

PRESS CONFERENCE TO LAUNCH TI'S 2 007 CORRUPTION PERCEPTION INDEX (CPI 2007)

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VENUE: GHANA INTERNATIONAL PRESS CENTRE, ACCRA

GHANA INTEGRITY INITIATIVE (GII), LOCAL CHAPTER OF
TRANSPARENCY INTERNATIONAL (TI)

1. INTRODUCTION

Distinguished members of the Media, Invited guests, Ladies and Gentlemen, it is a great pleasure to have you here at the launch of Transparency International's Corruption Perception Index (CPI) for 2007. On behalf of the Board of the Ghana Integrity Initiative, I welcome you all to this Press Conference. I also wish to acknowledge the great contribution some of you have made towards the anti-corruption campaign in Ghana.

This is the first time I am having this formal interaction with you on behalf of GII and I look forward to more of such interactions in the future and sustained collaboration with you in the fight against corruption in our country.

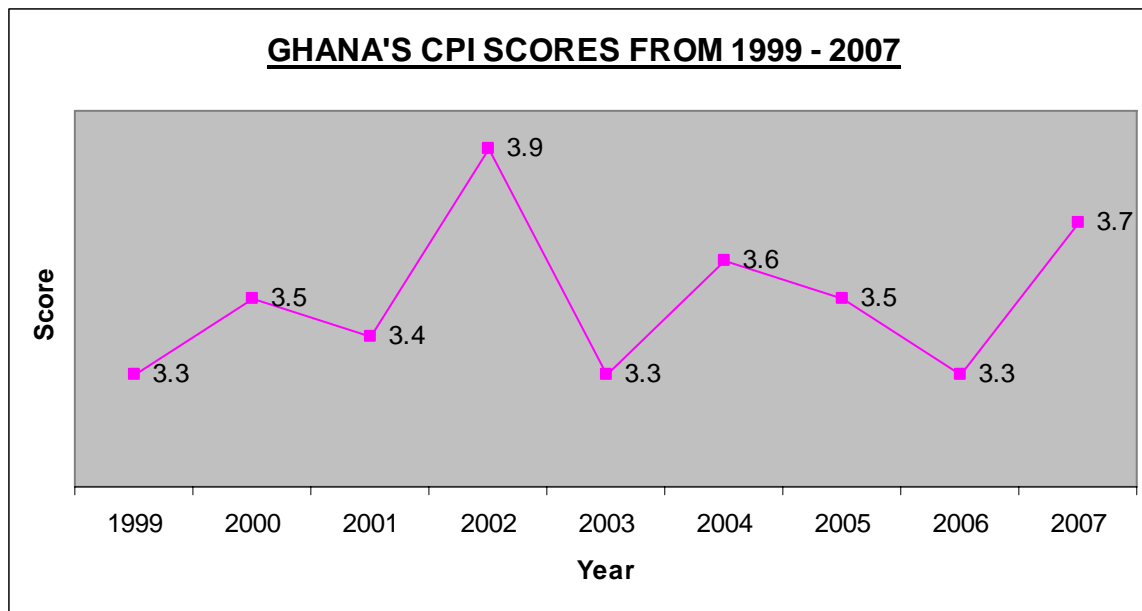
Ladies and gentlemen, we have called you here this morning to share with you the 2007 Corruption Perception Index (CPI 2007), which is being launched today in London by the TI's international secretariat in Berlin and around the world by TI's country chapters in many of the countries covered by the report. Transparency International (TI), which is the leading international non-governmental organization (NGO) devoted solely to the fight against corruption worldwide, has published the CPI every year since 1995 with the aim of drawing the attention of government and key stakeholders to the problem in their respective countries. The Ghana Integrity Initiative (GII), the National Chapter (NC) of TI in Ghana, has also launched the CPI in Ghana since its inception in 1999.

2. GHANA'S PERFORMANCE

Distinguished ladies and gentlemen, Ghana is ranked 69 alongside Romania on the list of 180 countries included in the 2007 index, with a score of 3.7 out of the maximum possible score of 10. Indeed, this represents an improvement over Ghana's 2006 ranking of 70 with a score of 3.3. This year's score is the second highest since Ghana was included in the CPI. But for the lack of a consistent trend, Ghana's performance on the 2007 CPI could suggest that some of the good governance and anti-corruption measures Ghana has put in place in recent years may be bearing fruits.

However, there is no cause to celebrate this apparent improvement. The fact remains that Ghana is still stagnating between the score of 3 and 4 and has yet to attain the half way score of 5. Moreover, the fact that we were unable to get a passing grade (5) or near passing even, despite promises by Government to crack down on corruption and despite reforms such as the passage of the Public Procurement Act and Whistleblowers Act indicates the need for improvement. In fact, the 2007

score should rather remind us that we are far from winning the fight against corruption, which also frustrates our fight against poverty reduction, disease and ignorance. Thus, if not addressed, corruption could remain an enormous drain on Ghana's limited resources which can better be used for education, health and infrastructure.



However, when looked at from an African context, only four African countries were ahead of Ghana. These were Botswana (5.4), South Africa (5.1), Mauritius (4.7) and Namibia (4.5).

Ghana was one of about 42 poor countries across the world that benefited from the Highly Indebted Poor Countries (HIPC) Initiative and, one of eighteen countries selected to benefit from US's Millennium Challenge Account (MCA) and the Multi-lateral Debt Relief Initiative (MDRI). These debt reliefs and financial assistance also impose a responsibility on Ghana to ensure transparency, accountability and efficiency and reduce corruption and waste in the use of the increased resources. If the current level of perceived corruption reflects actual corruption, then Ghana and her colleague HIPC countries face the grave risk that any debt relief savings could be mismanaged wasted or find their way into the pockets of greedy and selfish individuals.

3. THE GLOBAL AND AFRICAN HIGHLIGHTS OF CPI 2007

Distinguished invited guests, I would now try to put the CPI Report for 2007 in an African and global perspective.

- Globally, only 46 countries (constituting 25.5%) of the 180 countries covered by the report for the 2007 Index scored 5 and above. These are mostly the developed and rich countries. Denmark has pushed up to the top with Finland and New Zealand maintaining their rank (albeit with lower scores), indicating very low levels of perceived corruption. They are followed by Singapore (9.3), Sweden (9.3), Iceland (9.2), Netherlands (9.0), and Switzerland (9.0). Other good performers include Canada (8.7), Norway (8.7), Australia (8.6),

Luxembourg (8.4) and United Kingdom (8.4). The United States has remained on its 2006 rank of 20 although with a lower score of 7.2 in 2007.

- Roughly 75% of the countries covered in the 2007 CPI scored below 5 out of a clean score of 10. This is worrying as it indicates a high level of perceived corruption globally. Worse still, a substantial number of countries (76) scored less than 3 on the CPI, indicating a perception of severe corruption in these largely poor and developing countries. The countries that performed really badly (less than 2) were the Democratic Republic of the Congo, Equatorial Guinea, Laos, Afghanistan, Chad, Sudan, Tonga, Uzbekistan, Haiti, Iraq, Myanmar and Somalia. It is also instructive that most of these poor performers are faced with or are facing political instability, human rights abuses as well as civil strife and wars.
- On the African front, Botswana (5.4) and South Africa (5.1), though not among the first 30 high performers, top the African countries, scoring above 5. Indeed, with the exception of these two countries, no African country reaches the half way score of 5. These two “star” performers are followed by Mauritius (4.7) and Namibia (4.5), which scored above 4.
- Senegal (3.6), Morocco (3.5), Gabon (3.3), Lesotho (3.3), Swaziland (3.3), Madagascar (3.2), Tanzania (3.2) and Algeria (3.0) can be described as having performed relatively well, having scored 3 and above.
- The scores of most of the low performers in Africa have even declined in 2007. The Democratic Republic of Congo, Chad and Sudan, scored 2.0 each in 2006 but have scored less in 2007. Equatorial Guinea even performed worse as its score reduced from 2.1 in 2006 to 1.9 in 2007 while Guinea remained with the same score of 1.9. Ghana’s English-speaking neighbour, Nigeria, often cited as the most corrupt country, improved from 1.9 in 2005 to 2.2 in 2006 and stuck to that score in 2007.
- The TI statement released this morning emphasizes that: “A strong correlation between corruption and poverty continues to be evident. Forty percent of those scoring below three, indicating that corruption is perceived as rampant, are also classified by the World Bank as low income countries.”
- However, a number of relatively poor countries do manage to contain corruption reflecting in decent scores on the CPI. These countries include Botswana, Cape Verde, Chile, Dominica, and Estonia. They prove that it is possible for a country to overcome the canker of corruption even if you are not rich.

4. CONCLUSIONS AND RECOMMENDATIONS

Ladies and Gentlemen of the Media, the Chair of TI a few hours ago called for the world to act now on corruption. She outlined a number of urgent steps to curb corruption as it is a problem of global scale, with global roots and, therefore, demands action on a broad front. GII fully endorses these urgent steps which include the following:

- Developing countries should use aid money to strengthen their governance institutions, guided by national assessments and development strategies, and to incorporate strengthened

integrity and corruption prevention as an integral part of poverty reduction programmes. Constitutional bodies like the Electoral Commission, the Judiciary and CHRAJ need adequate funding for the operations with little or no interference from anywhere.

- Judicial independence, integrity and accountability must be enhanced to improve the credibility of justice systems in poorer countries. Not only must judicial proceedings be free of political influence, judges must subject themselves to disciplinary rules, limited immunity and a code of judicial conduct to help ensure that justice is served. A clean and capable judiciary is essential if developing countries are to manage requests for assistance in the recovery of stolen assets from abroad. In Ghana, the Attorney-General's office must be separated from the Ministry of Justice for this judicial independence.
- Governments must introduce anti-money laundering measures to eradicate safe havens for stolen assets, as prescribed by the UNCAC. Leading banking centres should explore the development of uniform expedited procedures for the identification, freezing and repatriation of the proceeds of corruption. Clear escrow provisions for disputed funds are essential. Ghana stands to benefit from this while the affected individuals stand to lose their hidden wealth. The greater benefit goes to Ghanaians.
- Wealthy countries must regulate their financial centres more strictly. Focusing on the roles of trusts, demanding knowledge of beneficial ownership and strengthening anti-money laundering provisions are just a few of the ways that rich governments can tackle the facilitators of corruption. Ghana's decision to join the international financial centres of the rich countries is worrying as we have no track record of strong regulatory mechanisms to control the financial institutions that will take advantage of the opportunity. We call for strong regulatory and disclosure laws and measures for the operations of the offshore banks.
- The world's wealthiest governments must strictly enforce the OECD Anti-Bribery Convention, which criminalises the bribery of foreign public officials. Lack of compliance with the convention's provisions continues to hinder corruption investigations and prosecutions. This is another area that worries GII, as newspaper publications in recent times tend to imply that our democracy can be subverted by multinational corporations.
- The boards of multinational companies must not only introduce but implement effective anti-bribery codes, and ensure that they are adhered to by subsidiaries and foreign offices.

GII wishes to add a few more Ghana specific items to the above recommendations. From the CPI report, it is abundantly clear that most conflict-plagued countries performed poorly. As Ghanaians, we should, therefore, be concerned about the way we conduct our campaigns leading to the 2008 elections as well as the actual elections. The elections must not only be perceived to be free and fair but actually free and fair and devoid of corruption.

Ghana has improved over its last year's CPI score and rank, but it has not yet hit the half mark score (5). Ghana must avoid waste and reduce corruption if it wants to hold on to its claim of leadership in Africa, attract more investment, and accelerate its pace of economic growth and poverty reduction. Ghana must increase its political will and expand efforts to fight corruption in order to reap the fruits of democracy and increased donor resources.

Once more, GII wishes to use this forum to call on His Excellency, President J.A. Kufuor to fast-track the passage of a credible Freedom of Information Act and ensure a thorough review of the Assets Declaration and Public Procurement Acts. We further appeal to the President to promptly order investigations into credible allegations of corruption to give credence to his policy of zero tolerance of corruption. We also call on the Attorney-General to address the weaknesses in the Whistle-blower Act, 2007 (Act 720), as promised, to ensure that ordinary citizens can take advantage of the law and save this country from the canker of corruption.

Ladies and gentlemen, I am happy to announce that, as part of our fight against corruption, GII has initiated two projects: the Judicial Watch Project and the Education Watch Project, aimed at assessing the views of relevant stakeholders in these sectors on the extent of corruption and drawing attention to gaps in the accountability process.

On this note, ladies and gentlemen, on behalf of Transparency International and the Board and Staff of the GII, I now declare the Corruption Perception Index, 2007, duly launched.

We thank you for coming and would be grateful if you have some comments, questions and suggestions.

Thank you.

*For full details of the TI CPI 2007, visit <http://www.transparency.org/surveys/index.html#cpi>

**For further information and/or discussion of the CPI 2007 on Ghana, please, contact Mr. Vitus A. Azeem, Executive Secretary – GII, Mr. Gilbert Sam Programme Officer – GII and Ms. Gifty Ofori (021-782364/5)