



TRANSPARENCY INTERNATIONAL CANADA INC., NEWSLETTER

Volume 15, Number 1

Fall 2011

Inside this issue:

TI-Canada welcomes successful prosecution of Niko Resources on bribery charge	1
TI-Canada holds Spotlight on Anti-Corruption: Current Issues Day of Dialogue	1
TI-Canada Letter to Prime Minister Harper re. Nationality Jurisdiction	6
TI-Canada offers Canadian companies an Anti-Corruption Compliance Checklist	6
TI-Canada's Anti-Corruption Developments Review	6
TI-Canada Completes First Year of the Business Roundtable	7

Transparency International Canada Welcomes Successful Prosecution of Niko Resources on Bribery Charge

TI-Canada urges Ottawa to introduce legislation making it easier to pursue Canadians guilty of corruption abroad

Toronto, ON (June 24, 2011) – Transparency International Canada welcomes the judgement issued in Calgary against Niko Resources which pleaded guilty to bribing a Bangladeshi official in the course of its oil and gas operations in that country.

“This is the first major conviction and fine under our international anti-corruption legislation,” said James Klotz, President of TI-Canada. “The new RCMP task force has been working hard at investigating Canadian companies suspected of bribery abroad. In March, the RCMP revealed that it was pursuing 23 investigations. Now, with Niko resolved, there are at least 22 active files, so we expect more charges against companies or individuals.”

To facilitate the prosecution of corruption and bribery by Canadian citizens abroad, TI-Canada is urging the federal government to act swiftly to re-introduce and pass the Corruption of Foreign Public Officials provisions of Bill C-31 which died when Parliament was prorogued.

“Canada is hampered when it comes to prosecuting Canadians alleged to be involved in corrupt practices outside the country,” Klotz said. “At the moment, the Crown must prove that the crime has a ‘real and substantial connection’ to Canada, whereas most OECD countries have jurisdiction based on nationality of its citizens.

“If we close this jurisdiction loophole, prosecutors will be able to pursue Canadians who engage in corrupt practices anywhere in the world.”

TI-Canada holds Spotlight on Anti-Corruption: Current Issues Day of Dialogue

On 12 May 2011, Transparency International Canada (TI-Canada) held *Spotlight on Anti-Corruption: Current Issues Day of Dialogue*. This *Day of Dialogue* was composed of twelve Roundtable Sessions, on hot anti-corruption issues facing Canadians, today. Chaired by TI-Canada Board Members, each session featured 4 - 6 Discussion Leaders, who shared their thoughts, followed by dialogue with the broader Roundtable audience.

The 51 Discussion Leaders led a lively exploration of topics for Canadian businesses, working both nationally and internationally, from corruption and access to health care, to corruption as the root cause of all revolutions, whistleblowing as a tool for fighting corruption, corruption as a problem in Aboriginal communities in Canada, a primer on anti-corruption laws, Corporate Social Responsibility

programs as a necessary good or a conduit for corruption, the cultural norms vs. legal definitions of corruption, how to legally do business in China without paying bribes, the implications of the Dodd-Frank Act for foreign filers with the US Securities and Exchange Commission, whether there is corruption abroad carried out by Canadian charities and should it be penalized by Canadian law, perceptions of corruption in provincial governments, and due diligence and effective anti-corruption compliance programmes. Included in the 136 participants were corporate managers and compliance officers, senior bureaucrats and ombudsmen, police investigators and forensic auditors, lawyers, civil society leaders, academics, and whistleblowers.

The purpose of the Roundtables was to either initiate or continue discussion rather than come to any conclusions. Included below are short

summaries of the Roundtable sessions along with Discussion Leaders for each session. For the full Rapporteur Reports, please visit: http://www.transparency.ca/New/Files/TI-Canada_Dialogue_Rapporteur_Reports_2011.pdf. The sessions were held under the Chatham House Rule, meaning the content is public but comments are not attributed to individual speakers.

We trust you will find this information informative and look forward to continuing the discussions with you.

Day of Dialogue Roundtable Summaries:

1. Healthcare corruption in Canada: Is it a threat to public health?

Aria Ilyad Ahmad, MSc. Student, Leslie Dan Fac. of Phar., University of Toronto

Maryse Bouchard, M.D., MSc Candidate, Orthopaedic Surgery Resident, University of Toronto

Joel Lexchin, Professor, School of Health Policy and Management, York University **Tom Slahta**, Partner, Kestenberg Siegal Lipkus LLP

While many think of healthcare corruption as something that only occurs in poor and under-developed countries, it can and does occur in developed countries such as Canada. The reasons are simple: Healthcare is a massive industry involving enormous sums of money and touching the lives of Canada's 34 million people. As well, in the public health care system, government decisions on how and where to spend billions of dollars each year affect individuals and institutions. Healthcare spending can also influence what research is done and by whom. The discussion leaders mentioned a broad range of corrupt activities taking place in Canada, including counterfeit drugs, fraudulent billing and unnecessary procedures, queue jumping by influential people, kickbacks for purchases of medical equipment and corporate influence on healthcare decisions. They also made the point that healthcare corruption abroad concerns Canadians, not just because it involves fellow human beings but also because Canadian aid money could be involved. While Canada already has in place some measures to reduce corruption in healthcare, more could be done. Regulations that exist, for example, on counterfeit medicines, could be promoted to increase awareness in the industry and among the general public. Laws, such as those governing kickbacks in the medical devices industry, could be more rigidly enforced. Codes of conduct are needed, where they do not exist, and there could be better monitoring of relationships between industry and decision-makers, be they in research, government, or the private sector. It was concluded that corruption does threaten public health and needs to be addressed more in-depth to ensure the protection of the patient.

2. Is corruption the root cause of all revolutions?

Marcus Davies, Legal Officer, Criminal, Sec. & Dip. Law Division, DFAIT

Huguette Labelle, Chair, Transparency International

Errol Mendes, Professor of Law, University of Ottawa

Bessma Momani, Sr. Fellow, Centre for International Governance and Innovation

Mariana Mota Prado, Assistant Professor, Faculty of Law, University of Toronto

David Rounthwaite, Barrister Solicitor

The following quotes are from the Day of Dialogue Discussion Leaders and Participants:

"I have to say it has been a interesting experience. Without TI I do not know where the fight on corruption would be. The more that I work with the committed people that make up TI the more that I have come to respect your organization. I have belonged to several organizations over the years however have not found one as committed to its cause as TI. It is an honour to be associated with your organization and asked to participate in your discussions."

"I really enjoyed the day...and w[as] able to take away a lot of valuable insight and meet quite a number of new people."

"I also enjoyed the opportunity to meet [others] and speak about issues of corruption and ethics."

"I thoroughly enjoyed this event and look forward to similar seminars in the future."

"I found our roundtable very interesting. It was great to see how quickly the participants jumped into the discussion."

Corruption can be a root cause, a fuel or even the result of revolution. Most of the countries experiencing revolt in 2011 are at the bottom of the TI Corruption Perceptions Index. There are three main ways corruption feeds revolution. When it is used to enrich elites, it exacerbates inequality, which heightens social tensions. This was the case in Egypt, where young, well-educated people could not get a job and revolted against the old, elite networks. Second, when it is used to maintain power and instill fear in the population, which occurred in Kenya. And third, when it is used to capture the powers of the state, which is the case with the drug lords in Latin America. Yet widespread corruption does not necessarily lead to revolution. China has high levels of corruption but has so far avoided a significant revolt. This situation could continue as long as the Chinese government lives up to the expectations of its people. A corrupt state can avoid revolt, if it spreads the proceeds of corruption wide enough to maintain control of the population. In Brazil, for example, political parties buy votes by offering the poor food baskets. The UN Convention against Corruption has provisions to strengthen international cooperation and asset recovery. However, it is difficult to deal with differences among countries and between domestic and international law in evidentiary burden, investigation procedures and penalties.

3. Whistleblowing as a tool for fighting corruption

Fiona Crean, City of Toronto Ombudsman

Hentie Dirker, Regional Compliance Officer, Siemens Canada Ltd.

David Hutton, Executive Director, FAIR

Dimitri Lascaris, Partner, Class Actions Department, Siskinds LLP

Whistleblowing mechanisms can potentially play an important role in bringing corruption and bribery activities to the attention

of companies and governments. Organizations can create anonymous tip lines and establish independent ombudspersons to encourage employees and other individuals to come forward with information concerning problematic activity. There are Canadian and U.S. laws or guidelines that require or suggest that companies establish procedures for receiving tips anonymously and confidentially. There are Canadian laws that provide protection to certain whistleblowers against retaliation (in the public and private sector) and proposed laws that encourage whistleblowing through “rewards” arrangements, whereby individuals who provide information on non-compliance may receive some financial compensation. Some argue that caution must be exercised in the development and use of whistleblower mechanisms, suggesting that they can be abused (e.g. employees might be seeking retaliation) and that encouraging whistleblowing might have negative effects on existing procedures (e.g. employees might bypass internal company mechanisms in favour of programs that provide financial rewards). Canada has not kept up with best practices related to whistleblowing and has a poor track record of protecting truth tellers and acting on their disclosures to expose wrongdoing. Stronger laws are needed and existing laws need to be fully enforced.

4. Corruption in aboriginal communities: Is it really a problem?

Ben Bradshaw, Associate Professor, Geography, University of Guelph

Phil Fontaine, former National Chief, Assembly of First Nations

Anne Scotton, Chief Audit & Evaluation Executive, Indian & Northern Affairs Canada

Grant Wedge, Legal Director, Ontario Ministry of Aboriginal Affairs

Corruption is a problem in aboriginal communities, but there is no agreement on its causes and potential solutions. A lack of transparency and of formal auditing mechanisms may be contributing to the misuse of community funds. The confidentiality surrounding impact and benefit agreements, which are negotiated between a community and a company or government in the context of resource development, may also create an opportunity for corruption. However, this may be perception rather than reality. In terms of solutions, the government of Canada has created a new role for a forensic auditor in the funding process and has begun to introduce a “right to audit” clause into every funding agreement. In addition, there is an increased emphasis on self-reporting by aboriginal communities. A majority of aboriginal communities already prepare audited financial statements, which are submitted to the government for review. Increased transparency could be achieved

by requiring community leaders to make financial statements available to the community. However, some leaders resist increased transparency in order to prevent interference in their affairs by the government. Other suggested solutions include the creation of a First Nations audit committee and ombudsman, stiffer penalties for those caught misusing community funds, the creation of tribal courts to try cases of corruption and a stronger media presence in aboriginal communities.

5. Primer on anti-corruption laws: Basics and new developments

Milos Barutciski, Partner, Bennett Jones LLP

Gord Drayton, Inspector, OIC Sensitive Investigations and International Corruption, RCMP

Bruce N. Futterer, V. P., General Counsel & Secretary, GE Canada

Janet Keeping, President, Sheldon Chumir Foundation for Ethics in Leadership

Thomas C. Marshall, former General Counsel, Attorney General of Ontario

The modern history of anti-corruption law begins in the US, where a string of bribery scandals involving corporations in the 1970s led Congress to pass the Foreign Corrupt Practices Act of 1977. The act made bribery of foreign officials illegal. Canadian corporations listed on US stock exchanges must comply with this law. US businesses pressed for other countries to adopt similar measures. Members of the Organization for Economic Co-operation and Development agreed on the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (the OECD Convention) in November 1997. Canada signed the convention that same year and its Corruption of Foreign Public Officials Act came into force in February 1999. Thirty-four countries have laws prohibiting the bribery of foreign public officials. The UN General Assembly adopted the UN Convention against Corruption in October 2003. In more recent developments, the Dodd-Frank Wall Street Reform and Consumer Protection Act of July 2010 contains anti-corruption provisions and Britain brought in strict new provisions in the UK Bribery Act, which came into force July 1st 2011. OECD reviews of Canada’s anti-corruption performance have been negative. Of particular concern is Canada’s lack of assertion of jurisdiction in the absence of a substantial, direct connection to Canada. There have been two convictions under the act (one occurred after the May 12th roundtables), and there are more than 20 investigations ongoing. Participants were divided on whether the Canadian government will significantly improve the bribery law or just change the clause on nationality. The US experience shows that a sea change in this area is possible. Recently, the US Department of Justice announced it will pursue individual prosecutions on the basis that they constitute a stronger deterrent to corruption than corporate prosecutions. This will likely continue to drive compliance. The World Bank Integrity Unit, which used to pass information about questionable conduct to home governments, is now making this information public because experience indicated that there was no follow-up.

Transparency International Canada Inc., Newsletter

Volume 15, Number 1

Fall 2011

Editor: Bronwyn Best, Executive Director, TI-Canada

Designers: Mary Amati, Schulich School of Business, York University.

6. Are corporate social responsibility programs a necessary good or a conduit for corruption?

Valerie Chort, Part. & Nat'l Leader, Corporate Resp. & Sust. Practice, Deloitte & Touche

Madelaine Drohan, Canada correspondent for The Economist

Marketa Evans, Extractive Sector CSR Counsellor, DFAIT

Kernaghan Webb, Assoc. Prof., Business Law, Ted Rogers School of Business, Ryerson Univ.

The general consensus of the discussion leaders was that corporate social responsibility programs could lead to corruption. But this depends on what we mean by "corporate social responsibility". If it is understood to involve making organizations more accountable and transparent in their decisions and activities, then the opportunities for corruption may be reduced. If a company's actions are seen from a community perspective as providing local benefits in exchange for gaining the support of the community, then corruption problems might arise. For instance, in China a company was questioned for its motive for promising to construct a school after they had submitted a tender to construct a water treatment plant. The Chinese company said it wanted to show that they would be a socially responsible company, but some interpreted their actions as "buying the community" and, therefore, corrupt. In November 2010, ISO (International Organization for Standardization) published ISO 26000, an international standard providing guidance on social responsibility. It starts from the premise of compliance with all applicable laws and international norms and integration of consideration of an organization's impacts on all of an organization's decisions and activities. Thus, social responsibility is not simply voluntary philanthropic activity. Second, transparency is a key element of social responsibility. Third, the definition of social responsibility emphasizes the need for engagement with stakeholders. By taking into consideration the views and concerns of stakeholders in a transparent way and in compliance with laws, and through proper training of its employees and contractors, there is further likelihood that socially responsible organizations will not engage in corruption.

7. What is corruption? Cultural norms vs. legal definitions

Peter Dent, Partner & National Leader, Forensic & Dispute Services, Deloitte & Touche

Marke Kilkie, Legal Counsel, Regulatory Crime, Public Prosecution Service of Canada

Dale Chakarian Turza, Partner, Cadwalader, Wickersham and Taft, LLP

Corruption is defined by specific laws, including the Corruption of Foreign Public Officials Act, the Criminal Code, the Foreign Corrupt Practices Act in the US, and the OECD Convention. However, there are ways business interacts with government where the lines between government and business, and the lines between personal and professional relationships, are less clear and can verge on corruption even where they are not strictly illegal. The example was given of the pervasive presence of developers and lobbyists at Queen's Park in Toronto. Relationships and political contributions can blur these lines. There's nothing necessarily illegal about this. You hire former prime ministers,

etc., precisely because of their knowledge of the workings of government. There is a line, however, where this kind of relationship can become corrupt in the legal sense. How close are you to the line when you retain someone with a personal relationship? What about gifts, entertainment or political contributions? Where does that cross the line? Transparency is really the key to defining the line between a legitimate relationship and criminal corruption. In Canada, the Corruption of Foreign Public Officials Act requires proof of intent and knowledge, and the payment must obtain or retain benefit for business. In the US, Congress said that there must be an "evil purpose or motive" behind the payments. An offer is sufficient; there doesn't have to be a consummated bribe. However, the US Department of Justice has never prosecuted the mere offer of a bribe. Both US and Canadian laws exempt facilitation payments, which are paid to an official to expedite the proper performance of duties. This is controversial. Corruption is not a manifestation of culture. Corruption is the manifestation of the abuse of power.

8. How to legally do business in China without paying bribes

Sandy Boucher, Senior Investigator, Grant Thornton LLP

David Fung, Chairman and CEO, ACDEG Group

Sarah Kutulakos, Executive Director & COO, Canada China Business Council

Homer E. Moyer, Jr., Partner, Miller & Chevalier, Chair, Anti-Corr. Committee, Int'l Bar Assoc.

The Hon. Pierre Pettigrew, Executive Advisor, International, Deloitte & Touche, LLP

It is possible to do business in China without paying bribes. It takes time, planning and resources. But first, firms must draw a line in the sand – "we do not pay bribes" – and stick to it. To bribe seekers, such a policy is comparable to car thieves spotting a steering-wheel lock. After hearing it, they move on to easier prey. Once investors settle on a site, they need to set up a realistic timetable, say two years. They must commit resources to learn the culture and business practices as well as align their objectives with those of the local people and authorities. And rather than offering bribes to speed things up, they should try to get officials onside by outlining a common goal whose achievement will help them win promotions. Foreign firms must not box themselves in or add more pressure by trying to get things done quickly. Paying bribes is a short cut. For example, you have been working on a project for a long time and the chief operating officer is coming over to sign the contract. But the Chinese side tells you that they need to change one clause before signing. What do you do? If you cave in and pay, such demands will never stop. Bribing foreign officials is not only morally wrong, it is illegal under both the Canadian Corruption of Foreign Public Officials Act and the US Foreign Corrupt Practices Act. In China, the definition of foreign official is very broad since the government is deeply involved in everything from huge state-owned enterprises to almost every economic sector. The quantity of corruption has not changed. But its sophistication and complexity has. In China, officials and others no longer ask for brown envelopes or sightseeing trips to Bangkok, Las Vegas and Disney World. They are more likely to request help for their children to attend elite universities, placing friends and family on the payroll or favouring certain partners, consultants or agents with contracts.

Even if such requests appear innocent or vague, a bribe is still a bribe. And the smell test still works.

9. The Dodd-Frank Act: Implications for Canadian foreign filers with the SEC

John W. Boscarior, Partner & Head, Int'l Trade & Investment Law Group, McCarthy Tétrault

Brian Chilton, Of Counsel, DLA Piper

Dimitri Lascaris, Partner, Class Actions Department, Siskinds LLP

Ian Putnam, Partner, Stikeman Elliott LLP

The Dodd-Frank Wall Street Reform and Consumer Protection Act was signed into law in the US in July 2010. Section 1504 of the act requires issuers in the extractive industry reporting to the US Securities and Exchange Commission to disclose any payments made to a foreign government or the U.S. federal government for the purpose of commercial resource development. This means all payments, including legal payments such as taxes and facilitation payments. Companies are to disclose payments in their annual report on a project-by-project basis, which could prove challenging. Section 1502 of the Dodd-Frank Act introduced a new disclosure obligation on issuers who report to the SEC to disclose whether materials, which are necessary either to produce their product or for it to be functional, originated in the Democratic Republic of the Congo or an adjoining country. Section 1502 is not a prohibition against using conflict materials but requires disclosure of the use of conflict minerals so that an investor can make an informed decision. The SEC has proposed rules to implement a whistleblower provision mandated by the Dodd-Frank Act. The SEC will give substantial monetary awards to whistleblowers that voluntarily provide original information about violations of securities law that lead to successful enforcement actions resulting in monetary sanctions exceeding US\$1 million. This includes settlements. The introduction of a bounty is controversial as it could undermine compliance programs. However, some argue it will encourage people to come forward, including those who are putting their career on the line.

10. Corruption abroad by Canadian charities and NGOs: Does it happen? Should it be penalized by Canadian law?

Rosemary McCarney, President & CEO, Plan Canada

Bruce Moore, former Director, International Land Coalition

Archana Sridhar, Asst. Dean, Graduate Program., Faculty of Law, Univ. of Toronto

There is virtually no public discourse about corruption in Canadian charities. Some participants thought that if there is such corruption, it is probably occurring at such a low level that it is below the radar. For example, it was claimed that charities often fall into the practice of paying small facilitation payments, for example, \$20, to process a permit faster. There have been reports that some European charities are involved in corruption and there are OECD publications suggesting there are Canadian NGOs involved in corrupt pharmaceutical schemes. An OECD review of Canada points out that the "for profit" element of the Corruption of Foreign Public Officials Act prevents that statute

from applying to NGOs. One participant suggested that the "for profit" provision of the act should be changed to include NGOs, thereby adding a level of accountability. Canadian charities do not want the act to apply to them, saying that a small number of charities are causing the majority of the problems. However, there was considerable sympathy for the view that, if there is corruption in NGOs, it should be penalized by Canadian law. There was some discussion about the non-profit sector's ability to regulate itself. It was noted that Imagine Canada has launched a governance standard starting with the largest NGOs in an attempt to improve NGO governance from the top down. The first reporting on these accountability and transparency requirements will take place in fall 2011. One thing is obvious: Financial controls and accountability cost money and implementation of them can have a negative impact on a charity's ability to achieve its goals. So, the question arises, how do you achieve a balance between enforcing anti-corruption standards and effectiveness and not eroding donor confidence?

11. Perception of corruption in provincial governments

Ian Greene, Professor, School of Public Policy and Administration, York University

Shelly Jamieson, Secretary of the Cabinet & Head of Ontario Public Service Organization

Janet Leiper, Toronto Integrity Commissioner

Robert MacDermid, Associate Professor, Political Science, York University

Lynn Morrison, Ontario Integrity Commissioner

Perception is important. The more the general public perceives elected officials are corrupt, the less the public will participate in politics and the lower the level of trust. In a 2008 survey, 38% of Canadians thought that "quite a lot of politicians are crooked", and 36% thought politicians are "a little crooked". Perceptions of corruption are based on real situations, which is why corruption needs to be tackled. The number of stories in the newspapers about conflict of interest involving politicians has dropped in the provinces, since the creation of independent ethics commissioners. However, the same is not true for federal politicians, and the reason is that the ethics process for the House of Commons is considered flawed. In the municipal sphere, Toronto was the first to have a code of conduct and an integrity commissioner. Ethics education is key. Codes of conduct by themselves are not sufficient. At the provincial level, the Public Service of Ontario Act of 2006 created clear conflict of interest rules for public servants and ministerial staff. Ontario then conducted the "Doing the Right Thing" campaign and set up a web portal. The Ontario integrity commissioner's office receives about 350 questions a year from MPPs and their staff members. Canada needs higher standards regarding conflict of interest, undue influence, lobbying and campaign financing. Tougher and more independent enforcement is also needed, especially at the municipal level.

12. Due diligence and effective anti-corruption compliance programs

Ruth Fothergill, Head, Corporate Responsibility, EDC

Chris Mathers, chrismathers inc, former sr. undercover operator, RCMP Proceeds of Crime

Frank McShane, Manager, Corporate Respon. Policy & Ethics, Talisman Energy Inc.

Martin Mueller, VP & Chief Compliance Counsel, Integrity Resource Centre, Nexen Inc.

Joe Zier, Partner, Deloitte Financial Advisory Service

Because they are on the front lines of the fight against corruption, corporations must have strong anti-corruption compliance programs. There are several factors that make a compliance program effective. Above all, organizations must ensure that the tone at the top is appropriate and that there is zero tolerance of corrupt practices at all levels of the organization. In addition, senior executives should ensure their actions are consistent with their messaging, meaning they cannot say that bribery is unacceptable but then pay bribes themselves. Executives should explain to employees that anti-corruption compliance protects the company's reputation and reduces risk for individuals. They should use incentives similar to other corporate performance

metrics. This works better than simply stating that compliance is necessary because "it is the law". Independent evaluations and a well-established whistleblower program will also make a compliance program more effective. One component of an effective anti-corruption program is due diligence. The UK government discusses, as part of its anti-bribery guidance, the idea that due diligence procedures should be proportional to the risk of bribery in the target area. One successful practice is to send a team to the local area to build relationships and meet with key local people. The team should be staffed with professionals with various skill sets and backgrounds and should have a common objective of understanding the lay of the land. There are a number of red flags that signal a transaction may be high risk. They include a history of corruption in the region, a lack of transparency with regard to corporate and government agency structures, and highly centralized decision-making power.

TI-Canada Letter to Prime Minister Harper re. Nationality Jurisdiction

In May 2009, the Conservative government introduced in Parliament Bill C-31, which included an important amendment to Canada's Corruption of Foreign Public Officials Act (CFPOA) to bring enforcement of the statute into conformity with that of all of the other signatories to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Convention). Bill C-31 clarified that prosecutions under the CFPOA could proceed on the "nationality," not merely "territoriality," principle, with

"nationality" meaning offences committed by a Canadian wherever in the world, and "territoriality" meaning the offence occurred in or was closely connected to Canada. TI-Canada believes the CFPOA could be enforced more vigorously if nationality jurisdiction were in effect. On 28 June, TI-Canada wrote Prime Minister Harper, asking him to reintroduce the CFPOA provisions previously contained in Bill C-31 without delay. To view the full letter, visit: <http://bit.ly/qwQax7>

TI-Canada offers Canadian companies an Anti-Corruption Compliance Checklist

In early 2011, TI-Canada launched its TI-Canada Anti-Corruption Compliance Checklist (TI-Canada ACC).

The TI-Canada ACC provides a one-stop shop for those corporations, and governments working with them, seeking to enhance their risk management process, in line with Canada's Corruption of Foreign Public Officials Act (CFPOA). Never before has such a compendium of tools been available in one place, providing Canadian companies with an opportunity to insulate themselves against the vagaries of corruption.

These various tools are mainly products of Transparency International (TI), some created in concert with other international

organizations and business. Each, in whole or part, is of relevance to corporations of any size and available at no cost. All serve to assist corporations to Assess, Plan, Act, Monitor, Report to Stakeholders and Assure, in order to ensure they are playing their part in achieving transparent, level playing fields in international markets, through honouring commitments of transparency, accountability and integrity, made in their codes of conduct. To view the Checklist, please visit: http://www.transparency.ca/New/Files/TI-Canada_Anti-Corruption_Checklist_2011.pdf

TI-Canada's Anti-Corruption Developments Review

In March 2011, TI-Canada published its first *TI-Canada's Anti-Corruption Developments Review*. The *Review* provides an anti-corruption editorial and a best practices showcase, along with reports on anti-corruption developments in Canada, specifically Ottawa and at the provincial and municipal levels, as well as in the U.S., Europe, Asia, South and Central America and Africa. Along with our *TI-Canada Anti-Corruption Compliance*

Checklist, it is intended that the information in the *Review* be useful for corporations' national and international risk-management processes. To view the full *Review*, please visit: http://www.transparency.ca/Reports/Reviews/TI-Canada_Anti-Corruption_Developments_Review_01-01_2001-Winter.pdf

TI-Canada Completes First Year of the Business Roundtable

On September 8, 2010, TI-Canada launched the Business Roundtable, a forum for businesses to:

- ◆ Interact within a select group of peer companies in the search for workable solutions to international corruption;
- ◆ Share ideas, best practices and experiences in dealing with corruption in international markets;
- ◆ Develop a stronger voice, through participation in the Roundtable, to enable TI-Canada in addressing corruption issues affecting the business community.

Over the inaugural year of the Business Roundtable, sessions were held with:

Mr. Peter Dent of Deloitte and Touche, addressing *Deconstructing Siemens*

Mr. Peter Clark of Cadwalader, Wickersham and Taft, addressing *FCPA Enforcement Trends in the US*

Ms. Alexandra Wrage of TRACE International, addressing *Conducting Due Diligence: a risk-Based Approach to Vetting Third Party Intermediaries*

Dr. Mark Pieth of the OECD Working Group on Bribery in International Business Transactions, addressing *Foreign Bribery: Does it matter to Canadian Business?*

The TI-Canada Business Roundtable meets four times per year, in three-hour morning sessions, followed by lunch. Each session will include a presentation by an expert in a particular field of anti-corruption, followed by a confidential session among Business Roundtable participants.

If you are interested in joining TI-Canada Business Roundtable members, such as Barrick Gold, EDC, GE Canada, Inmet Mining, Nexen Inc., Talisman Resources and Teck Resources, as a TI-Canada Business Roundtable Member, please contact Ms. Bronwyn Best, Executive Director, TI-Canada: ti-can@transparency.ca; 416-488-3939.

TI-CANADA MEMBERSHIP INFORMATION

CHARTER MEMBERS (Membership contribution -- \$5,000)

The purpose of charter membership is to keep the chapter on a sound financial footing. Charter members will have all the rights and privileges of other members and will be invited to assist in advising the Board on policies and programs. We welcome government departments and agencies as arm's length Charter members, but government members will have no voting rights.

PROFESSIONAL FIRMS (membership contribution -- \$1,000)

The designated spokesperson of a professional firm has full voting and participation rights at meetings of members.

VOLUNTARY SECTOR ORGANIZATIONS (Membership contribution range -- \$100 - \$500)

The designated spokesperson of an NGO has full voting and participation rights at meetings of members.

INDIVIDUAL MEMBERS (Membership contribution -- \$100)

Individual members have full participation and voting privileges at meetings of members.

STUDENT MEMBERS (Membership contribution -- \$20)

Student members have full participation and voting privileges at meetings of members.

ALL MEMBERS will receive newsletters/bulletins, information about conferences and workshops, and the right to participate in these conferences and workshops on a cost recovery basis. Membership in TI-Canada is generally available to all, subject to receipt of a Membership Application and Board approval of the Application. The Board may decline to grant such approval if, for any reason, the Board considers membership to be inconsistent or incompatible with the objectives, values and ethical principles of TI-Canada.

APPLICATION FOR MEMBERSHIP

All applications must be accompanied by a response to the Membership Question: www.transparency.ca/Members/TI_Membership_Question.pdf

Name: _____

Title: _____

Organization: _____

Address: _____

Country: _____ **Postal Code:** _____

Telephone: (_____) _____ **Fax:** (_____) _____

E-mail: _____

Membership Category (Check one):

Charter Professional Volunteer/NGO Individual Student

Fee: Amount _____ (Please enclose cheque payable to "TI-Canada")

A Canadian Registered Charity (BN 89260 4281 RR0001)

mail to:

Transparency International Canada Inc
c/o Business Ethics Office, Room N211, Schulich School of Business, York University 4700 Keele St., Toronto, ON Canada M3J 1P3
Tel: 416.488.3939/736.5268 FAX: 416.483.5128/736.5762 email: ti-can@transparency.ca www.transparency.ca