PRESS STATEMENT TO LAUNCH TRANSPARENCY INTERNATIONAL'S GLOBAL CORRUPTION BAROMETER (GCB) 2009

Presented by Vitus A. Azeem, Executive Secretary (GII)

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1.0 INTRODUCTION

Mr. Chairman, Ladies and Gentlemen of the Media, members of the Ghana Anti-corruption Coalition and members of the diplomatic community, on behalf of the Board and Management of the Ghana Integrity Initiative, I welcome you all to this morning's Press Conference.

We have invited you here this morning to share with you this year's worldwide public opinion survey of citizens' views on and experiences of corruption conducted annually by Transparency International (TI), the civil society organisation leading the fight against corruption worldwide. Transparency International released its Global Corruption Barometer this morning in Berlin, Germany and it is being simultaneously being launched in all the countries covered by the report. As the National Chapter of Transparency International, GII has the responsibility of launching the report in Ghana.

The GCB 2009 surveyed a total of 73,132 people in 69 countries and territories around the world, including ten African countries, namely: Ghana Cameroon, Kenya, Liberia, Morocco, Nigeria, Senegal, Sierra Leone, Uganda and Zambia. The Global Corruption Barometer 2009 came out with five key findings:

➤ Consumers are willing to pay more for products and services from corruption-free companies and views of the private sector overall are negative, providing an incentive for companies to prove they are clean

- ➤ People see business in an increasingly critical light and see illicit influence of the state by business as a serious threat. This is a powerful argument for stricter corporate standards and more transparent reporting;
- Petty bribery is on the rise in some countries which further compounds challenges faced in the economic downturn meaning cash-strapped families are increasingly punished
- ➤ People continue to broadly see government as ineffective in the fight against corruption.
- People continue to see political parties as the most corrupt institutions in their country.

2.0 About the Global Corruption Barometer

The Global Corruption Barometer presents the main findings of a public opinion survey that explores the general public's views of corruption, as well as experiences of bribery around the world. The GCB also assesses the extent to which key institutions and public services are perceived to be corrupt, measures citizens' views on government efforts to fight corruption, and asks questions about the level of state capture and people's willingness to pay a premium for clean corporate behaviour.

3.0 The Key Findings of the GCB

3.1 Perception of Corruption in Key Institutions

The 2009 Global Corruption Barometer asked the respondents to what extent they perceive each of six key sectors and institutions to be corrupt. Sixty-eight per cent (68%) of all respondents perceived political parties to be corrupt. This was followed closely by the civil service (public officials/ civil servants) and Parliament which were perceived to be corrupt by 63 and 60 per cent, respectively. About half of the respondents perceived the private sector and the Judiciary to be affected by corruption while 43 per cent of interviewees believed that the Media was affected by corruption. Clearly, all the six sectors are perceived to be corrupt although to different levels of corruption.

However, when asked which of the six sectors/institutions they considered to be the single most corrupt, the general public most frequently identified political parties and the civil service, with 29 and 26 per cent, respectively, to be the most corrupt. Only six and nine per cent of respondents saw the Media and the Judiciary, respectively, as the single most corrupt institution/sector in their countries. We provide below the global situation in a table.

Table 1 Single institution/sector perceived to be most affected by corruption, by country

Institution/Sector	Country/Territory ¹	
Political Parties	Argentina, Austria, Bolivia, Bosnia and Herzegovina, Chile	
	Colombia, El Salvador, Finland, Greece, Hungary, India, Israel, Italy,	
	Lebanon, Malaysia, Nigeria, Serbia, South Korea, Thailand, United	
	Kingdom & Venezuela (21 countries in all)	
Parliament/	Indonesia, Panama, Romania & United States (4 countries)	
Legislature		
Business /private	Brunei Darussalam, Canada, Denmark, Hong Kong, Iceland,	
Sector	Luxemburg, Moldova, Netherlands, Norway, Portugal, Singapore,	
	Spain & Switzerland (13 countries).	
Public	Azerbaijan, Belarus, Cameroon, Czech Republic, Ghana, Iraq, Japan,	
officials/Civil	Kenya, Kuwait, Lithuania, Morocco, Pakistan, Philippines, Poland,	
Servants	Russia, Senegal, Turkey, Ukraine & Zambia (19 countries)	
Judiciary	Armenia, Bulgaria, Cambodia, Croatia, FYR Macedonia, Georgia,	
	Kosovo, Mongolia, Peru, Senegal & Uganda (11 countries).	

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¹ Liberia and Sierra Leone are not included because they did not ask this question. Senegal appears twice because the same percentage of respondents reported the Judiciary and the Civil Service as the most corrupt.

Source: Transparency International Global Corruption Barometer 2009. Percentages are weighted.

On bribes, the Police are most frequently reported to be bribed and to receive bribes worldwide although regional differences also emerge. In the Middle East and North Africa, the most bribe-prone institutions are reported to be those handling procedures related to buying, selling, inheriting or renting land. In EU+ countries these land services along with healthcare are most vulnerable to petty bribery. While incidences of petty bribery in North America appear to be very low, those that do occur are most frequently reported in interactions with the judiciary.

3.2 People's Experiences of Corruption

When exploring people's daily experiences with corruption, the Barometer found that, on average, more than 1 in 10 people reported paying a bribe in the last 12 months. The countries reported to be most affected by petty bribery are Cameroon, Liberia, Sierra Leone and Uganda (more than 50%), Cambodia, Iraq, Armenia, Azerbaijan, Bolivia, Ghana, Indonesia, Kenya, Lithuania, Moldova, Mongolia, Russia, Senegal and Venezuela (between 23 and 49%).

A discouraging finding of the 2009 Barometer is that the last four years have seen very little change in levels of petty bribery. 11% of respondents in 2009 reported paying bribes compared with 9 per cent in 2005.

3.3 Use of complaints mechanism

Despite evidence indicating that people encounter bribery frequently, only about 1 in 5 reported having made a formal complaint in the previous 12 months. Half of the interviewees indicated that formal complaint mechanisms are not effective, while one quarter find the process too time-consuming. In Sub-Saharan Africa, nearly a third of respondents reported that complaint mechanisms are too cumbersome. It is worrying that in a fifth of those households that did not lodge a formal complaint, fear of potential harassment and reprisals motivated their decision. Of particular interest is that 16 per cent of those surveyed around the world do not even know how to present a formal complaint.

3.4 People's views of the private sector

In the countries and territories assessed, the private sector is perceived to be the most corrupt in Brunei Darussalam, Canada, Denmark, Hong Kong, Iceland, Luxembourg, Moldova, the Netherlands, Norway, Portugal, Singapore, Spain and Switzerland.

Furthermore, the Barometer found that 54 per cent of survey respondents believe bribery is commonly used by the private sector to shape policies and regulations. Sixty five per cent of Barometer respondents in upper-middle-income countries reported that state capture by the private sector is a common phenomenon. While 55 per cent of respondents in high-income countries claimed that it is common for bribes to influence the policy-making process, 45 per cent of respondents in low-income countries claimed the same.

3.5 Government Efforts to Fight Corruption

The Barometer indicates that government efforts to tackle corruption are largely seen as ineffective by the general public. While just under a third of the respondents rated government efforts as effective, more than half believed they were ineffective.

4.0 Africa

The GCB has four key findings about Africa:

- The number of respondents in the SSA region who reported <u>paying a bribe</u> in the previous year is much higher than the global average, which is 26 per cent in SSA versus 13 per cent at the global level.
- In Sub-Saharan African countries, the Police are considered to be the most frequent recipients
 of bribes.
- Forty-one per cent of respondents in the SSA region claimed bribery is often used by the
 <u>private sector</u> to shape laws and regulations.
- Three in 5 respondents in the SSA region claimed they would be willing to pay more for a product or service from a "corruption-free company".

Out of the ten Sub-Saharan African countries surveyed, Cameroon, Liberia, Sierra Leone and Uganda were reported to be most affected by petty corruption. This was followed by Ghana, Kenya and Senegal.

5.0 Ghana

Ghana Integrity Initiative conducted the survey in Ghana on behalf of Transparency International. A total number of 1,190 respondents were randomly selected from one Municipal capital and one District capital from each of the ten regions of the country and interviewed. The aim was to cover all categories of the Ghanaian society, including representatives of both urban and rural communities.

Survey respondents were asked to rank six institutions/sectors on their perception of how corrupt they are on a scale of 1 to 5 with 5 being very corrupt. The scores are presented below:

Table 2: Ranking of Institutions/Sectors

Institution/Sector	Country Score (2009)	Country Score (2007)
Police		4.6
Public officials/Civil Servants	4.2	
Judiciary	4.1	3.7
Political Parties	3.6	3.6
Business /private Sector	3.3	3.3
Parliament/ Legislature	3.1	3.4
Media	3.0	2.8
NGOs & Religious bodies		2.2

Source: GCB 2009 Report

However, overall, public officials/civil service were perceived to be the most corrupt institution/sector in Ghana.

In Ghana, 58% of the respondents felt that government efforts to fight corruption were quite effective. This is lower than what pertained in 2007 where 67% of the respondents felt the same. It is worrying when citizens lose confidence in their government's ability to fight a canker like corruption.

6.0 Way forward for Ghana

Corruption has devastating effects not only on the individual citizens but also on the country as whole. Lack of access to quality health care, quality education for our children and potable water result from corruption and the poor are always the hardest hit. Shoddy work on our roads leading to poor roads results in the carnage on our roads in addition to the loss of huge funds in kickbacks, bribes and inefficiency.

It is clear from the report that there is a need for strong code of conduct for civil/public servants as well as political appointees, especially those in positions to hire, fire, and influence resource allocation, as a matter of urgency. Such a code of conduct must be systematically and rigorously enforced.

Furthermore, GII calls for more civic education to educate and sensitize Ghanaians on the deleterious effects of corruption. Ghanaians must learn to be loyal to the state rather than to friends, relatives and members of their ethnic groups. This calls for a change of attitude and a system of democratic practice where all citizens are equal before the law and where meritocracy rules over and above all other considerations.

GII strongly urges the private sector in Ghana to adhere to the United Nations Global Compact – Principle 10, which says that "Business should work against corruption in all its forms, including extortion and bribery". GII further urges the private sector to sign on to the Ghana Business Code, where companies will have detailed policies with respect to bribery-related issue such as kickbacks, extortions, facilitation payments, conflict of interest, fraud, gifts and hospitality as well as political and charitable contributions. On the other hand, the

government must impose penalties like blacklisting, fines and contract cancellation on firms whose employees engage in acts of corruption.

There is also a need to review and strengthen existing laws to include the imposition of stiffer punishment, such as longer prison terms for perpetrators of corruption. At the same time, the Public/Civil Service should institute a reward system for those who exhibit high standards of performance and commitment to duty in public office in addition to payments system that is considered adequate for the ordinary worker. This should be complemented by an adequate recognition of people who risk their lives and/or livelihoods in order to champion the anti-corruption cause.

The failure to make formal complaints or even ignorance as to how to present a formal complaint is the main reason why Ghana has passed the Whistleblower Act. It is in a similar vein that Transparency International has encouraged and supported some of its local chapters to set up the Advocacy and Legal Advice Centres (ALACs) to provide legal advice and guidance on how to pursue such cases. GII launched its ALAC a few weeks ago and I would entreat you to spread the message about it to your readers and viewers.

In spite of the positive perception of the government's efforts at curbing corruption, there is a need for more effective measures to fight the canker. The legislations that government has put in place to deal with corruption cannot reduce corruption if they are not enforced. Furthermore, the Right to Information legislation needs to be passed without any further delay as it has proved to be an effective anti-corruption tool.

The accountability institutions cannot succeed in curbing corruption if they are not adequately resourced, their human resource capacities built, and their independence guaranteed. Most important of all, we need an effective political leadership that has no cobwebs in its cupboard, a leadership that is committed to fighting corruption and a leadership that will promptly bring to book persons found to be guilty of corruption no matter their political affiliation. This is the only way Ghana can succeed in reducing corruption.

Finally, GII wishes to remind officials of the new government and the outgone government that the deadline for declaring their assets is approaching and that failure to declare can lead to barring them from holding public office in the future.

On that note, I have the pleasure to declare the Global Corruption Barometer 2009 duly launched in Ghana.

Thank you for your attention. We shall take some questions from the Media