

Berlin, 24 June 2008

Your Excellencies,

We are writing on behalf of Transparency International and its national chapters in the G8 nations who are deeply committed to fighting corruption. We appreciate the attention that the G8 has accorded to the urgent need to fight corruption and the specific commitments it has made since the 2002 Kananaskis Summit, particularly at the 2007 Heiligendamm Summit. Much remains to be done to carry out those commitments and the Group of Eight (G8) 2008 Hokkaido Toyako Summit in Japan will provide a timely opportunity for leaders to demonstrate progress to date and commit to further action.

We wish to highlight those governance initiatives that will be crucial to solving the pressing global problems that lie before us.

1. Stop foreign bribery

The continuing revelations involving overseas bribery show clearly that companies based in wealthy countries can easily become complicit in driving the cycle of corruption in poorer or less stable regions. Therefore we call for:

Stronger implementation of the OECD Convention on Combating Bribery of Foreign Public Officials, including:

- Securing vigorous enforcement of foreign bribery laws. There has been a lack of activity here;
- Ensuring that parties to the OECD Convention adhere strictly to Article 5 of the Convention;
- Supporting on-site peer review with full funding from 2008 onward.

Encouraging private sector anti-bribery programmes:

- Encourage the adoption of and provide support for initiatives such as the OECD Guidelines for Multinational Enterprises, the UN Global Compact (10th Principle) and the TI Business Principles for Countering Bribery;
- Require all bidders on government-financed projects to adopt and enforce an anti-bribery compliance programme;
- Require all bidders on government-financed projects to disclose any corruption-related sanctions imposed by other governmental or intergovernmental institutions;
- Support anti-corruption initiatives in high-risk sectors such as defence, and construction and engineering.

2. Strengthen global governance

Since corruption increasingly disregards national borders, effective measures to combat it must also be global. The United Nations Convention against Corruption is the only truly global instrument in this fight and fulfils a vital function, setting international benchmarks for anti-corruption practice and legislation.

We call for:

- Immediate ratification of the UN Convention against Corruption by all G8 members;
- Commitment to a robust peer monitoring programme;
- Commitment to funding technical assistance where necessary, drawing on local expertise first, to promote the Convention's implementation.

An essential contribution of the UN Convention are its explicit provisions for transnational cooperation, including mutual legal assistance, the repatriation of stolen funds and no safe haven for the corrupt. The G8, presiding over the world's most significant financial centres, must ensure that these are not exploited.

They must then:

- Take steps to prevent that financial centres and financial service providers accept illicitly-acquired assets and close loopholes allowing for the anonymous transfer of funds to offshore centres;
- Ensure that financial centres assist in responsible repatriation of illicitly-acquired assets;
- Deny safe haven to corrupt individuals;
- Coordinate resources for the global tracking of the proceeds of corruption.

3. Harness resources for development

Many countries rich in natural resources are still among the poorest and, according to Transparency International's Corruption Perceptions Index, the most corrupt. With the recent explosion in oil prices and record profits for the oil industry, transparency in oil and gas becomes an even more urgent priority.

Therefore, we call on the G8 to:

- Promote EITI adherence by companies and governments to increase transparency of company payments and government revenues;
- Provide material support for the EITI and its new secretariat as well as for countries carrying out EITI audits and implementation.

4. Keeping the water sector clean

Transparency International's 2008 Global Corruption Report, released this week, confirms that corruption in the water sector has contributed to a water crisis that threatens billions of lives across the globe. Corruption in irrigation is also a contributing factor in the global food crisis. Corruption thus fuels insecurity in the provision of basic necessities for the world's most vulnerable citizens. Strong G8 leadership is necessary to reverse these disturbing trends.

We call on the G8 to:

- increase transparency and public participation and strengthen regulatory oversight in all aspects of global water management from hydropower to sanitation, irrigation, drinking water provision and water rights.

5. Report on Progress

The G8, as pre-eminent economies and political powers, have a special responsibility to promote accountability, starting at home. Therefore, we reiterate our call, also made personally to Prime Minister Fukuda on 18 June 2008, that G8 member states report publicly at the 2008 Hokkaido Toyako Summit on progress made on anti-corruption commitments made since the 2002 Kananaskis Summit.

Over the past decade, there has been a maturing understanding of the impact of corruption and the need for concerted international action to improve governance. Too many continue to pay the price for poor governance. It is time for the G8 to turn commitments into action.

Sincerely,



Huguette Labelle
Chair, Transparency International