

HELPDESK

PROVIDING ON-DEMAND RESEARCH TO HELP FIGHT CORRUPTION

HELPDESK ANSWERS 2012

The Helpdesk is a knowledge service offering the TI network and selected stakeholders on-demand research on corruption within 10 days. It is a key component of TI's Anti-corruption Solutions and Knowledge Programme (ASK).

All answers listed below can be accessed on request at: tihelpdesk@transparency.org.

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ANTI-CORRUPTION LAWS

Political Party Accountability: Intra-Party Democracy, Funding, and Minimum Standards for Candidates

Question submitted by TI Italy, June 2012, Nr 2012/48

Countries and political parties have sought to improve party governance and funding rules as well as enhance transparency and accountability. Among other organisational activities, intra-party democracy typically relates to how party candidates and leaders are selected as well as how the party defines its programme and policy positions. With regard to political party, there is a broad consensus that countries should seek to regulate public and private funding, establish ceiling on expenditures, limit contributions, as well as ensure great levels of transparency. In terms of minimum requirements for candidates, besides age, citizenship and a certain level of educational qualifications, countries should seek to exclude individuals convicted for corruption or other electoral crimes/contraventions from running for public office.

Liability of legal persons for corruption

Question submitted by TI Germany, May 2012, Nr 2012/39

Liability of legal persons for corruption is one of the requirements of most international instruments against corruption. In recent years, many countries across the world have reformed their anti-corruption legislation to include corporate criminal, civil, or administrative liability among its provisions. This answer analyses related

regulations in Austria, France, Switzerland, United Kingdom, and the United States. All these countries have fairly comprehensive laws in place. However, application is uneven across countries. While it is early to assess the impact of such laws, lack of implementation could also be explained by a lack of awareness and understanding of the law by prosecutorial authorities.

Illicit enrichment regulations

Question submitted by TI Portugal, April 2012, Nr 2012/15

Regional and international agreements encourage state parties to criminalise illicit enrichment as part of efforts to combat corruption, money laundering and organised criminal networks. Yet, due process concerns and the protection of the rights of the defendant have created challenges related legislation. The offence of illicit enrichment has been criticised as falling into conflict with human rights law standards for a fair trial. At the same time, international cooperation and mutual legal assistance can make legal enforcement challenging. To generate proof, many countries, including Portugal, have established systems that mandate heads of state, ministers and legislators file income and asset declarations. The effectiveness of such norms remains in question.

Good practice in regulating lobbying activities

Question submitted by TI Hungary, April 2012, Nr 2012/17

Regulation of lobbying is a relatively new global practice and in many places legislation is either nonexistent or lags behind the growing industry of lobbying. Compared to the European countries, lobbying has been long regulated in Canada and the United States, where comprehensive disclosure requirements for lobbyists have been in place for more than two decades. In these countries, the transparency rules are accepted as a simple matter of doing business in the profession. Regulatory regimes in Europe remain overall weaker. Slovenia stands out as having a relatively robust framework, while Lithuania and Poland still lack sufficient enforcement mechanisms for their recently passed legislation.

Examples of humanitarian aid and development cooperation legislations

Question submitted by TI Lithuania, March 2012, Nr 2012/12

Legislation on development cooperation and humanitarian aid is still not very common among European Union new Member States but slowly emerging in new donor countries. Transparency and accountability are usually not explicitly mentioned in such legislation, but there can be some broad reference to the aid effectiveness agenda. Good practice in humanitarian aid legislation elsewhere generally (i) guarantees that development assistance uphold to international standards, including the principles of impartiality, neutrality and humanity, (ii) guarantees the independence of aid policy from national foreign policy; and (iii) provides a legal base against which the government can be held accountable for its provision of development cooperation and humanitarian assistance.

Trends in anti-bribery law

Question submitted by TI UK, March 2012, Nr 2012/8

A number of countries have recently approved new anti-bribery regulation to comply with the requirements of international conventions such as the OECD Anti-Bribery Convention and the United Nations Convention against Corruption (UNCAC). The criminalisation of foreign bribery is among the most important trends that can be detected in these new regulations. The issue of corporate liability also emerges as a trend, with a significant number of countries introducing criminal and/or administrative liability for legal entities. Last but not least, several countries have adopted stronger penalties for bribery of both domestic and foreign public officials. Other changes include the criminalisation of commercial bribery, whistleblower protection, and the extension of the prescription period.

Ineligibilities arising from criminal law decisions

Question submitted by TI Israel, February 2012, Nr 2012/7

Ineligibility to stand for office typically arises from the holding of certain posts or the exercise of certain activities. They may also arise from an individual civil law or criminal law decision. In some countries having a criminal record prevents a person from being eligible. In others, specific disqualifications to stand for elections arise from

corruption or failure to comply with electoral laws. In other countries, the law has set out only 'positive' qualifications to be met by candidates.

Political parties bookkeeping and annual accounts

Question submitted by TI Ireland, January 2012, Nr 2012/1

Comprehensive, detailed, and reliable disclosure by political parties and individual candidates of assets, income, and expenditures, as well as adequate enforcement is essential to enhance transparency in the funding of political parties. In addition, the information provided by political parties should also be timely, intelligible and accessible. As opposed to Ireland, where political parties are currently neither required to keep proper books and accounts nor to publish audit accounts of all income and expenditures, countries such as the United Kingdom and Germany have adopted stricter rules, requiring the reporting of detailed information to an independent oversight body, external audits of the accounts and public disclosure of such information.

INSTITUTIONS

Independent information commissions and other oversight bodies

Question submitted by TI Croatia, September 2012. Nr 2012/69

There is an emerging trend towards establishing Information Commissions as a model for effective implementation of freedom of information laws. Information Commissions are typically granted an important role in: 1) enforcement (hearing appeals against the violation of the right to information); 2) monitoring compliance by public bodies with their obligation; and 3) promotion of the right to access information to assure effective implementation of the law. Country experience shows that without the establishment of a strong oversight body for ensuring effective implementation of the law, compliance is likely to be low.

Resources on anti-corruption institutions

Question submitted by APD, July 2012, Nr 2012/56

This answer compiles a list of resources, studies and reports that discuss issues related to the success and failures of anti-corruption commissions, various models for institutional and operational arrangements as well as conditions of effectiveness

Centralised versus decentralised anti-corruption institutions (ACAs)

Question submitted by U4, March 2012, Nr 2012/30

The institutional arrangements governing ACAs greatly varies across countries based on the local governance context and the specific circumstances that brought them into existence. Some countries have established a separate and centralised institution exclusively dealing with corruption, while others have opted for strengthening the anti-corruption capacity of a set of existing institutions or for a combination of both approaches. Some have also created several specialised bodies with complementary and sometimes overlapping mandates. There is no clear indication on which model is the most effective for combating corruption. Factors such as the institution(s)' independence, specialisation, integrity, capacity, and political back-up seem to influence their effectiveness to a greater extent, as well as their ability to interact and cooperate with those other anti-corruption institutions.

Good practice for structuring supreme audit institutions

Question submitted by TI Argentina, March 2012, Nr 2012/9

Supreme Audit Institutions (SAIs) are the main public sector audit organisation in a country in charge of overseeing the overall management of public finances. Country examples tend to indicate that factors such as institutional, financial and functional independence, integrity, transparency in the appointment and removal of auditors, level of resources (both in terms of financial resources and qualified staff) and effective reporting mechanisms have a major impact on the effectiveness of such institutions. SAIs also need to be supported by an enabling legal and institutional environment, including public access to information. Their impact is also strongly conditioned by their ability to interact and cooperate with other institutions involved in anti-corruption related activities.

UNDERSTANDING CORRUPTION

Addressing state capture

Question submitted by TI Hungary, June 2012, Nr 2012/50

State capture can broadly be understood as the disproportionate and unregulated interest group influence on decision making processes, where special interest groups manage to bend state laws, policies, and regulations through practices such as illicit contributions paid by private interests to political parties and for election campaigns, or parliamentary vote-buying. Addressing state capture typically involves reforms that seek to increase the transparency and accountability of political leaders through measures aimed at: regulating political financing and conflict of interest, facilitating citizen's participation in the decision-making process, guaranteeing public access to information, and stimulating political competition.

Influence of Interest Groups on Policy-making

Question submitted by U4, June 2012, Nr 2012/43

Interest groups are associations of individuals or organisations that on the basis of one or more shared concerns, attempts to influence public policy in its favour usually by lobbying members of the government. It is not a corrupt or illegitimate activity *per se*, but a key element of the decision-making process. However, disproportionate and opaque interest group influence may lead to administrative corruption, undue influence, and state capture, favouring particular interest groups at the expense of public interest. Transparency is thus key to ensure that policy-makers do not give preferential treatment for specific interest groups. Regulations on lobbying, conflict of interest, asset disclosure, competition, as well as, on freedom of information are among the wide range of rules adopted by countries across the world to increase transparency and accountability in decision making.

Correlation between national debt and perceptions of corruption

Question submitted by TI Germany, May 2012, Nr 2012/41

This answer provides simple correlation analyses between national debt and perception of corruption in European Union member states as well as in G-20 countries. In European Countries, the analysis shows a lack of correlation between the two variables, with a correlation coefficient close to zero. In the case of European Union member states, a very weak positive correlation can be identified. Overall, through a simple analysis, without controlling for other factors, it is not possible to infer a correlation between national debt levels and perception of corruption.

The concept of integrity

Question submitted by TI Germany, February 2012, Nr 2012/6

Transparency International defines integrity as *'behaviours and actions that are consistent with a set of moral or ethical principles and standards, embraced by individuals as well as institutions that create a barrier to corruption'*. The concept of integrity can be translated into an **ethics infrastructure** or a **national integrity system** of mutually reinforcing legislative standards, institutional structures and administrative procedures that ensure that public servants and members of the government will put the interest of the public above their own. Besides the institutional approach, an efficient integrity regime should also aim at raising the ethical standards of individual public servants, members of the government and society as a whole.

ANTI-CORRUPTION TOOLS AND APPROACHES

Chapter initiatives related to no impunity

Question submitted by TI-S, October, 2012, Nr. 2012/89

This answer provides examples of initiatives conducted by Transparency International chapters in Europe, Central Asia, MENA, Sub-Saharan Africa and the Americas, that are directly or indirectly focused on ending impunity. This

can include a wide range of initiatives aimed at supporting the effective detection, prosecution and sanction of corruption, from facilitating the detection of corrupt acts through election monitoring and analysis of asset declaration statements, to promoting access to justice services, strengthening the transparency, independence and capacity of the judiciary and monitoring the investigation, prosecution and sanctioning of corrupt individuals. The answer also provides a brief overview of the activities conducted by other organisations on the issue of no impunity

Codes of conduct for judges

Question submitted by TI Belgium, September 2012, Nr. 2012/73

Corruption in the judiciary undermines the rule of law and denies citizens their rights. Many countries have set out the standards of ethical conduct to be expected by judges in codes of conduct that have been developed as a tool to strengthen judicial integrity and complement existing regulations. The Bangalore Principles of Judicial Conduct provide guidance for regulating judicial conduct and are widely recognised as an international standard of good practice. Most codes adopted in the last decade are structured around the six underlying values of the Bangalore principles, namely Independence, Impartiality, Integrity, Propriety, Equality and Competence and Diligence. There are distinctions in the way these codes are implemented: some codes have a normative power whereas others are used as a guiding document for judges. Regardless of the enforcement mechanism, it is generally recognized that without training and buy-in, the codes have little impact on judicial conduct.

Resources on freedom of the press and corruption

Question submitted by TI Turkey, September 2012. Nr 2012/68

This answer compiles a list of resources and studies that provide empirical evidence of the correlation between freedom of the press and corruption. Findings indicate that there is strong empirical evidence of the correlation between freedom of the press and corruption and that the causation runs from more press freedom to less corruption.

Overview of integrity assessment tools

Question submitted by U4, August 2012. Nr 2012/64

Public integrity assessments tools usually aim to assess the institutional framework for promoting integrity and combating corruption across the public sector. There are only a few integrity assessments tools that have been implemented to rate public official integrity and ethics, such as integrity tests for pre-employment screening, integrity testing, and life-style checks. At the institutional level, integrity assessment tools are more commonly used to assess the role, capacity and/or effectiveness of specific anti-corruption related institutions. Assessments also aim to identify the preconditions for corruption which exist in a particular institutions as well as the actual incidence of corruption drawing on the understanding and experiences of public officials.

Best practices in reducing bureaucracy and corruption

Question submitted by TI Cyprus, July, 2012 Nr 2012/55

Red tape imposes a disproportionate bureaucratic burden on firms and citizens and may create both incentives and opportunities for bribery and corruption. Countries across the world have implemented reforms aimed at reducing bureaucracy. While in some countries such reforms are part of broader anticorruption strategies, in others it primarily aims at improving service delivery or increase competitiveness. There is a wide range of tools used by countries to reduce red tape, such as the establishment of one-stop shops, the use of data sharing and standardisation as well as reforms to simplify administrative procedures and cut bureaucratic burden. ICTs and E-government have also been used to improve administrative regulations and most importantly improve transparency and accountability.

“Islands of Integrity” related approaches to fighting corruption

Question submitted by TI Indonesia, May 2012, Nr 2012/34

The ‘Island of Integrity’ approach is based on the principle that it is possible to create an enclave (island) of integrity where the risk of corruption can be limited in a specific area of public life exposed to corruption. It typically consists of a joint anti-corruption agreement between parties that are committed to fighting corruption as well as the

establishment of monitoring mechanisms. To date, the concept has been primarily implemented in public procurement (integrity pacts) and public service delivery (development pacts) and can potentially be applied to the forestry sector, particularly when it comes to licensing processes for logging or exporting wood products.

National chapters' anti-corruption initiatives at the local level

Question submitted by TI Vietnam, March 2012, Nr 2012/13

This answer provides examples of initiatives conducted by Transparency International chapters in Europe, Central Asia, MENA, Sub-Saharan Africa and in the Americas aimed at combating corruption at the local and provincial level. The initiatives range from assessment tools, such as index of Municipal Transparency, to trainings, integrity pledges and development pacts aimed at improving service delivery, social audits, civic education as well as youth engagement.

The benefit of open contracting

Question submitted by U4, March 2012, Nr 2012/25

The concept of open contracting is emerging as an effective strategy to increase contract transparency and monitoring, with major expected benefits in terms of quality of governance, better value for money, reduced corruption, increased service delivery and better development outcomes. Global norms and standards are starting to emerge in this area, but the level and extent of disclosure greatly varies across countries and implementation is also lagging in most countries. Emerging good practice in this area involves mandated or non-mandated pro-active disclosure of contract information in user-friendly formats, from the awarding process to the monitoring and evaluation of contract implementation, with open access to the public, ideally through online platforms.

Integrity pledges for candidates

Question submitted by TI Malaysia, March 2012, Nr 2012/10

Integrity pledges are not-binding social contracts where participants commit themselves with their signatures to take certain actions against corruption. Pledges can be signed by candidates, public officials, members of the government, as well as other stakeholders. Integrity Pledges have been introduced in recent years in several countries (e.g. Bangladesh, Fiji, Philippines and Zambia). Such an approach has also been used in the form of "Development Pacts" for public service delivery in a number of countries, with clear indications of improvements in the quality, quantity and timeliness of basic public services delivery in these countries.

State register of corrupt individuals

Question submitted by TI Ukraine, March 2012, Nr 2012/11

A state register of corrupt individuals is not often used as a tool to prevent and combat corruption. Only a few countries have adopted such an approach, and there are no international standards on how such a register should be established. State registers have been used in a few occasions to centralise information that was previously scattered across the public administration and facilitate easy access to information on corrupt individuals within the framework of procurement processes, public competitions, or any other selection process in the public sector. Such registers have also been used as an anti-corruption tool in 'naming and shaming' campaigns.

The effectiveness of codes of conduct for parliamentarians

Question submitted by TI Estonia, February 2012, Nr 2012/4

Codes of conduct for parliamentarians usually aim at promoting ethical behaviour and preventing unethical behaviour, providing for a set of ethical standards, increasing public trust and respect in/for the institution as well as establishing rights and responsibilities for parliamentarians. Codes of conduct typically articulate general principles of ethics and address conflicts of interest, gifts and favours, asset declaration, outside activities, nepotism, post-public employment and relations with lobbyists. Studies have shown that the existence of a Code is perceived by Parliamentarians as helpful in certain situations, such as in preventing technical infringements, 'protecting' them when dealing with constituents and local parties, as well as increasing scrutiny both inside and outside the House.

Community policing as a tool against corruption

Question submitted by U4, February 2012, Nr 2012/26

Community-based policing refers to policing models that promote partnerships between police and communities to address community concerns. Such policing model is increasingly referred to as an international good policing practice to promote broad goals of professionalism, responsiveness and accountability. However, in spite of high expectations and widespread support for this type of policing, the impact of such approaches on corruption and accountability has not been clearly established. While this approach seems to have a positive impact on citizens' perception of police performance and police attitudes and behaviours, evidence is inconclusive on the effect of community policing on crime reduction, increased accountability to the public and decreased levels of corruption.

Impact of community monitoring on corruption

Question submitted by U4, February 2012, Nr 2012/27

There are many methodological challenges involved in assessing the impact of anti-corruption community-led monitoring initiatives. In spite of these various challenges there is an emerging but still mixed body of evidence on the impact of such types of interventions on corruption. Beyond anecdotal evidence of positive outcomes on detection/prosecution of corruption cases, such interventions have contributed in some cases in reducing corruption and leakages of funds as well as improving the quantity and quality of public services and strengthening the demand for longer term reforms.

SECTOR SPECIFIC INFORMATION

Chapter initiatives to promote transparency in public contracting

Question submitted by TI Argentina, October 2012, Nr 2012/85

This answer provides examples of initiatives conducted by Transparency International chapters in Europe, Central Asia, MENA, Sub-Saharan Africa and the Americas aimed at enhancing transparency in public contracting. The initiatives range from assessment tools, to capacity building trainings, monitoring of procurement processes as well as integrity pacts.

Fighting corruption in education in fragile states

Question submitted by U4, September 2012, Nr 2012/66

Fighting corruption in education has the potential to mitigate some of the root causes of fragility and restore citizens' trust in the government's capacity to deliver public services. Corruption can occur at all stages of the education service delivery chain, from school planning and management, to student admissions and examinations. There is still relatively little evidence of what comprises best practice on how to fight corruption in fragile states, including as it relates to the education sector. Recommendations typically include the establishment of transparent regulations and procedures, reforms of the procurement and public finance management (PFM) system, transparent teacher management systems, the introduction of codes of conduct for educational staff, robust information systems in the area of teacher registration and management. Social accountability initiatives also have a great potential and maybe the only feasible option in some challenging environments.

Centralised public procurement and its impact on transparency and corruption

Question submitted by TI Slovakia, September 2012, Nr 2012/72

Centralised and decentralised public procurement systems have their respective advantages and disadvantages. Countries have often chosen to mix elements of both systems based on their economic and political environment. Centralised procurement can contribute to efficiency in public procurement by improving management information, reducing production costs and transaction costs, and enhancing the efficiency of the supply chain. Provided that a system of checks and balance is in place and that enforcement mechanisms are strong and efficient, it also has the potential of reinforcing the integrity and impartiality of the public procurement system, increasing transparency and thus reducing corruption opportunities.

NGOs activities on mining and corruption at the global level

Question submitted by TI Australia, August, 2012, Nr 2012/62

This answer provides an overview of the initiatives currently being undertaken by NGOs, industry groups, and other institutions on mining and corruption-related issues at the global level according to the World Bank's Extractive Industries value chain.

Guidance for conducting a stakeholder analysis of the mining sector

Question submitted by TI Australia, July 2012, Nr 2012/57

Stakeholder analysis typically refers to the process of identifying key groups and individuals that are likely to influence or be affected by a proposed action and assessing them according to their level of influence and/or the extent to which they are likely to be affected by the proposed action or policy. For legitimacy and credibility, the exercise is best achieved through a participatory process engaging the various stakeholders to determine their level of interest, incentives, and attitudes with regard to the envisaged action, as part of a broader stakeholder engagement strategy. Such an exercise has been conducted at the global level for extractive industries and the mining sector within the framework of the Extractive Industries Transparency Initiative (EITI).

Transparency in the NGO sector

Question submitted by TI Mauritius, June 2012, Nr 2012/47

It is difficult to draw general conclusions on the performance and integrity of the numerous NGOs operating across the world. Various types of activities, different levels of capacity and resources as well as the context in which NGOs operate may influence how transparent and accountable they are in conducting their work. The growing number and importance of NGOs have driven countries to search for ways to regulate the sector. Government regulations have been implemented in a few countries, but the preferred option is still self-regulation. Therefore, NGOs tend to create standards through codes of conduct or certifications mechanisms. There are numerous national, regional, and international initiatives across the world, but the sector still struggles to distinguish the "bad apples" from the good ones.

Linkages between Institutional/Political Factors and Procurement Efficiency

Question submitted by TI Russia, July 2012, Nr 2012/54

This answer compiles a list of resources, studies and reports which could be relevant for analysing institutional/political factors which could have an impact on procurement efficiency.

Best practice in Small and Middle –sized Enterprises (SMEs)' compliance with competition regulations

Question submitted by TI Hungary, June 2012, Nr 2012/44

Competition laws are of crucial importance to address and prevent business related corruption. In most countries, all companies are subject to competition laws, irrespective of their size. Good practice corporate compliance programmes with these laws typically include a set of key features such as leadership and support from senior management, development of policies and procedures based on risk assessment, standards and controls, training and communication, monitoring, auditing and report mechanisms, disciplinary procedures and incentives, regular review and updating. These principles can guide both large and small companies' compliance programmes and can be easily adapted to the constraints and specificities of SMEs.

Codes of conduct for SMEs

Question submitted by TI Hungary, May 2012, Nr 2012/42

As the bulk of business in most economies is conducted by SMEs, there are major potential benefits associated with implementing ethics management programmes within small and middle sized firms. Codes of conduct constitute a central element of business ethics programmes to ensure that the company's activities comply with relevant laws and regulations and provide adequate guidance to employees and other key stakeholders on what behaviours and business conduct are expected of them. This answer provides a few examples of codes of conduct specifically developed for SMEs.

The impact of corruption on growth and business activity

Question submitted by TI Vietnam, May 2012, Nr 2012/16

Until recently, most studies looking at the correlation between corruption and growth have consisted of macro-level studies using country-level data to explore cross-country variations in both governance and economic indicators. Evidence indicates that corruption is likely to adversely affect economic growth of transition countries, through its impact on investment, taxation, public expenditures, human development, etc. However, there is a growing consensus that the effect of corruption on growth is context specific, and associated with factors such as the country's legal and institutional framework, quality of governance, political regime, etc. At firm level, emerging evidence indicates that corruption does have an impact on factors affecting firms' growth and productivity, such as firms' performance, efficiency investment and innovation patterns and is likely to affect firms' longer term growth prospects.

Environmental crime and corruption

Question submitted by U4, April 2012, Nr 2012/29

Environmental crime covers activities ranging from illegal logging, illegal trade in ozone depleting substances, dumping and illegal transport of hazardous wastes, to unreported fishing. It often includes a transnational dimension, which makes it highly profitable. It poses serious threats to the environment, contributing to poverty and food insecurity, and weakening the state due to organised crime activities and corruption. Environmental crime can be considered a catalyst for corruption. In particular, corruption plays an important role in facilitating fraudulent trade, forging import/export certificates, clearing customs wrongly, ignoring illegal waste disposal, issuing licenses, among others. At the request of the enquirer, this answer focuses more specifically on corruption vulnerabilities in illegal trafficking in ozone depleting substances and hazardous waste, which are under-researched.

COUNTRY SPECIFIC INFORMATION

Overview of corruption in Kenya

Question submitted by U4, October 2012, Nr 2012/83

The election of President Kibaki on an anti-corruption platform in 2002 was perceived as a radical shift from the increasingly corrupt one-party rule that had been established after independence and raised tremendous hopes among Kenyan citizens of ending corruption and impunity. The new regime inherited challenges of endemic corruption permeating all sectors of society, grand-scale economic and political corruption, which it primarily addressed through a series of legal and institutional measures. However, within two years of coming to power, the new administration became engulfed in several corruption scandals leading to donors periodically suspending aid. In spite of these drawbacks, Kenya is currently experiencing major institutional and political changes which give reasons for hope. The new constitution adopted through a free and fair referendum in 2010 represents a key milestone for the fight against corruption. It seeks, among other things, to strengthen political rights and civil liberties, to constrain executive powers, to strengthen legislative oversight, as well as to increase the judiciary's independence

Overview of corruption and anti-corruption in Lebanon

Question submitted by U4, October 2012, Nr 2012/86

Corruption in Lebanon is widespread and permeates all levels of society, as reflected by the country's below global and regional average performances in most governance areas. Political parties, public administration, the Parliament and the police are perceived as the most corrupt institutions of the country. Partly due to political instability, the country has not established the necessary integrity structures nor are there indications of a strong political will to properly fight corruption. Lebanon's confessional power-sharing arrangements fuels patronage networks and clientelism, which undermines further the country governance system. Offshore hydrocarbon resources were recently discovered in Lebanon. The exploitation of these reserves has not yet started. It is crucial for Lebanon to create the necessary safeguards to ensure transparent management and maximum social benefits.

Overview of corruption and anti-corruption in Burma (Myanmar)

Question submitted by U4, October 2012, Nr. 2012/63

After more than four decades of military rule, political violence and systematic repression of democratic opposition, Burma held its first general elections in 2010, and is passing through major economic and political reforms. Parliamentary by-elections were held in 2012 with Aung San Suu Kyi party (National League for Democracy) receiving the overwhelmingly majority of votes. Such reforms and the significant and seemingly genuine opening up of the country have encouraged the United States and the European Union to lift trade embargoes against the country. However, the military continues to exercise influence in politics and despite improvements, restriction on media and civil society organisations, as well as human rights violations continue. In the absence of sound democratic institutions and an effective system of checks and balance, the legal and institutional frameworks against corruption appear, to date, rudimentary and are likely to be misused for political reasons. On a more positive note, the recent elected government has demonstrated willingness to improve the country's institutional and legal framework as well as the space for political participation.

Overview of corruption and anti-corruption in Bolivia

Question submitted by U4, September 2012, Nr 2012/74

Corruption in Bolivia is present at all levels of society and the country performs below global and regional averages in most governance areas. The judiciary, the police and the public administration more broadly are perceived as the most corrupt institutions of the country. Bolivia is dependent on its natural resources and this sector is notoriously prone to corruption. With the development of the country's lithium plan, it is crucial for Bolivia to create the necessary safeguards to ensure maximum social benefits. Bolivia has undertaken significant efforts to enhance transparency. Evo Morales declared a zero tolerance line against corruption and his government has created an institutional and legal framework that appears robust at least on paper.

Nature and impact of corruption in Sudan

Question submitted by U4, August 2012, Nr. 2012/63

After decades of political turmoil, unrest and civil war, Sudan faces many of the governance and corruption challenges that affect both conflict torn and resource rich countries, including fragile state institutions, low Evidence of the impact of corruption is scarce and concealed by the country's economic and political instability. Nevertheless, there is evidence that patronage has a negative impact on SMEs. Also, corruption in the police and security forces undermines internal security and abets abuses of civil and political rights. The lack of transparency in the oil sector contributes to political instability between Northern and Southern Sudan in the middle and long term.

Causes of corruption in Indonesia

Question submitted by U4, August 2012, Nr. 2012/60

Cross-country studies investigating the causes of corruption have identified several factors which may have an impact on corruption, ranging from structural factors, to institutional, historical, and economic factors. In the case of Indonesia, corruption in the country is likely to be facilitated a number of factors, such as large amounts of public resources derived from natural resources, vested interests and politically connected networks, poorly paid civil servants, low regulatory quality, and weak judicial independence. In addition, local officials are given wide discretionary power and resources without proper accountability and enforcement mechanisms.

Overview of corruption and anti-corruption in Somalia

Question submitted by U4, July 2012, Nr 2012/51

As one of the longest instances of state collapse in recent years, Somalia faces many of the major corruption challenges that affect conflict-torn countries, with rampant corruption and a deeply entrenched patronage system undermining the legitimacy of the internationally recognised Transition Federal Government (TFG). Corruption is further exacerbated by the absence of a functional central government, a lack of resources and administrative capacity, weak leadership structures as well as a limited ability to pay public officials. The TFG has a poor record of

confronting corruption due to its weak administrative set up, lack of resources and capacity and wavering political will. President Sharif's early pledge to address corruption, clean politics and promote good governance in public administration has failed to translate in an articulated strategy so far.

Evidence of illicit flows from developing countries placed in Germany

Question submitted by U4, May 2012, Nr 2012/40

Public assets illegally obtained from developing countries are often hidden in banks located in the financial centres of developed countries. There is limited evidence that Germany is an important financial centre for corrupt elites from the developing world. However, Germany still does not do enough to preventing illicit financial flows originating from tax evasion, corruption, and other criminal activities to enter the country. However, a few reports have recently uncovered suspicious transactions between German Banks and allegedly corrupt elites from Turkmenistan and Libya. Other studies have highlighted the lack of transparency of the German financial system which could leave room for the placement of ill-gotten wealth in the country.

Overview of corruption in Afghanistan

Question submitted by U4, May 2012, Nr 2012/19

Afghanistan faces major governance and corruption challenges that threaten the country's fragile state building process, undermining government's legitimacy, stability, and rule of law. The problem of corruption in the country is exacerbated by the prevalence of illicit drug activities and the large amounts of international aid flowing into the country. While recent sector specific corruption analyses are still relatively scarce, some sectors, such as the judiciary and the police appear especially vulnerable to corruption. The government, pressured by citizens and in particular the international community, has recognised the problem and has put the fight against corruption among its priorities.

Overview of corruption in Malawi

Question submitted by U4, April 2012, Nr 2012/31

While some of the governance indicators indicate that Malawi has made progress in anti-corruption, Malawi continues to suffer from various types of corruption – from high level political corruption to petty bribery that impedes service delivery and patronage and nepotism that exacerbates inequality and poverty in Malawi society. Corruption is seen to be particularly severe in the police, registry and permit services, customs, procurement, and the judiciary. The launch of the National Anti-Corruption Strategy in 2008 is thought to have brought many improvements in the anti-corruption framework of the country and Malawi is seen to have strong anti-corruption laws and institutions. However, experts state that there is still a significant gap between law and practice.

Overview of corruption in Mozambique

Question submitted by U4, March 2012, Nr 2012/20

While Mozambique is an example of a smooth transition to democracy and development, corruption remains an area of concern that manifests itself through various forms, including political, petty and grand corruption, embezzlement of public funds, and a deeply embedded patronage system. Checks and balances are weak, as the executive exercises strong influence over the legislative and the judiciary. The recent gas and oil discoveries and the potential of the mining industries in increasing state revenues may create further governance and corruption challenges. While the government has introduced important reforms in recent years, Mozambique's legal and institutional framework remains largely inadequate.

Overview of corruption in Liberia

Question submitted by U4, March 2012, Nr 2012/21

Liberia is perceived as having made significant progress in the fight against corruption since the 2003 Accra Comprehensive Peace Accord. In particular, President Sirleaf has demonstrated a strong leadership on anti-corruption issues which has translated into ensuring the independence of the General Auditing Commission, supporting the establishment of the Liberia Anti-Corruption Commission, promoting transparent financial

management, public procurement and budget processes and assuring Liberia's compliance with the Extractive Industries Transparency Initiative through the LEITI. However, in spite of these positive developments, corruption remains endemic and permeates most sectors of the society.

Overview of corruption within the justice sector and law enforcement agencies in Bangladesh

Question submitted by U4, February 2012, Nr 2012/32

The justice sector and law enforcement are consistently referred to as two of the most corrupt sectors in public administration in Bangladesh. Corruption in these sectors have severe detrimental consequences – it erodes the rule of law, denies citizens access to a fair trial, creates opportunities for unlawful detentions and other human rights violations, undermines economic and social development and fosters an environment of impunity. This query focuses on the main components of the justice sector and law enforcement - judiciary and the police. Corruption in both these areas are rampant, their manifestations and causes are complex. This query examines the main causes of corruption in both these areas.

Corruption trends in the MENA region (2007-2011)

Question submitted by U4, January 2012, Nr 2012/

Revolutions sweeping across the Middle East and North Africa (MENA) region during 2011 have shone light on widespread corruption, particularly political corruption in the form of stolen assets by seemingly all the deposed leaders. There also has been widespread evidence of prolific patronage, nepotism, and collusion between the public and private sectors that has contributed to the heightened levels of civil unrest and public protests. For purposes of this query, the MENA countries of focus are Egypt, Jordan, Libya, Morocco and Tunisia.

Overview of corruption in Palestine

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Since its inception, the Palestinian National Authority has faced major internal and external threats and challenges that may have stalled its efforts to develop and implement effective anti-corruption policies. Wasta (favouritism) and nepotism constitute the most common manifestations of corruption, in particular in relation to appointments in public institutions, while corruption in economic sectors that have monopolistic features such as the petroleum sector and in land management remain issues of major concern. Against this backdrop, the PNA is credited to have made significant progress in strengthening public governance systems as well as its legal and institutional framework, but efforts remain fragmented and there is a need for better coordination of anti-corruption efforts and institutions.

Overview of corruption in Turkey

Question submitted by U4, January 2012, Nr 2012/23

Turkey has made progress in terms of democratic political reforms, economic liberalisation and commitment to EU oriented reforms in the last decade, triggered by the country's accession to full EU membership candidacy status in 1999. However, the situation of human rights, especially with regard to minorities and political freedoms remain an issue of great concern that may undermine the country's growing standing in the region. In spite of progress made, the country also continues to be confronted to major challenges of rampant corruption, with both petty and grand forms of corruption permeating many sectors of the society, including the public sector, the private sector, political parties and the military. The government has taken steps to address corruption challenges in the country but progress remains limited and concerns have been raised in a number of areas.

Overview of corruption in Vietnam

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In spite of improvements over the past years, corruption is still considered widespread throughout the country and Vietnam still lags behind other Asian countries in terms of control of corruption and most governance indicators. Corruption affects different sectors such as health, education, construction, land management as well as natural resources and the extractive industry. Against this backdrop, the government has taken a number of important steps to address governance and corruption challenges. However, there is still little evidence of the impact of these reforms to date, particularly due to a large implementation gap and lack of enforcement.