

Close links between business and government pose risks in Europe

25 country report highlights political donations, lobbying

Brussels, 6 June 2012 – Anti-corruption group Transparency International today warned in a new report that the close relationship between business and government has enabled corruption and undermined economic stability in Europe.

The report highlights the gaps in governance that contributed to the financial and political scandals that dogged nearly every European country in the last year. Transparency International called on lawmakers to make lobbying and campaign finance more transparent.

The report [Money, Politics and Power: Corruption Risks in Europe](#) highlights a deficit of transparency in the way decisions are made and political groups funded. 19 of the 25 countries surveyed have yet to regulate lobbying, and only ten ban undisclosed political donations outright.

“Across Europe, many of the institutions that define a democracy and enable a country to stop corruption are weaker than often assumed. This report raises troubling issues at a time when transparent leadership is needed as Europe tries to resolve its economic crisis,” said Cobus de Swardt, Managing Director of Transparency International.

Three quarters of Europeans view corruption as a growing problem in their country, according to European Union [surveys](#). The last year saw high profile corruption trials in France and Italy. Political corruption scandals involved MP expenses (UK), pension fraud (Norway), patronage (Czech Republic, Romania) and conflicts of interest (Bulgaria, Finland, Slovenia).

Today’s report is the first comprehensive assessment of the capacity of European countries to fight corruption, investigating more than 300 national institutions across 25 states.

Political parties, business and the civil service performed the worst in the fight against graft and wrongdoing, while state auditors, ombudsmen and agencies tasked with running elections were the best performers. The report also found that Europe enjoys strong and well developed legal systems.

Too many governments are not accountable enough for public finances and public contracts, the latter worth €1.8 trillion in the EU each year. Even worse, only two countries really adequately protect whistleblowers from retaliation should they decide to speak out against suspected crime or other unethical conduct.

With strong watchdogs, auditors, justice systems and law enforcement agencies, Denmark, Norway and Sweden are best protected against corruption. That said, even in these countries some issues remain, particularly in the area of political finance.

Europe’s other corruption risks include:

- 12 countries have no ceiling on political donations by individuals,
- 17 countries lack codes of conduct for parliamentarians, while their public disclosure of interests and assets is limited in 11.

- There are barriers for people who want to access public information in 20 countries.

European governments should close these loopholes, Transparency International said.

Transparency International also called on the EU to set an example by adopting robust rules inside its own institutions.

###

Transparency International is the global civil society organisation leading the fight against corruption

Note to editors:

National reports, photographs and quotes from the press conference are available at:

<http://www.transparency.org/news/feature/enis>

Note to editors: *Corruption Risks in Europe* brings together the National Integrity Systems (the effectiveness of institutions and gaps that could allow corruption to occur) assessments of 25 European countries carried out in 2011: Belgium, Bulgaria, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland and the UK. It is part of a pan-European anti-corruption initiative, supported by the European Commission home affairs department.

Media Contact

Thomas Coombes

+49 30 34 38 20 666

Email: press@transparency.org

Brussels

Jana Mittermaier

+32 2 23 58 621

Email: brussels@transparency.org

Annex

Breakdown of country performance

1. Money, Politics and Undue Influence			
	Party Financing: undisclosed contributions to parties banned?	Ceilings on political donations from private individuals?	Register of lobbyists in place?
Belgium	Only above a threshold	Yes	No
Bulgaria	Yes	Yes	No
Czech Republic	Yes	No	No
Denmark	Above threshold	No	No
Estonia	Yes	No	No
Finland	Above threshold	Yes	No
France	Yes	Yes	Yes (Voluntary)
Germany	Above threshold	No	Yes (Voluntary)
Greece	No	Yes	No
Hungary	Above threshold	No	No
Ireland	Above threshold	Yes	No
Italy	Above threshold	No	No
Latvia	Yes	Yes	No
Lithuania	Yes	Yes	Yes
Netherlands	No for individuals; above threshold for legal entities	No	No
Norway	Above threshold	No	No
Poland	Yes	Yes	Yes
Portugal	Yes	Yes	No
Romania	Above threshold	Yes	No
Slovakia	Yes	No	No
Slovenia	Above threshold	Yes	Yes
Spain	Yes	Yes	No
Sweden	No	No	No
Switzerland	No	No	No
UK	Above threshold	No	Yes (partially)

Rules for parliamentarians		
	Code of conduct for members of parliament?	Are MPs' income, assets and interests declarations broad and publicly available?
Belgium	No	No
Bulgaria	No	Yes
Czech Republic	No	No
Denmark	No	No
Estonia	No	Yes
Finland	No	Yes
France	Yes	No
Germany	Yes	No
Greece	Yes	No
Hungary	No	No
Ireland	Yes	Yes
Italy	No	No
Latvia	Yes	Yes
Lithuania	Yes	Yes
Netherlands	No	No
Norway	No	Yes
Poland	Yes	Yes
Portugal	No	Yes
Romania	No	Yes
Slovakia	No	Yes
Slovenia	No	No
Spain	No	Yes
Sweden	No	Yes
Switzerland	No	No
UK	Yes	Yes

	Public Sector Transparency	Reporting Corruption
	Can citizens access information without facing notable barriers?	Sufficient protection from reprisals for whistleblowers ?
Belgium	No	No
Bulgaria	No	No
Czech Republic	No	No
Denmark	No	No
Estonia	Yes	No
Finland	Yes	No
France	No	No
Germany	No	No
Greece	Yes	No
Hungary	No	No
Ireland	No	No
Italy	No	No
Latvia	No	No
Lithuania	No	No
Netherlands	No	No
Norway	No	Yes
Poland	No	No
Portugal	Yes	No
Romania	No	No
Slovakia	Yes	No
Slovenia	No	No
Spain	No	No
Sweden	No	No
Switzerland	No	Partially
UK	No	Yes