

PRESS RELEASE



Media Contact:

Gillian Dell / Jesse Garcia

Tel: +49-30-3438 2019

Fax: +49-30-3470 3912

press@transparency.org

<http://www.transparency.org>

Alt Moabit 96
10559 Berlin, Germany
Tel: +49-30-3438 2061/19
Fax: +49-30-3470 3912

Crack-down on Foreign Bribery Underway in Major Exporting Countries

TI Report Finds Fifteen OECD Countries Making a “Promising Start” in Enforcing Anti-Bribery Laws But Calls for Accelerated Enforcement

Berlin, 7 March 2005 --- A positive start has been made to enforcement of the OECD Anti-Bribery Convention, with prosecutions or investigations underway in 15 of 24 countries surveyed in a report prepared by Transparency International (TI), the leading global non-governmental organization devoted to combating corruption. But governments need to do more to enforce the laws criminalizing bribery of foreign public officials that came into force in most signatory countries in 1999 and 2000.

These are some of the key findings of the TI Progress Report on Enforcement of the OECD Convention, which was released today. The report is based on information provided by TI national chapters in 24 of the 35 OECD signatory states. These 24 countries account for 95 per cent of OECD exports. It is being delivered today to the OECD and the 35 signatory countries of the Convention.

TI Chairman Peter Eigen commented: “Effective enforcement of the OECD Convention is a critical step in the fight against international corruption. Because most major multinational companies have their headquarters in OECD countries, effective enforcement would substantially reduce the supply side of international corruption.” Speaking today from the OECD/NEPAD/ TI Investment Initiative conference in Addis Ababa, Eigen stated, “The dividends of effective enforcement are very real. Reducing the supply side of foreign bribery will make it much easier for African governments to improve the investment climate in their countries.”

The most important conclusions of the TI Progress Report are:

- Enforcement is now underway in fifteen of the twenty-four countries covered, including most of the major exporting countries.

Prosecutions have been brought in eleven countries: Belgium, Canada, France, Germany, Italy, Norway, South Korea, Spain, Sweden, Switzerland and the USA.

In four countries, Denmark, Finland, Mexico and the UK, there have been investigations into foreign bribery, but no cases have yet come before the courts.

- There has been no enforcement in nine countries: Argentina, Australia, the Czech Republic, Greece, Japan, the Netherlands, New Zealand, Poland, and the Slovak Republic.
- Enforcement efforts must be stepped up substantially to achieve widespread recognition in the business community that foreign bribery does not pay. Currently only four countries have seen more than one foreign bribery prosecution.

“TI considers the results from most countries encouraging, but more needs to be done,” said Fritz Heimann, co-author of this Report and a member TI’s International Advisory Council and Chairman of TI-USA. “It is essential,” he continued, “that governments step up enforcement efforts to ensure that companies in OECD countries are left in no doubt that foreign bribery will be prosecuted.”

The most important recommendations of the TI Progress Report are:

- Establish a national office responsible for foreign bribery enforcement and increase resources for enforcement. (TI notes that thirteen countries have already centralized foreign bribery enforcement)
- Improve access to enforcement systems through enhanced complaint procedures and whistleblower protection.
- Increase awareness that foreign bribery of public officials is a crime.
- Continue the OECD intergovernmental monitoring program beyond 2007.

TI Recommendations are spelled out more fully in the report.

The TI Progress Report on Enforcement of the OECD Convention is the first in a TI program of annual assessments of the enforcement of the OECD Convention and will provide a benchmark for measuring progress made in future years. It will complement the country evaluation reports prepared by the OECD Working Group on Bribery, which reviews 5-7 countries each year with respect to their enforcement of the OECD Convention.

For more information and the full report please see:

http://www.transparency.org/building_coalitions/oecd/oecd.html