



NEWSLETTER

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Canadian Chapter News

THE OTTAWA CONFERENCE: IN FULL SWING

A working meeting with the government is now underway. On Wednesday, November 19, TI-Canada is holding meetings in conjunction with CIDA (The Canadian International Development Agency). Deputy Ministers with relevant responsibilities have been invited by President Huguette Labelle to attend the morning meeting. After that, several ministers including Lloyd Axworthy will attend a luncheon meeting hosted by Diane Marleau, the Minister Responsible for International Cooperation. In the afternoon there will be still another event, hosted by David Kilgour, who is the Minister of State for Africa and Latin America.

This is a great opportunity for TI-Canada to present its national integrity system approach to curbing corruption. TI-Canada will be well represented by Wesley Cragg (Chairman), Michael Davies (Vice-Chairman), and Ian Marshall (member of the Board of Directors). The international office of TI will be well represented by both Jeremy Pope (Managing Director) and Frank Vogl (Vice-Chairman). To demonstrate the support of the business community, TI-Canada has arranged for the participation of Robert Gillespie (CEO of General Electric Canada), John Willson, (CEO of Placer Dome) Vic Zalischuk (CEO of Canadian Occidental Petroleum) and Clive Allen of Northern Telecom.

THE LIMA DECLARATION: IACC 1997

Dr. Wesley Cragg (Chairman) and Michael Davies (Vice-Chairman) attended the Annual General Meeting of Transparency International in Lima, Peru on our behalf. It was held in conjunction with the Eighth Annual International Anti-Corruption Conference (IACC) from September 7 and 11.

TI-Canada put together an international panel discussion in Political Party Funding that was a large draw and aroused interest at the IACC conference.

At the end of that conference, the delegates released the Lima Declaration, outlining a number of goals in the area of

reducing corruption around the globe. A copy of this entire document can easily be downloaded from the TI web site at the following address:

<http://www.transparency.de>

International News

CORRUPTION PERCEPTIONS INDEX

At the end of July, TI in Berlin released its annual Corruption Perceptions Index. It has been developed for TI by Dr. Johann Graf Lambsdorff, an economist at Göttingen University, and draws on surveys undertaken by Gallup International, the World Competitiveness Yearbook, and several other surveys.

This event is always eagerly awaited by journalists and international figures who want to see how their country fares on the list. Each year we have to explain that the document only measures perceptions, so a country that has recently turned around will probably still be rated as corrupt in the index. Also, we have to point out that the people in the survey who name another country as corrupt (because its citizens accept bribes) may in fact be paying these bribes themselves. Canada, by the way, ranks as the fifth best country in the world with a score of 9.1 out of a possible ten.

ANNUAL GENERAL MEETING

Transparency International has created more opportunities for national chapters to participate in decision making at the highest levels. The Board of Directors has been increased to thirteen (from ten) members.

To increase transparency, the head office will announce its decisions as quickly as possible in the national chapter newsletters.

A minute of silence was held for the chairman of our advisory council, Olusegun Obasanjo, who is still imprisoned by the Nigerian government.

There was lively debate about the Corruptions Perception Index, and it was decided that improvements should be introduced.

CHINESE DELEGATION VISITS

In the middle of August, 16 representatives of the China National Chamber of Commerce visited the TI headquarters in Germany. They expressed interest in the work of TI, and asked to be sent a Chinese version of the Source Book.

COLOMBIA

In the middle of September, a TI national chapter was launched in Bogotá Colombia with the participation of Chairman Peter Eigen. The new group will be headed up by Juan Lozano, a renowned journalist. Other supporters include the Chamber of Commerce, the National Council of Universities, and Millenio (a think-tank institution).

This group will take the unusual step of establishing several provincial chapters because of the number of independent urban areas in Colombia.

DENMARK

TI-Denmark held a survey in conjunction with the Gallup organization and showed that 73% of the respondents found it unacceptable for businesses to bribe civil servants abroad in order to obtain orders.

DOMINICAN REPUBLIC

The president is working with local TI representatives to improve transparency in Public Service. The main goal is to establish both a procurement system less susceptible to corruption and a monitoring system for privatization and customs. This project is now well underway.

10th EBEN CONFERENCE

MALAWI

On the invitation of the president (Bakili Muluzi) a

In early September, TI's Serge Chereikin attended the 10th Conference of the European Business Ethics Network, which had theme of Creating Effective Alliances. There was great concern at the conference for including ethics training as part of the experience of every manager and every management students.

ESTONIA

The Second European Conference of Specialized Services in the Fight against Corruption, entitled Corruption in Public Procurement, was held at the end of October.

GERMANY

German Development Minister Carl-Dieter Spranger announced at the end of August that all development money would be granted with a legally binding anti-corruption clause. This is a great forward step for a country that still allows tax deductions for the payment of bribes and opposes the OECD approach to curbing corruption.

LITHUANIA

A delegation from Transparency International visited Lithuania at the invitation of the First Vice-Chairman of the Seimas (Parliament). TI leaders were pleased to find several anti-corruption laws and policies well underway. There are plans to mount a National Integrity Workshop in that area in the near future, to bring the citizens of Lithuania into the coalition.

MALAYSIA

At the end of August there was a workshop attended by Jeremy Pope and Margit van Ham of the head office. Discussions were held, priorities were set, and a Source Book Adaptation project is already underway. TI-Malaysia will be lobbying for a holistic approach rather than legislation, and for self-regulation by businesses. They are also advocating independence for the Anti-Corruption Agency.

delegation of the Global Coalition for Africa (including Robert McNamara) visited and established working relationships with The World Bank and to propose the

adoption of TI's Islands of Integrity concept. This involves gathering all of the parties who are bidding on a contract, and having each sign an integrity pact. Then an objective observer is elected to oversee the bids. This process prevents any of the parties from feeling that someone else is earning favour with bribery.

MEXICO

Planning is underway for the establishment of a national chapter in Mexico. In late October Peter Eigen paid a visit to Luis Ernesto Derbez, and ex-World Bank manager and professor of Economics. Supporters were encouraged by Peter Eigen's official visit, and there is a good chance that there will be a new national chapter emerging soon.

PAPUA NEW GUINEA

Sir Antony Siaguru, President of TI-PNG, was able to get recently-elected Prime Minister Bill Skate to sign the "Transparency International pledge" under which he agreed to fully disclose his annual tax returns on the floor of Parliament. He also challenged the opposition leader Bernard Narokobi to follow his lead.

SLOVAKIA

Peter Waller (Chairman of TI-Germany) participated in a United Nations Development Programme workshop on Financial Accountability in Governance in the middle of September. The Corruption Perceptions Index was presented and discussed enthusiastically.

UGANDA

Jeremy Pope and others went to Uganda to organize an unusual workshop on judicial administration. The workshop was well attended by journalists who reported on its findings. People at the workshop were urged to take small effective steps to limit corruption in ways that were non-confrontational. This sort of incremental change is unusual, and is being carefully watched to see if there is potential for this approach in other countries.

VENEZUELA

The new chapter was launched in Caracas with about 70 participants. It enjoys support and funding from several prominent leaders in the corporate sector.

ZIMBABWE

Jeremy Pope and others visited Victoria Falls Zimbabwe to conduct a regional "Training for the Trainers to Build a Local Integrity System."

AND ON A PERSONAL NOTE . . .

After serving as the National Coordinator for TI-Canada during its first year of operation, I am stepping down to concentrate on my doctoral studies at York University.

I would like to take this opportunity to thank all the members of Transparency International and TI-Canada, and especially the Board of Directors, for their consistent support and hospitality.

The responsibilities of this job will now fall to Bronwyn Best. Besides holding an MBA from York University and an MA in Japanese Studies from the University of Toronto, Bronwyn has served as the Ontario Programme Director for the Asia Pacific Foundation of Canada for five years and as the Director, East Asia, for the Canadian Chamber of Commerce.

Bronwyn is an experienced and very active participant in the world of international business. She has many connections in the area of international business ethics and we are very lucky to have her with us. Her energy and enthusiasm will lead us into our second year of progress against corruption.

All the best!

Jim Lyttle



INDIVIDUAL MEMBERS (Fee Range -- \$50 to \$100)

Membership is open to individuals. We suggest that individuals who will derive business or professional benefit from membership consider joining for a fee of \$100. Individual members will be entitled to full participation and voting privileges at meetings of the membership called to transact business. They will receive newsletters, information about conferences and workshops, and the right to participate in those conferences and workshops on a cost recovery basis.

VOLUNTARY SECTOR ORGANIZATIONS (Fee Range -- \$50 to \$500)

We welcome NGO's as members. As organizations they will be entitled to designate a spokesperson who will have full voting and participation rights at meetings of members. As members, NGO's will receive newsletters, information about conferences and workshops, and the right to participate in those conferences and workshops on a cost recovery basis.

GOVERNMENT DEPARTMENTS AND AGENCIES (Fee -- \$500)

We welcome government departments and agencies as (arm's length) members. They will receive newsletters, information about conferences and workshops, and the right to participate in those conferences and workshops on a cost recovery basis. But government members will have no voting rights.

PROFESSIONAL FIRMS, BUSINESS CORPORATIONS (Fee Range -- \$1,000 to \$5,000)

Corporate members have the right to designate a spokesperson who will have full voting and participation rights at meetings of members. They will have the right to sit on a Corporate Advisory Council and assist in advising the board on policies and programs. They will receive newsletters, information about conferences and workshops, and the right to participate in those conferences and workshops on a cost recovery basis unless otherwise agreed. Members in this category may also request assistance with research, education programs, development of codes and the development of corporate anti-corruption strategies on a cost recovery basis.

CHARTER MEMBERS (Fee -- \$10,000 over two years)

The purpose of charter membership is to put the chapter on a sound financial footing in its first two years of operation. Charter members will have all the rights and privileges of corporate and individual members. In addition, their contribution to the launch of the new chapter will be acknowledged at the time of the launch and at all public events in the first two years of operation that their contribution helps to make possible.

APPLICATION FOR MEMBERSHIP

Name: _____

Title: _____

Company: _____

Address: _____

Country: _____ Postal Code: _____

Telephone: (____) _____ Fax: (____) _____

E-mail: _____

Please enclose your cheque payable to "TI Canada"