

FOR IMMEDIATE RELEASE

Major exporters failing to curb overseas bribery

Political will is lacking, says new report on OECD Convention

Berlin/Paris, 23 June, 2009 –The majority of the world’s leading exporting countries are failing to fully enforce a ban on foreign bribery, according to a report published today by Transparency International (TI).

TI’s report shows that only four out of 36 countries evaluated are actively enforcing the OECD Anti-Bribery Convention to which they are party. There is moderate enforcement in 11 other countries and little to no enforcement in 21 countries. Such uneven enforcement jeopardises the success of the Convention. Enforcement by all parties must be accelerated or the Convention will ultimately fail.

“Political will must be at the heart of efforts to deliver on anti-bribery,” said Cobus de Swardt, Managing Director at TI. “Especially in the current global recession when businesses face acute pressure to win declining orders. Accelerated enforcement is needed to ensure fair competition.”

Whether through antiquated bribery laws, outright political obstruction of investigations, lack of adequate funding for prosecutors or curtailing the powers of investigative magistrates the OECD Convention is facing grave challenges. Another major obstacle is the use of national security considerations as a reason for not prosecuting foreign bribery. It is essential to reaffirm that the Convention does not permit national security exceptions.

“When the OECD Anti-Bribery Convention came into force a decade ago it was a historical and much needed leap forward in the fight against corruption worldwide. The rich countries of the world committed to bring their house in order, deal a major blow to supply side corruption and give the fight against poverty worldwide a real chance to succeed,” said de Swardt. “However, unless the OECD makes it an urgent, high-level priority for all parties to enforce the convention, inaction by some countries will encourage backsliding by others.”

To achieve a level playing field all the major exporters should play by the same rules. It is encouraging that Israel and South Africa have joined the Convention in the last year. China, India and Russia also need to be brought into the fold. It is in the best interest of these countries to protect their firms’ investments with anti-bribery measures.

Key Results

Active Enforcement (4)	Germany, Norway, Switzerland, United States
Moderate Enforcement (11)	Belgium, Denmark, Finland, France, Italy, Japan, Republic of Korea, the Netherlands, Spain, Sweden, United Kingdom
Little or No Enforcement (21)	Argentina, Australia, Austria, Brazil, Bulgaria, Canada, Chile, Czech Republic, Estonia, Greece, Hungary, Ireland, Israel, Mexico, New Zealand, Poland, Portugal, Slovak Republic, Slovenia, South Africa, Turkey

The *2009 Progress Report on the OECD Anti-bribery Convention* is the fifth in a yearly series and examines the enforcement performance of 36 of the 38 countries that have ratified the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. It is based on information provided by TI experts and includes summaries of prominent foreign bribery cases involving multinational companies. The 2009 report also covers the adequacy of anti-money laundering systems, the need for corporate criminal liability, public access to information and whistleblower protection.

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

Note to editors: A full table with the number of cases and investigations per country as well as detailed country reports are included in the full report available here (www.transparency.org/news_room/in_focus/2009/oecd_progress)

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