CORRUPTION RESEARCH AND MEASUREMENT TOOLS

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GLOBAL RESEARCH

PUBLIC SECTOR CORRUPTION

PETTY CORRUPTION

BUSINESS CORRUPTION

POLITICAL CORRUPTION

CORRUPTION MEASUREMENT

1. Corruption Perceptions Index

2. Global Corruption Barometer

3. Private Sector Corruption Tools

4. National Integrity System Assessments

CPI – METHODOLOGY

- **13 different data sources**

- **Rescale each data source to 0-100 scale**

- **The average of all sources for that country**

- **Calculate the uncertainty**

CPI – DATA SOURCES

AFRICAN DEVELOPMENT BANK GOVERNANCE RATINGS 2012

BERTELSMANN FOUNDATION SUSTAINABLE GOVERNANCE INDICATORS 2014

BERTELSMANN FOUNDATION TRANSFORMATION INDEX 2014

ECONOMIST INTELLIGENCE UNIT COUNTRY RISK RATINGS

FREEDOM HOUSE NATIONS IN TRANSIT 2013

GLOBAL INSIGHT COUNTRY RISK RATINGS

IMD WORLD COMPETITIVENESS YEARBOOK 2013

POLITICAL AND ECONOMIC RISK CONSULTANCY ASIAN INTELLIGENCE 2013

POLITICAL RISK SERVICES INTERNATIONAL COUNTRY RISK GUIDE

TRANSPARENCY INTERNATIONAL BRIBE PAYERS SURVEY 2011

WORLD BANK - COUNTRY POLICY AND INSTITUTIONAL ASSESSMENT 2012

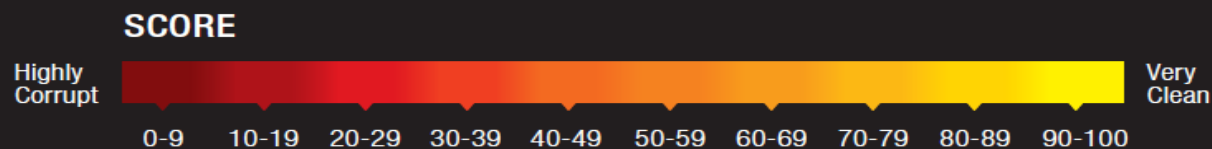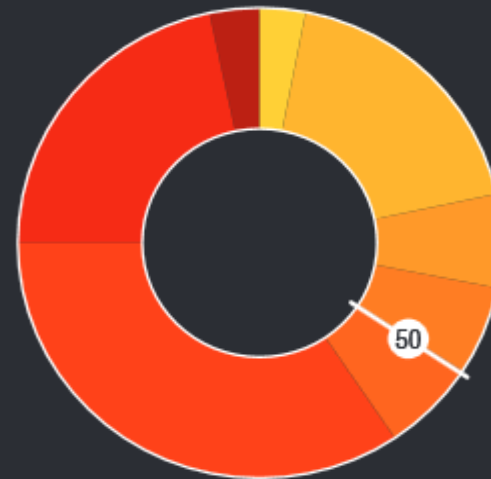WORLD ECONOMIC FORUM EXECUTIVE OPINION SURVEY (EOS) 2013

WORLD JUSTICE PROJECT RULE OF LAW INDEX 2013

CPI 2013 - RESULTS

The perceived levels of public sector corruption in 177 countries/territories around the world.

70% of countries score less than 50 out of 100

SCORE

Highly Corrupt — Very Clean

0-9 10-19 20-29 30-39 40-49 50-59 60-69 70-79 80-89 90-100

CPI 2013 - RESULTS

TRANSPARENCY INTERNATIONAL
the global coalition against corruption
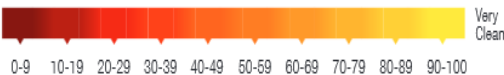
CORRUPTION PERCEPTIONS INDEX 2013

The perceived levels of public sector corruption in 177 countries/territories around the world.

SCORE

Highly Corrupt — Very Clean

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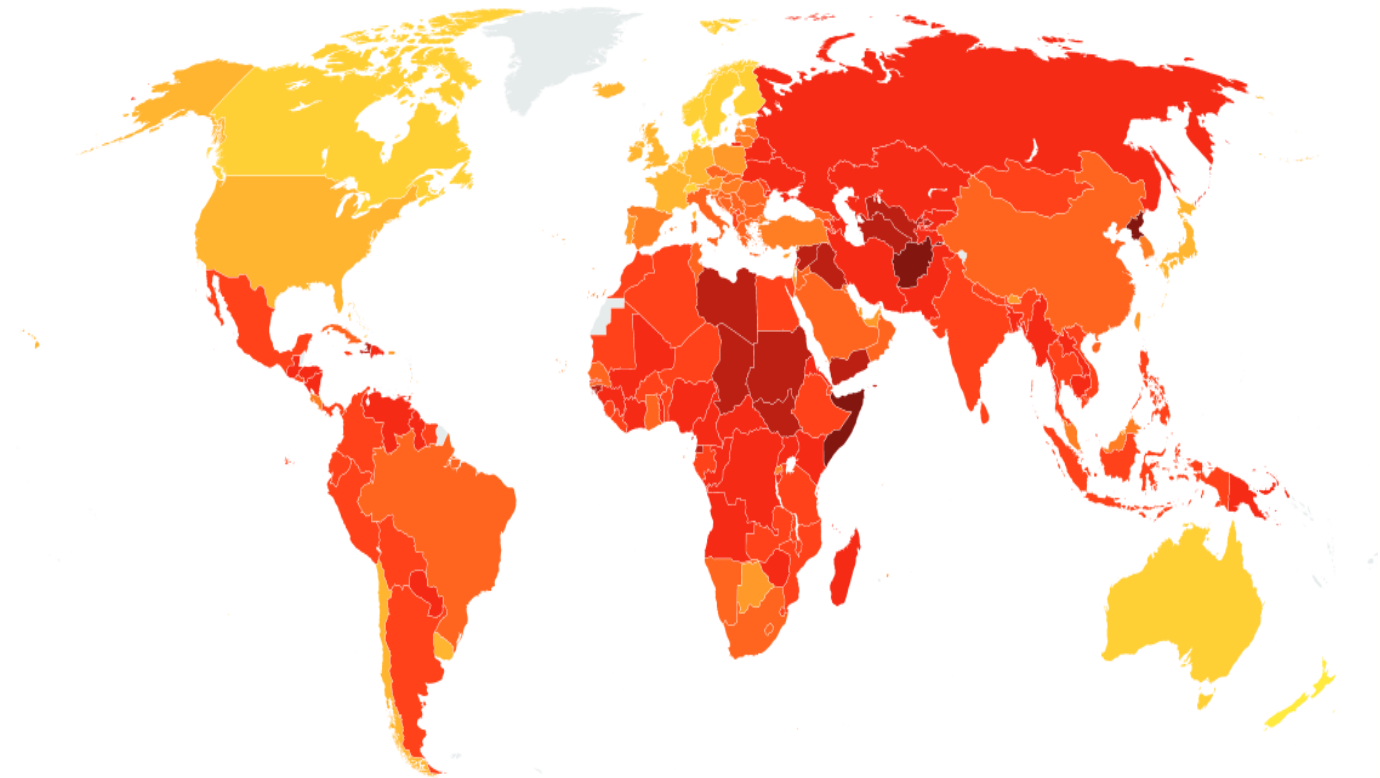
#stopthecorrupt
www.transparency.org/cpi

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CPI 2013 – SSA

1. CPI 2013 – THE TOP

Denmark and New Zealand tie for first place with scores of 91, helped by strong access to information systems and rules governing the behaviour of those in public positions.

RANK	COUNTRY/TERRITORY	SCORE
1	DENMARK	91
1	NEW ZEALAND	91
3	FINLAND	89
3	SWEDEN	89
5	NORWAY	86
5	SINGAPORE	86

SCORE

Highly Corrupt — Very Clean

0-9 10-19 20-29 30-39 40-49 50-59 60-69 70-79 80-89 90-100
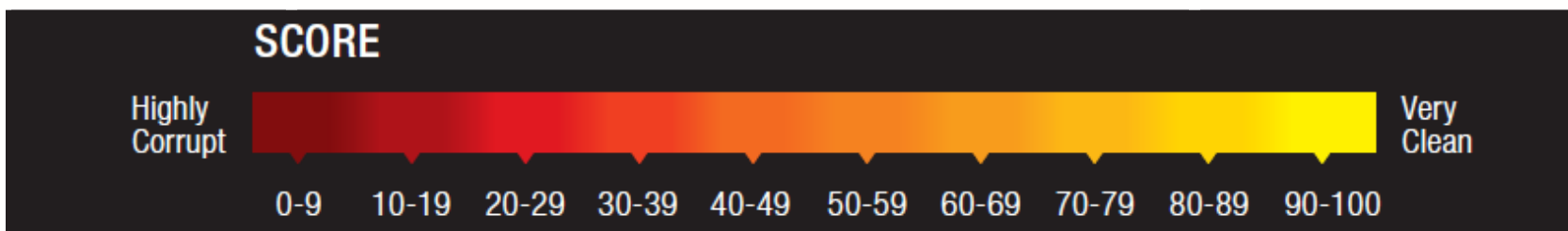
CPI 2013 - INSIDE THE SCORE

	DATA SOURCES									
	AFDB	BF (BTI)	IMD	ICRG	WB	WEF	EIU	GI	WJP	TI
NAMIBIA (48)	47	49		50		44	38	63		
GHANA (46)	55	49		41	58	40	54	52	37	28
SOUTH AFRICA (42)	55	45	32	41		40	54	32	43	36

AFDB: African Development Bank, Governance Ratings (2012)

BF (BTI): Bertelsmann Foundation, Transformation Index (2014)

ICRG: Political Risk Services, International Country Risk Guide (2013)

WB: World Bank, Country Profile and Institutional Assessment (2012)

WEF: World Economic Forum, Executive Opinion Survey (2013)

EIU: Economist Intelligence Unit, Country Risk Service (2013)

GI: Global Insight Country Risk Ratings (2013)

WJP: World Justice Project, Rule of Law Index (2013)

TI: Transparency International, Bribe Payers Survey (2011)

CPI - CORRELATIONS

Correlation between CPI and Bribery

CPI - CORRELATIONS

Correlation between CPI and HDI for SSA
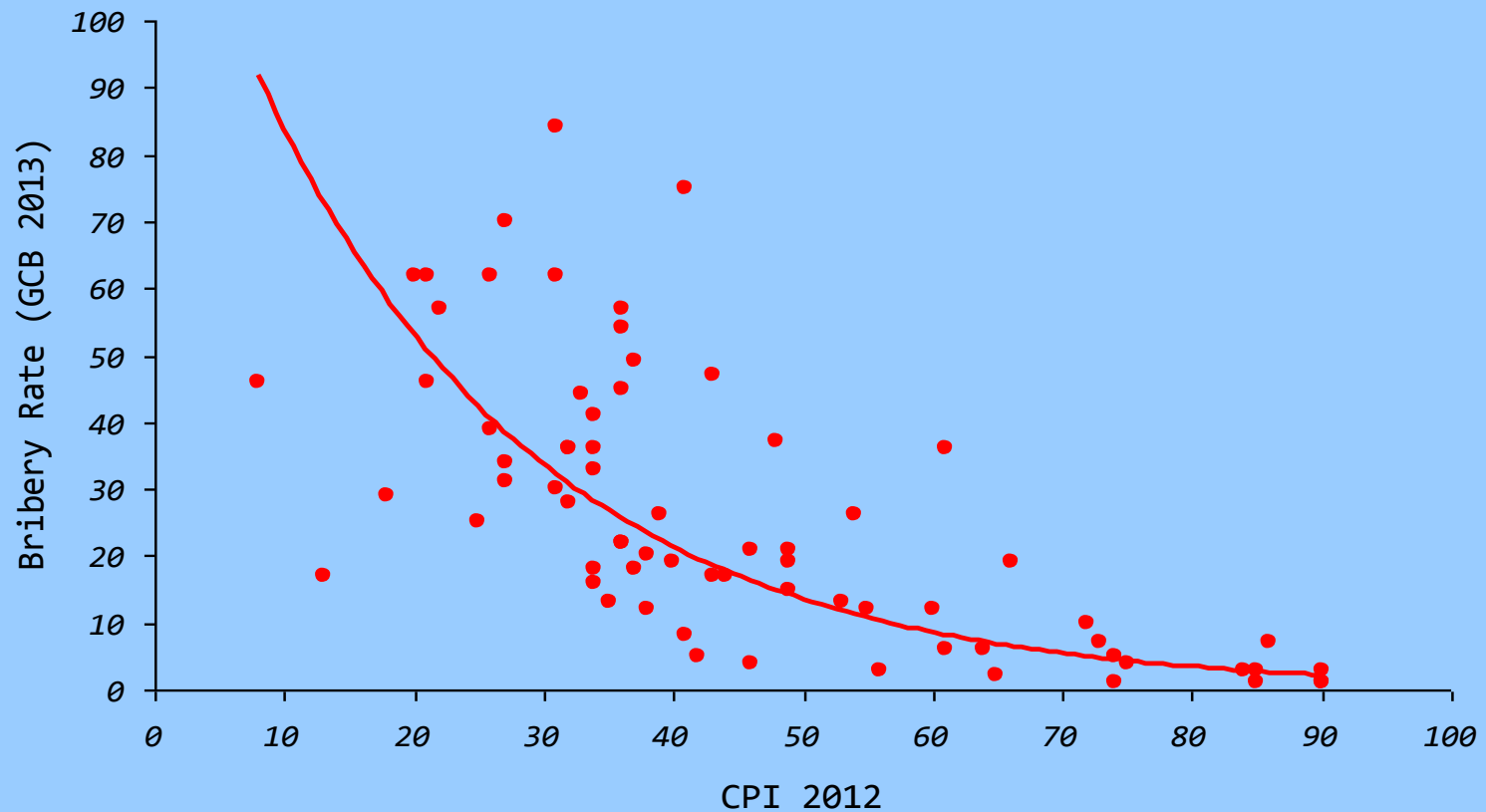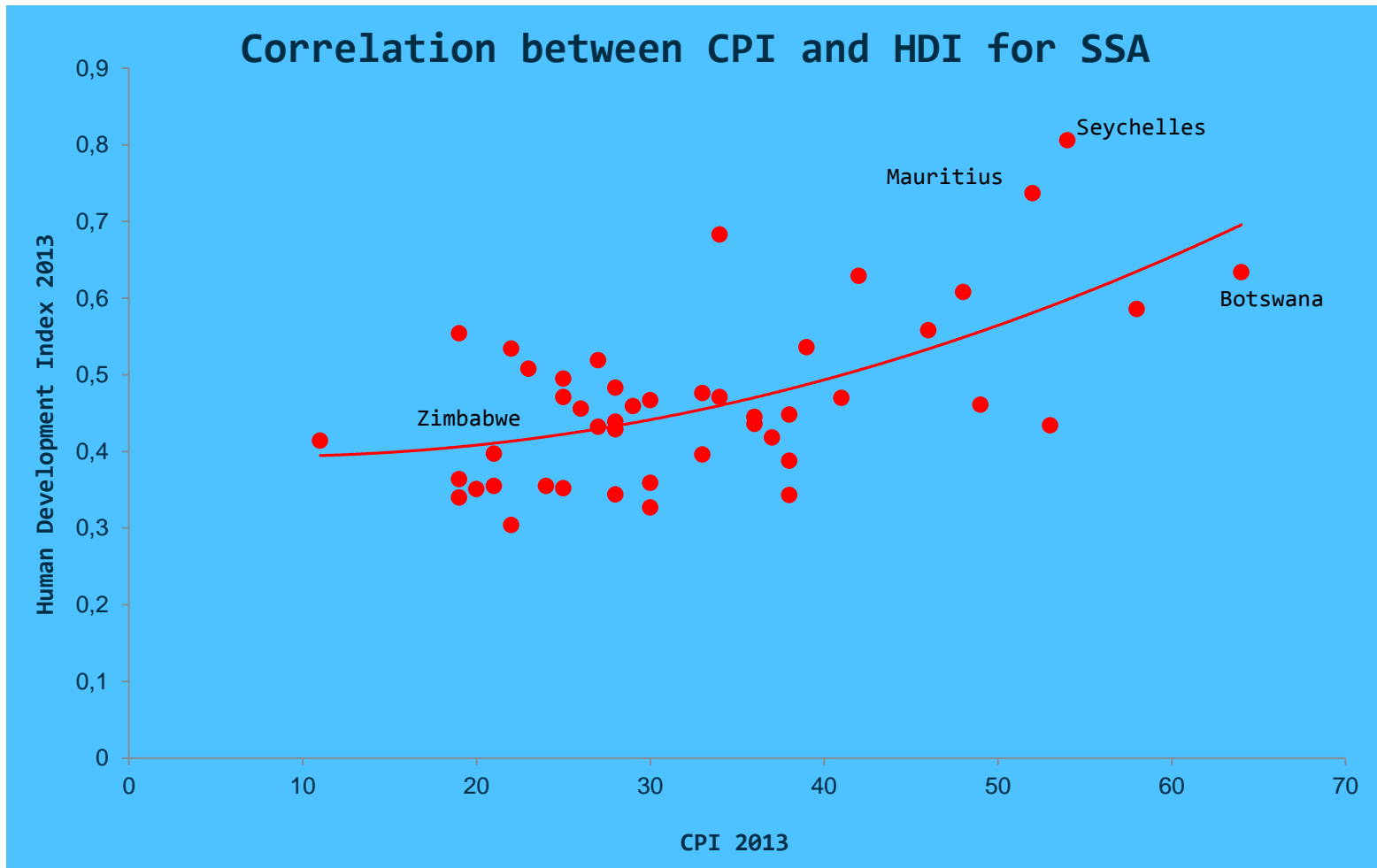
CPI – HOW WE USE IT

- **Global awareness**

- **Indicator of public sector corruption**

- **Quantitative research contribution**

- **Entry point for further discussion**

GLOBAL CORRUPTION BAROMETER

- First GCB done in 2002

- Complement the prominent TI tool at that time - CPI

- New questions added in every edition

GLOBAL CORRUPTION BAROMETER

The GCB is the largest <u>cross-country</u> survey to collect the <u>general public's</u> <u>perceptions</u> and <u>experiences</u> of corruption and bribery in their country

**Recent edition: Global Corruption Barometer 2013
Published: July 2013**

Covering 109 countries around the world

GCB – WHAT IT TELLS US

- Human element - How corruption affects people

- Targeted anti-corruption efforts, by service/institution

- Asking people if they are ready to get involved themselves

- Identify trends over time and cross country

GCB - METHODOLOGY

- 1000 people surveyed per country
- Face to face/telephone/online interviews
- External survey company
- Questionnaire developed to keep key questions and introduce new ones
- Standard questionnaire translated into local languages
- Data analyzed at the Secretariat (Berlin)

GCB – PERCEPTIONS GLOBAL

1 INSTITUTIONS PERCEIVED BY RESPONDENTS TO BE AMONG THE MOST AFFECTED BY CORRUPTION

PREVIOUS   NEXT

POLITICAL PARTIES

51 countries of **107** perceived **political parties** to be among the institutions most affected by corruption

Surveyed   Most Affected

GCB FINDINGS – EXPERIENCE GLOBAL

2 PERCENTAGE OF RESPONDENTS PER COUNTRY/TERRITORY WHO PAID A BRIBE TO ONE OF EIGHT SERVICES IN THE LAST 12 MONTHS

PREVIOUS   NEXT
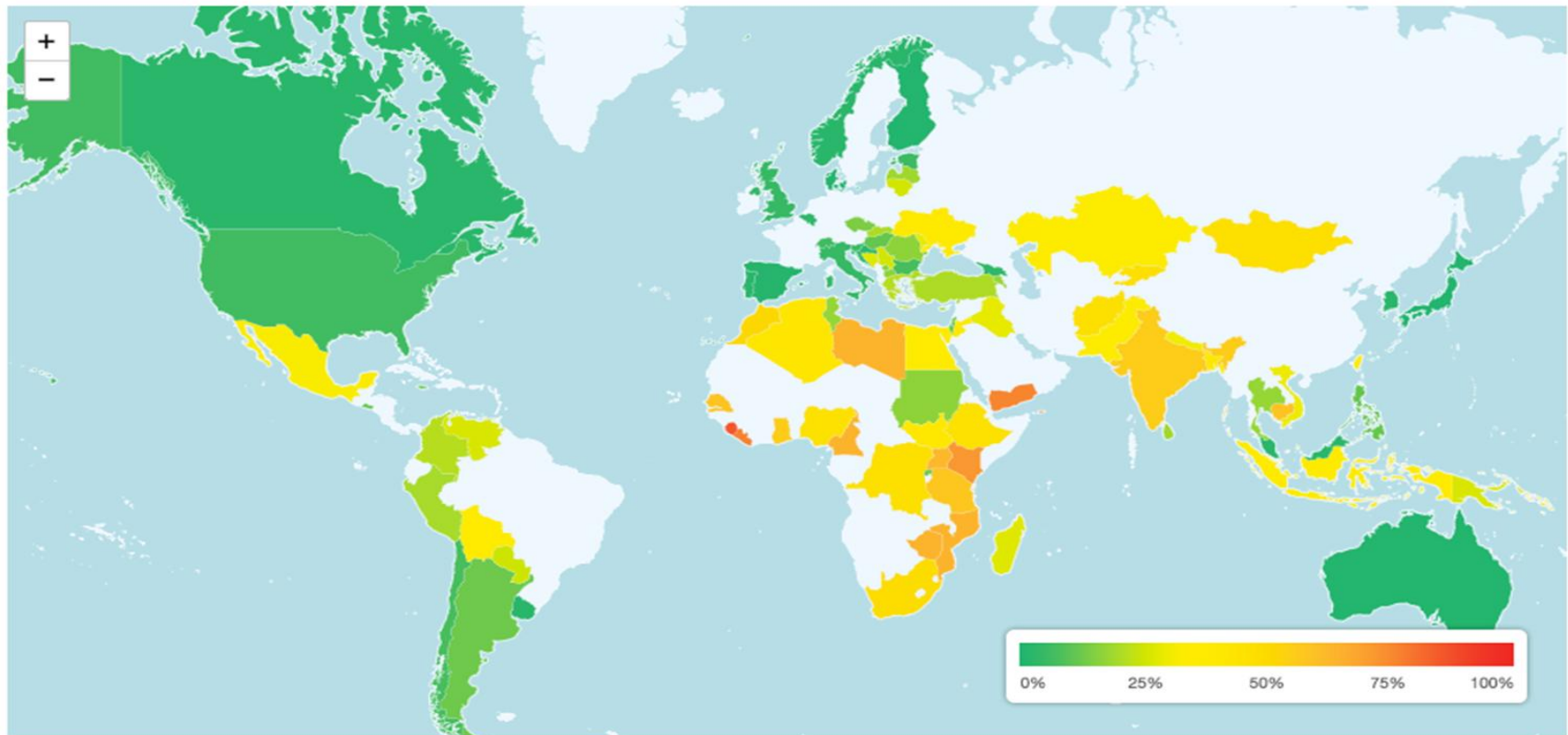
GCB FINDINGS – EXPERIENCE IN SSA
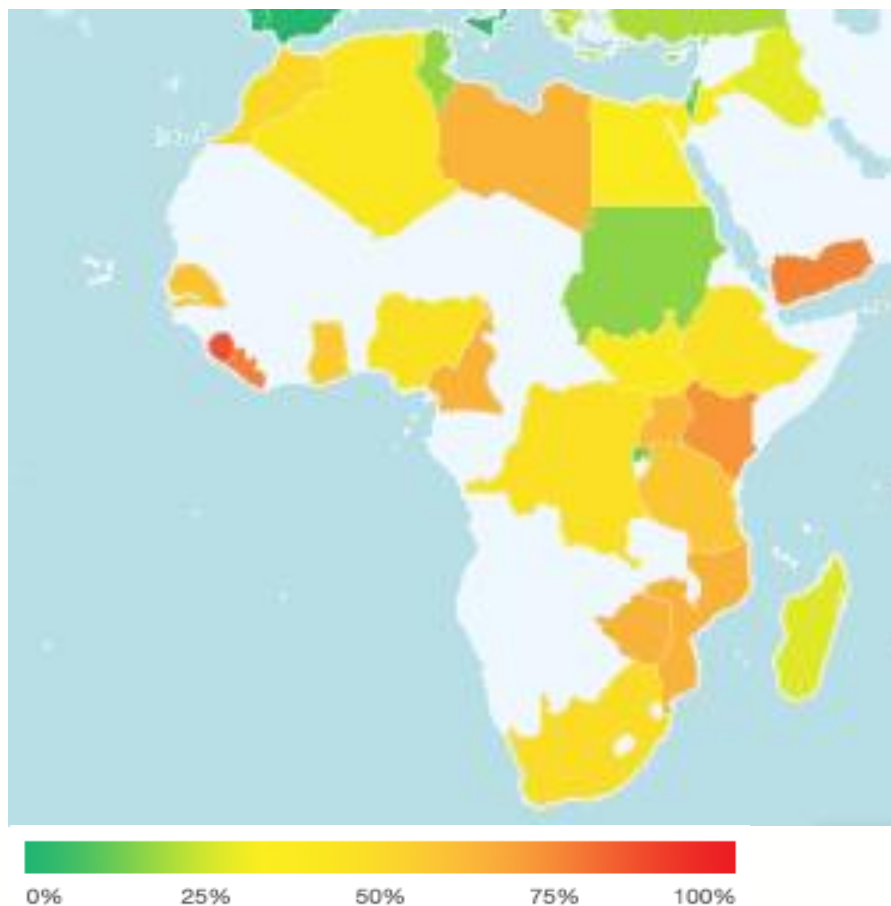
- 53% people reported having paid a bribe to one of the eight services in past year
  - 61% respondents reported paying bribes to police
  - 45% reported paying bribes to judiciary

0%   25%   50%   75%   100%

GCB FINDINGS - BEHAVIOR

3 PERCENTAGE OF RESPONDENTS WHO BELIEVE ORDINARY PEOPLE CAN MAKE A DIFFERENCE IN THE FIGHT AGAINST CORRUPTION

PREVIOUS | NEXT
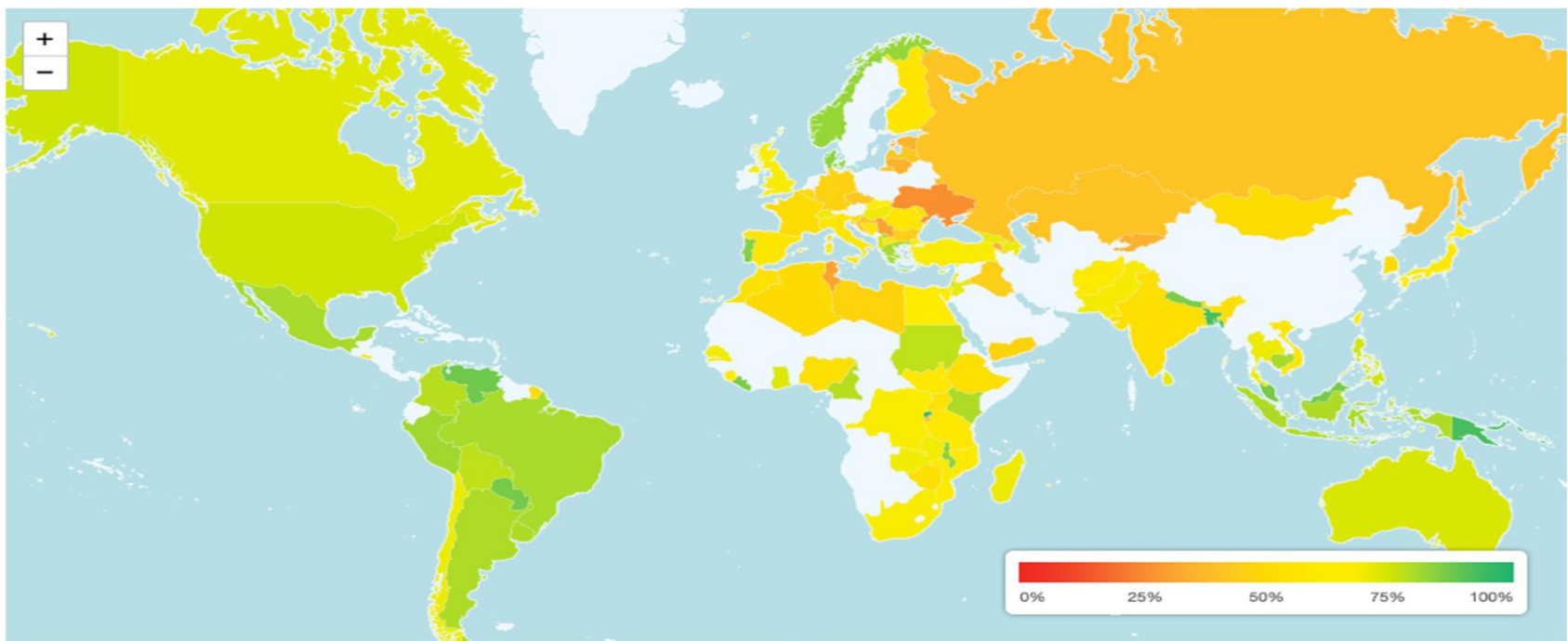
68% of respondents worldwide believe ordinary people can make a difference in the fight against corruption

GCB - GOING FORWARD

- Regionalizing the GCB
  - − Separate regional corruption surveys
  - − Africa, Europe, MENA
- Partner with regional institutions
  - − Afro-barometer
  - − Arab-barometer
  - − European bank for reconstruction and development

BRIBE PAYERS INDEX

The BPI is an index of the <u>perceived likelihood</u> of companies from the <u>worlds largest exporting countries</u> to pay bribes <u>when doing business abroad</u>.

Bribe Payers Index 2011

Scores and ranks 28 of the worlds leading economies and 19 different sectors

BPI – WHAT DOES IT TELL US

- **Focus on the supply side of foreign bribery**

- **Unique survey of business persons' views of bribery and corruption**

- **Carry specific policy recommendations**

BPI – METHODOLOGY

- **3000 business people surveyed from 30 different countries**

  "Have you come into contact with a company from country X? If yes, how often do firms from country X engage in bribery in this country"

BRIBE PAYERS SURVEY – QUESTIONS

1. **In your principal lines of business in this country, do you have business relationships - for example as a supplier, client, partner or competitor - with companies whose headquarters are located in any of the following countries?**

2. **For each of the countries you have selected, could you please tell us, using a scale of 1 to 5 where 1 means never and 5 means almost always, how often do firms headquartered in that country engage in bribery in this country?**

OTHER QUESTIONS ASKED

- "In your opinion, how common is it for public officials to demand or accept bribes in this country?"
- "In your opinion, how common is the misuse of public funds for private gain in this country?"

The results were used as a data source for the **CPI of the surveyed countries!**

SURVEYED COUNTRIES

Argentina	Malaysia
Austria	Mexico
Brazil	Morocco
Chile	Nigeria
China	Pakistan
Czech Republic	Philippines
Egypt	Poland
France	Russia
Germany	Senegal
Ghana	Singapore
Hong Kong	South Africa
Hungary	South Korea
India	Turkey
Indonesia	UK
Japan	USA

BPI 2011 – RESULTS

Rank	Country/Territory	BPI 2011 Score	Number of observations	Standard Deviation	90% Confidence interval	
					Lower bound	Upper bound
1	Netherlands	8.8	273	2.0	8.6	9.0
1	Switzerland	8.8	244	2.2	8.5	9.0
3	Belgium	8.7	221	2.0	8.5	9.0
4	Germany	8.6	576	2.2	8.5	8.8
4	Japan	8.6	319	2.4	8.4	8.9
6	Australia	8.5	168	2.2	8.2	8.8
6	Canada	8.5	209	2.3	8.2	8.8
8	Singapore	8.3	256	2.3	8.1	8.6
8	UK	8.3	414	2.5	8.1	8.5
10	USA	8.1	651	2.7	7.9	8.3
11	France	8.0	435	2.6	7.8	8.2
11	Spain	8.0	326	2.6	7.7	8.2
13	South Korea	7.9	152	2.8	7.5	8.2
14	Brazil	7.7	163	3.0	7.3	8.1
15	Hong Kong	7.6	208	2.9	7.3	7.9
15	Italy	7.6	397	2.8	7.4	7.8
15	Malaysia	7.6	148	2.9	7.2	8.0
15	South Africa	7.6	191	2.8	7.2	7.9
19	Taiwan	7.5	193	3.0	7.2	7.9
19	India	7.5	168	3.0	7.1	7.9
19	Turkey	7.5	139	2.7	7.2	7.9
22	Saudi Arabia	7.4	138	3.0	7.0	7.8
23	Argentina	7.3	115	3.0	6.8	7.7
23	UAE	7.3	156	2.9	6.9	7.7
25	Indonesia	7.1	153	3.4	6.6	7.5
26	Mexico	7.0	121	3.2	6.6	7.5
27	China	6.5	608	3.5	6.3	6.7
28	Russia	6.1	172	3.6	5.7	6.6
	Average	7.8				

TRANSPARENCY IN CORPORATE REPORTING (TRAC)

- Survey of largest 105 multinational companies in the world

- Assess publicly available information on
  - Anti corruption programs
  - Organizational transparency
  - Country by country reporting

TRAC- METHODOLOGY

- Reporting on Anti corruption programs
  - 13 questions based on Business principles for countering bribery
- Organizational transparency
  - 8 questions on disclosure of companies related entities – subsidiaries, joint ventures etc.
- Country by country reporting
  - Set of 5 questions for each country where the country operated – country level financial data

TRAC - RESULTS

TRANSPARENCY IN CORPORATE REPORTING

Diagram 1
Index Results

Scale 0-10 where 0 is least transparent and 10 is most transparent. This Index is based on the unweighted average of results in all three categories.

ACP = result for reporting on anti-corruption programmes

OT = result for organisational transparency

CBC = result for country-by-country reporting

Company	Score	ACP	OT	CBC
Statoil	8.3	100%	100%	50.0%
Rio Tinto	7.2	92%	100%	23.7%
BHP Billiton	7.2	92%	100%	23.6%
ArcelorMittal	6.9	85%	100%	21.3%
BG Group	6.7	100%	100%	2.4%
HSBC Holdings	6.7	92%	100%	8.0%
BASF	6.7	100%	100%	0.0%
France Telecom	6.6	81%	100%	17.2%
BP	6.6	92%	100%	5.6%
Allianz	6.6	88%	100%	8.5%
Tesco	6.5	69%	100%	26.2%
Novartis	6.5	92%	100%	1.8%
ExxonMobil	6.4	88%	100%	4.3%
Vodafone	6.4	85%	100%	7.5%
Wal-Mart Stores	6.4	77%	100%	14.0%
ANZ Banking	6.3	88%	100%	0.8%

Company	Score	ACP	OT	CBC	Company	Score	ACP	OT	CBC
IBM	4.2	77%	50%	0.4%	Berkshire Hathaway	2.4	38%	33%	0.0%
Procter & Gamble	4.2	92%	33%	0.0%	China Construction Bank	1.9	8%	50%	0.0%
Oracle	4.1	88%	33%	1.7%	Honda Motor	1.9	8%	50%	0.0%
PetroChina	4.1	38%	83%	0.0%	Bank of Communications	1.7	0%	50%	0.0%
United Parcel Service	4.1	88%	33%	0.0%	Bank of China	1.1	0%	33%	0.0%

TRAC - RESULTS

INDUSTRY STRUCTURE
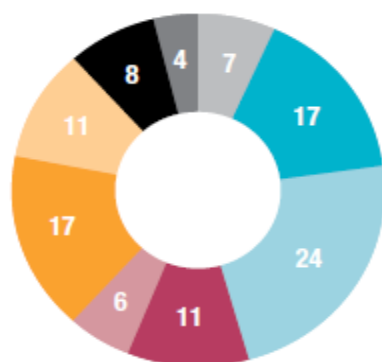
BASIC MATERIALS	
CONSUMER GOODS & SERVICE	
FINANCIALS	
HEALTH CARE	
INDUSTRIALS	
OIL & GAS	
TECHNOLOGY	
TELECOMMUNICATION	
UTILITIES	

STRUCTURE BY COUNTRY

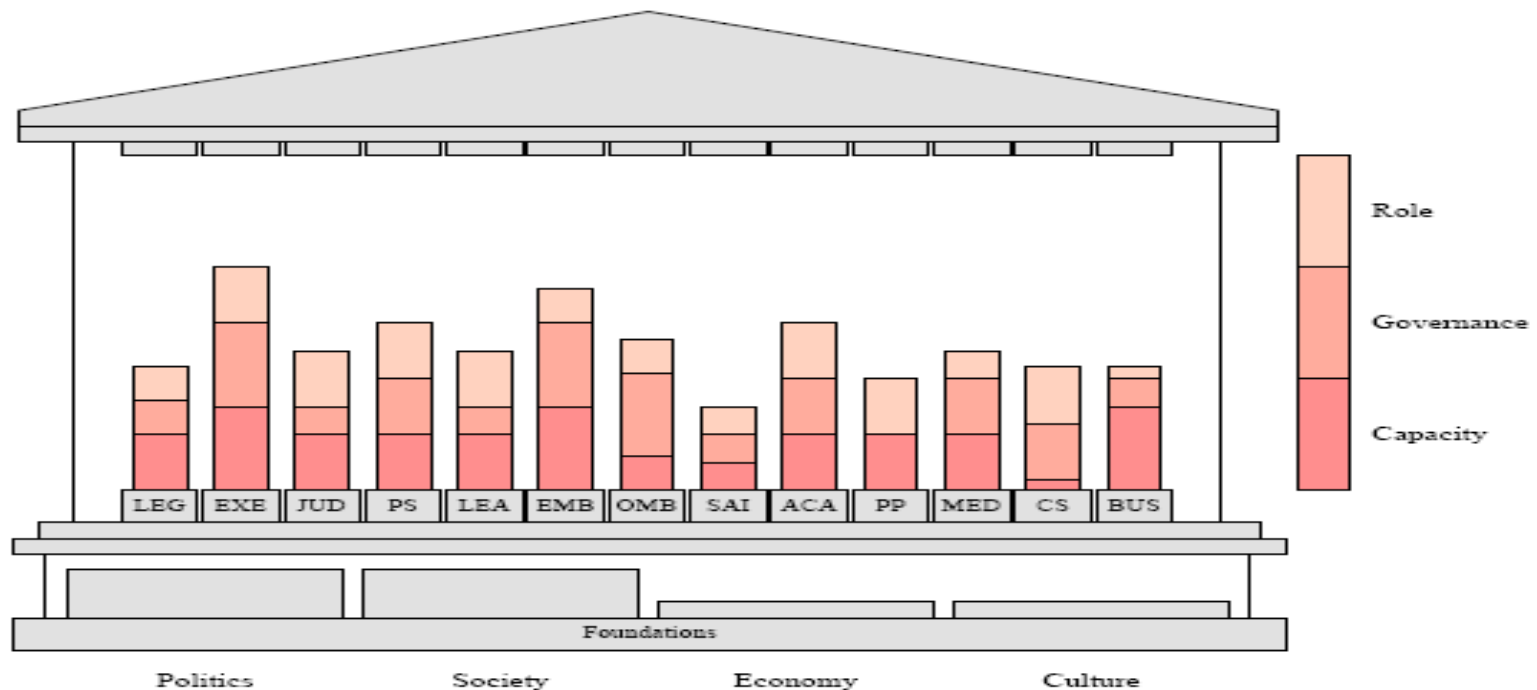| Country	Value
Australia	3
Australia/UK	2
Belgium	1
Brazil	3
Canada	2
China/Hong Kong	6
France	8
Germany	7
India	2
Israel	1
Italy	2
Japan	5
Luxembourg	1
Mexico	1
Netherlands/UK	2
Norway	1
Russia	1
Saudi Arabia	1
South Korea	1
Spain	2
Switzerland	4
United Kingdom	10
United States	39

NATIONAL INTEGRITY SYSTEM ASSESSMENT

- Holistic assessment of a country's 'integrity system'
- Engagement with key stakeholders in a country
- Aims to detect strengths & weaknesses and identify policy recommendations
- Based on belief that corruption is best fought/avoided by institutional safe-guards & reforms
- Conceptual foundation for much of TI's work
- Wide application

NIS – FOUNDATIONS AND PILLARS

National Integrity System

LEG	EXE	JUD	PS	LEA	EMB	OMB	SAI	ACA	PP	MED	CS	BUS

Role
Governance
Capacity

Foundations

Politics   Society   Economy   Culture

LEG.   Legislature
EXE.   Executive
JUD.   Judiciary
PS.   Public Sector
LEA.   Law Enforcement Agencies
EMB.   Electoral Management Body
OMB.   Ombudsman

SAI.   Supreme Audit Institution
ACA.   Anti Corruption Agencies
PP.   Political Parties
MED.   Media
CS.   Civil Society
BUS.   Business

NIS – DIMENSIONS

1. CAPACITY

a. Resources

b. Independence

2. GOVERNANCE

a. Transparency

b. Accountability

c. Integrity Mechanisms

3. ROLE

Pillar specific

NIS - METHODOLOGY

- Approximately 150 indicators
- Indicator questions and guiding questions to get to the heart of the issue
- Most indicators have a law and practice indicator question
- Once the indicator question has been answered using the evidence, each indicator is scored on a scale of 1 to 5

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