\\_1\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/site/0,3407,en_21571361_39316778_1_1_1_1_1,00.html)>

<sup>817</sup> Ted Barrett, C. Cratty and J. Johns, FBI Searches U.S. senator's home amid corruption probe, CNN (Atlanta) 31 July 2007. Date of Access: 26 December 2007. <<http://www.cnn.com/2007/POLITICS/07/30/lawmaker.raid/index.html>>

<sup>818</sup> Alan Sayre, New Orleans Cracks Down on Corruption, The Associated Press. 29 December 2007. Date of Access: 4 January 2008. <<http://www.washingtonpost.com/wp-dyn/content/article/2007/12/29/AR2007122900526.html?sub=new>>

<sup>819</sup> John Solomon, Kerik Indictment on Tax and Corruption Charges Imminent, Washington Post (Washington D.C.) 8 November 2007. <<http://www.washingtonpost.com/wp-dyn/content/article/2007/11/07/AR2007110702463.html>>

<sup>820</sup> “December Training Courses Offered in Washington, DC”, U.S. Office of Government Ethics (Washington D.C.) November 15, 2007. Date of Access: 27 December 2007

<[http://www.usoge.gov/pages/daeograms/dqr\\_files/2007/dt07045.txt](http://www.usoge.gov/pages/daeograms/dqr_files/2007/dt07045.txt)>

<sup>821</sup> Andy Leonatti. “Governmental Affairs Committee moves IG legislation”, Governmentexecutive.com 15 November 2007. Date of Access: 22 December 2007

<[http://www.govexec.com/story\\_page.cfm?articleid=38590&dcn=e\\_gvet](http://www.govexec.com/story_page.cfm?articleid=38590&dcn=e_gvet)>

<sup>822</sup> “U.S. Department of Justice Organizes Anti-Corruption Conference”, Embassy of the United States of America in Belgrade (Belgrade) 29 October 2007. Date of Access: 2 January 2008

<<http://belgrade.usembassy.gov/embassy/press/2007/a071030.html>>

<sup>823</sup> Elizabeth G. Verville, Deputy Assistant Secretary for Bureau of International Narcotics and Law Enforcement Affairs. “The Fight Against High-Level Corruption: Ending Impunity”. U.S. Department of State (Washington D.C.) 29 October 2007. Date of Access: 2 January 2008

<<http://www.state.gov/p/inl/rls/rm/94406.htm>>

## European Union: 0

The European Union (EU) has partially complied with its commitment on corruption made during the Heiligendamm Summit in June 2007. The EU's progress towards this commitment is hindered by the fact that as of May 2008, it has not yet ratified the UNCAC.

From 29 to 31 August 2007, the European Community (EC) participated as a signatory party in the Open-Ended Intergovernmental Expert Working Group on Review of the Implementation of the UNCAC held by the UNODC.<sup>824</sup> On 27-28 August 2007 and 1-2 October 2007, it also participated in the Intergovernmental Expert Working Groups on Asset Recovery and on Technical Assistance.<sup>825</sup> The latter meeting was conducted under the auspices of the Council of the Europe.<sup>826</sup>

On 27 November 2007, the OECD conducted the Tenth Anniversary of its Anti-Bribery Convention in Rome. Ministers and high level representatives from the 37 signatory countries (including the EU) were present. Key issues discussed included measures to improve international co-operation, both between signatory countries and with emerging economic players (such as China, India, Indonesia, Israel and Russia) in the fight against corruption.<sup>827</sup>

The EU has made considerable progress in dealing with the import of narcotics and pursuant issues of money-laundering, corruption and illegal arms transfers in the notorious Balkan corridor. "The advancement of the Balkan countries towards NATO and EU membership is believed to have discouraged criminal organizations. Institutions are strengthening, new measures for regional co-operation are being adopted and there are technological advancements in border control." Macedonia, for example, has begun 'integrated border management,' which entails the transfer of control, monitoring and securing of borders from the army to the police; it has introduced GPS technology for more intense monitoring.<sup>828</sup>

On 8 May 2008, the European Parliament adopted the Stubb/Friedrich report on lobbying in the European Parliament.<sup>829</sup> On 23 June 2008, the European Commission is expected to launch its own mandatory register for all lobbyists with full financial disclosure, along with rules on monitoring and sanctioning abuses.<sup>830</sup> This positive move in the direction of greater transparency in the legislative process will "reinforce the confidence of citizens in the legislative work of the European Parliament and make the relationship between lobbyists and the European Parliament more transparent."<sup>831</sup> However, on May 2008, amidst its efforts for greater lobbying transparency, the EU pledged to provide over €550 million in support of Tanzania's national budget in the form of grants under the National Indicative Program. This came barely a week after some Western donor countries threatened to withdraw support from Tanzania's budget after being "shocked by revelations on grand corruption" in the country. The decision has prompted Tarime MP Chacha Wangwe to allege that "the EU has vested interests in the [Tanzanian] Government, and in one way supports corruption in the country." In response, the Head of the EU delegation in Tanzania, Ambassador Tim Clarke, affirmed that "the EU was seeking a proactive approach, a sense of urgency and

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<sup>824</sup> Working Group on the Review of Implementation, United Nations Office on Drugs and Crime (Vienna) 2008. Date of Access: 6 January 2008. <<http://www.unodc.org/unodc/en/treaties/CAC/working-group1.html>>

<sup>825</sup> Working Group on Asset Recovery, United Nations Office on Drugs and Crime (Vienna) 2008. Date of Access: 6 January 2008. <<http://www.unodc.org/unodc/en/treaties/CAC/working-group2.html>>

<sup>826</sup> Working Group on Technical Assistance, United Nations Office on Drugs and Crime (Vienna) 2008. Date of Access: 6 January 2008. <<http://www.unodc.org/unodc/en/treaties/CAC/working-group3.html>>

<sup>827</sup> OECD High Level conference on the fight against corruption, Rome, 21 November 2007, Directorate for Financial and Enterprise Affairs- OECD, 7 November 2007. Date of Access: 1 May 2008. <[http://www.oecd.org/document/33/0,3343,en\\_2649\\_34855\\_39592161\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/33/0,3343,en_2649_34855_39592161_1_1_1_1,00.html)>

<sup>828</sup> Regional co-operation makes drug trafficking tougher via Balkan route, Southeast European Times (Skopje) 7 January 2008. Date of Access: 9 January 2008. <[http://www.balkantimes.com/cocoon/setimes/xhtml/en\\_GB/features/setimes/articles/2008/01/07/reportage-01](http://www.balkantimes.com/cocoon/setimes/xhtml/en_GB/features/setimes/articles/2008/01/07/reportage-01)>

<sup>829</sup> EP moves forward in the same line as the EC on lobbying, Association Européenne des Radios (Brussels) 8 May 2008. Date of Access: 1 June 2008. <[http://www.aereurope.org/content/view/339/65/lang\\_en\\_GB/](http://www.aereurope.org/content/view/339/65/lang_en_GB/)>

<sup>830</sup> EP moves forward in the same line as the EC on lobbying, Association Européenne des Radios (Brussels) 8 May 2008. Date of Access: 1 June 2008. <[http://www.aereurope.org/content/view/339/65/lang\\_en\\_GB/](http://www.aereurope.org/content/view/339/65/lang_en_GB/)>

<sup>831</sup> Pressure mounts ahead of lobbying vote, EurActiv (Brussels) 8 May 2008. Date of Access: 8 May 2008. <<http://www.euractiv.com/en/pa/pressure-mounts-ahead-lobbying-vote/article-172215?Ref=RSS.>>

commitment and a desire to end the causes of corruption in the country,” while simultaneously urging the national government to combat corruption.<sup>832</sup>

Recent reports suggest that Serbia's Public Prosecution Office is due to form an anti-corruption department in early 2008. Prosecutors in these departments will “attend various forms of training and anti-corruption seminars, and if necessary, will be able to consult Council of Europe and OSCE experts on certain matters.” The reason for this positive decision has been attributed to the strict anti-corruption benchmarks imposed by the EU for accession candidates.<sup>833</sup>

On 27-28 January 2008, the European Anti-Corruption Forum organized the C5 Anti-Corruption Conference to promote compliance practices and anti-corruption corporate ethics in order to prevent failures that might lead to damaging and costly enforcement actions. The conference was well attended by leading international corporate ethics and compliance executives, lawyers, investigations and forensic experts and top government officials from the US and Europe.<sup>834</sup>

The EU's Structural and Cohesion Funds (SCF) and Common Agricultural Program (CAP) are programs susceptible to abuse. Open Europe's recent report on the EU's Regional Programmes affirms the vulnerability to fraud of the SCF due to its complexity, specious targeting and bureaucratic implementation. Recent reports from the European Court of Auditors (ECA) assert that only 31 percent of SCF projects were found to be free from error. The ECA has also warned that “of the €49.8 billion paid out last year under CAP, €15 billion were not subject to any proper checks.” In addition, the Court found that “one quarter of the payments tested at final beneficiary level revealed overpayments.”<sup>835</sup> These discrepancies, among others, have led the ECA to refuse to clear the EU budget, for the thirteenth year in succession, citing errors of “legality and regularity... in the majority of EU expenditure due to weaknesses in internal control systems both at the Commission and in Member States.”<sup>836</sup>

Thus, the European Union has been awarded a score of 0. The EU's progress towards this commitment is hindered by the fact that as of May 2008, it has not yet ratified the UNCAC.

*Analyst: Elliot DeSouza*

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<sup>832</sup> Tanzania: EU Gives Sh900 Billion in Budget Support, The Citizen (Dar Es Salaam) 8 May 2008. Date of Access: 8 May 2008. <<http://allafrica.com/stories/200805080443.html>>

<sup>833</sup> Prosecution to create anti-corruption body, B92 (Belgrade) 9 January 2008. Date of Access: 11 January 2008. <[http://www.b92.net/eng/news/comments.php?nav\\_id=46800](http://www.b92.net/eng/news/comments.php?nav_id=46800)>

<sup>834</sup> C5 Anti Corruption-Conference, C5 Group (London). Date of Access: 8 May 2008. <<http://www.c5-online.com/anticorruption.htm>>

<sup>835</sup> New report says £7.2 billion EU regional programmes are "massive failure", Open Europe (London) 21 December 2007. Date of Access: 3 January 2007. <[www.openeurope.org.uk/research/regional.pdf](http://www.openeurope.org.uk/research/regional.pdf)>

<sup>836</sup> Accounting for the EU, The Wall Street Journal (New York) 21 November 2007. Date of Access: 5 January 2008. <[http://online.wsj.com/article/SB119559490526099671.html?mod=opinion\\_main\\_europe\\_asia](http://online.wsj.com/article/SB119559490526099671.html?mod=opinion_main_europe_asia)>