



TRANSPARENCY INTERNATIONAL CANADA INC., NEWSLETTER

Volume 12, Number 1

May 2008

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The Anatomy of Corruption in Canada

"The enormous sums of money disbursed annually by Canadian governments at all levels make them prime targets for corruption, and, more than ever before, susceptible to gross mismanagement. No political party has been immune to such dangers and temptations. The public wants to be better informed about how its taxes are administered, and is increasingly averse to leaving any government in office which fails to respond so as to correct weak management and dishonesty."-- Justice John Gomery, who led the inquiry into the Liberal sponsorship scandal, offers his comment on TI-Canada's Symposium on "The Anatomy of Corruption in Canada"

On 21 December 2007, TI-Canada voiced its concerns on the allegations of corruption made against the former Prime Minister of Canada, The Right Honourable Brian Mulroney, in a letter to the Prime Minister of Canada, Stephen Harper (visit www.transparency.ca for full text). It is the belief of TI-Canada that these allegations go to the heart of the corruption issue in this country and they must be fully and properly investigated and resolved in a transparent, judicious, independent and expeditious manner.

As a follow-up to the letter, TI-Canada is centering its annual Symposium on the theme of "The Anatomy of Corruption in Canada: Its Causes and Prevention." What does the psychological part of corruption look like? Why do people in high offices take the risks they do? What is it that makes people in power think they are above the law? A panel of four distinguished Canadians, with a variety of backgrounds, will address these issues: Superintendent Stephen Foster is the Officer-in-Charge of the RCMP's Commercial Crime Branch, which includes the newly established International Anti-Corruption Unit, with offices in Ottawa and Calgary; Dr. Ian Greene, Professor of Political Science at York University, has had a long career specializing in Canadian government and politics; Dr. Huguette Labelle, Chair of Transparency International and Chancellor of the University of Ottawa, is a former President of the

Transparency International Canada Symposium & Annual General Meeting

"The Anatomy of Corruption in Canada:
Its Causes and Prevention"

Thursday, 12 June 2008

9:00 – 14:00

(AGM 14:00 – 15:00)

in the offices of Symposium sponsor
Gowling Lafleur Henderson
1 First Canadian Place, Suite 1600

Toronto, ON

*See insert for further information and to
register, or visit:

www.transparency.ca

Canadian International Development Agency, as well as Deputy Minister of Transport Canada and the Public Service Commission; Mr. Norman Inkster is a former RCMP Commissioner and President of Interpol, and, after heading up KPMG's global forensic practice and running his own security and policing services group, is now a managing director at Navigant Consulting.

The panel will be followed by a presentation by two of Canada's leading lawyers in the field of anti-corruption. What deficiencies lie in the Canadian legal system for investigating and prosecuting both domestic and foreign bribery? Mr. Tim Martin, Vice President and General Counsel, Nexen Inc., and Mr. Jim Klotz, Chair, International Business Transactions Group, Davis LLP, will review a TI-Canada white paper in the making. The paper represents research into comparisons between the approach of Canadian law vs. that of the US law to the issue of corruption.

Join us at the annual TI-Canada Symposium on Thursday, June 12, 2008, in the Toronto offices of Symposium sponsor Gowling Lafleur Henderson.

For Agenda and Registration form, see insert or visit: www.transparency.ca

PWYP-Canada Launched

On 26 March 2008, PWYP (Publish What You Pay) Canada was launched, with a workshop on *A Canadian appeal for revenue transparency in oil, gas and mining industries*. International perspectives were presented on the emergence of PWYP by Ms. Alison Holder, Private Sector Adviser to Save the Children UK, on mandatory disclosure by Ms. Sarah Pray, Coordinator of PWYP-USA, and on the challenge presented by oil companies operating in Chad by Ms. Lydie Beassemda, PWYP-Chad Member. Canadian perspectives were presented on the Kimberly Process by Mr. Ian Smillie, Research Coordinator, Partnership Africa Canada, on labour's commitment to corporate accountability by Mr. Joel Harden, Researcher with Canadian Labour Congress, and on the *National Roundtables on Corporate Social Responsibility and the Canadian Extractive Industry in Developing Countries* by Ms. Mary Durran, Advocacy & Research Programme Officer, Canadian Catholic Organization for Development & Peace.

PWYP is an international coalition of non-governmental organizations seeking to ensure that natural resource extractive companies are required to publish the payments they make to all national governments and authorities. PWYP aims to increase the public accountability of governments and oil, gas and mining companies for the management and allocation of extractive industry revenues. The event offered the opportunity to introduce the new PWYP-Canada Coordinator, Mr. Ousmane Déme. He is an international development professional with a multidisciplinary, broad-based experience in the private and the non-profit sectors, including prior experience as a consultant with the UN Economic Commission for Africa and a researcher for Partnership Africa Canada. Mr. Déme is also completing his PhD thesis on "Civil society, governance and democracy in the context of oil exploita-

tion in Chad." Ms. Bronwyn Best, Executive Director, TI-Canada, serves on the Management Committee for PWYP-Canada.

Closely linked to PWYP is the Extractive Industries Transparency Initiative (EITI), which aims at strengthening governance through improving transparency and accountability in the extractive industry sector (www.eitransparency.org). On February 28, 2008, Natural Resources Canada put on a workshop, in Ottawa, on *Canadian Visions of Global Norms for Transparency: An EITI Outreach and Information Session*. Mr. Déme made a presentation in the Views from the Ground: *Putting Public Participation into Practice* session, chaired by Ms. Clare Bonnell, TI-Canada Chair and President.

Another joint activity by TI-Canada and PWYP-Canada will be a press conference and panel discussion to mark the Canadian launch of Transparency International's 2008 *Report on Revenue Transparency of Oil and Gas Companies*, May 9, in Ottawa. The Report, *Turning a transparency profit in the oil & gas industry: Opportunities and challenges for revenue transparency*, will receive its international launch on April 28. It evaluates 42 leading oil and gas companies and their operations in 21 countries on their current policies, management systems and performance in areas relevant to revenue transparency in their upstream operations. Included in the Report are Canadian Nexen, Petro-Canada and Talisman.

For further information on the Canadian May 9 launch of the Report, contact odeme@pwyp.ca; for the full Report, embargoed until 28 April 2008, visit: www.transparency.org

TRACE 2008 Essay Contest

What works?

What personal behaviors, what laws or policies, what deterrents or incentives, what reporting devices or transparency mechanisms, what educational campaigns, what measures of any kind have been or could be effective in resisting or curtailing bribery?

Enter TRACE International's essay contest, with submission deadline of 11:59 p.m., EDT, May 31, 2008, and prizes of

1st Place - \$10,000 USD and 2nd Place - \$5,000 USD

For contest details, visit: www.TRACEinternational.org

TI-Canada Board holds Strategy session



On 29 March 2008, the TI-Canada Board met for a day-long strategy session, to review and update TI-Canada's Vision, Mission and Goals, as of 2008:

Vision

1. That transparency exists in all Canadian organisations.
2. That all levels of Government have effective anti-corruption and anti-bribery measures.
3. That Canadian companies, their subsidiaries, supply and distribution chains do not bribe.
4. That the Government complies with and implements global and regional conventions against corruption and enforces Canadian anti-corruption laws.

Mission

The purpose of Transparency International Canada Inc. (TI-Canada) is to be an informed voice that promotes anti-corruption practices and transparency in Canada's governments, businesses and society at large.

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May 2008

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Goals and Projects

In order to carry out the Vision and Mission, the Goals and projects to implement them in place or being developed include:

To address bribery and corruption within Canada

- annual symposium on a burning anti-corruption issue
- international comparison of legislative approaches to issues such as the Mulroney/Schreiber affair
- determination of challenges/problems of municipalities
- mapping of what various anti-corruption related organizations, such as TRACE International, Ethics and Compliance Officer Association, etc., are doing
- hiring of an intern to work on ethics and government and ethics and business research

To address bribery and corruption carried on by Canadian companies outside Canada

- continued contribution to the annual Report Card as part of TI's report to the OECD Working Group on Bribery in International Business Transactions on the implementation of the OECD Anti-bribery Convention
- participation in the PWYP-Canada process
- active role in preparation for G8 Summit and accompanying meetings to be held in Canada in 2010

To provide value-added propositions to Canadian businesses, so they are in compliance with Canadian and international laws

- training module for companies that would include: 1) a policy template; 2) a compliance program; 3) accounting controls; 4) a training session
- website development to provide value-added information for corporate members

To provide Canadian expertise to international partners

- outreach projects such as the China transparency and accountability project
- assessment and potential continuation of TI-Canada's Nigeria Project

Canadian Forum on Bribery and Foreign Corruption

On 31 March and 1 April, 2008, approximately 100 people attended the *Canadian Forum on Bribery and Foreign Corruption*, in Toronto, put on by the American Conference Institute, with TI-Canada as a supporting organization. Two TI-Canada Board Members, Mr. Jim Klotz, Davis LLP, and Mr. Tim Martin, Nexen Inc., served as co-Chairs of the Forum. TI-Board Member, Mr. Roddy Allan, Navigant Consulting, also made a presentation, along with senior representatives from a number of American and Canadian organizations working internationally, as well as the U. S. Department of Justice.

Topics addressed included the outlook for the Canadian regulatory and enforcement environment, anti-corruption enforcement

around the world, various aspects of the US *Foreign Corrupt Practices Act* and the Canadian *Corruption of Foreign Public Officials Act*, global anti-corruption compliance programs, the dos and don'ts involved with gifts and hospitality, minimizing the risk of third party liability, dealing with suspected and alleged violations and the anti-corruption paper trail. Presentations were kept crisp and lively, as panelists presented brief initial remarks, responded to each other and answered questions from the floor.

For further information on similar conferences, visit: www.AmericanConference.com

Transparency International Integrity Awards 2007

On 21 January 2008, Transparency International announced the winners of the 2007 TI Integrity Awards. Le Hien Duc, a Vietnamese school teacher, is one of the two winners. Since retiring in 1984, she has become a resourceful anti-corruption fighter through filing complaints and helping fellow citizens to challenge petty bribery and large scale graft. Ms. Duc's respect for authority ends where corruption begins. She has tracked down high and low-level officials through different means, in their homes or in their offices, to ensure that they cannot ignore the victims of corruption who are claiming their rights.

In spite of receiving many threats, Ms. Duc provides hope and the encouragement to stop the acceptance of corruption. Warning of an early death through the delivery to her home of an empty coffin has not discouraged this 75 year-old, who remains full of anti-corruption energy. Ms. Duc continues undeterred in ensuring those afflicted by corruption are dealt with in a fair manner, whether it is allegations of graft in the school system or the bribing by police at the roadside.

The other winner, Prof. Mark Pieth, is well-known in the international anti-corruption world. A criminal law and criminology professor at the University of Basel, Switzerland, he has countered corruption as a co-founder of the Basel Institute on Governance, as the Chair of the OECD Working Group on Bribery in International Business Transactions, and as a member of the Independent Inquiry Committee into the UN Iraq Oil-for-Food Programme.

Prof. Pieth is well-known for his willingness to publicly criticize governments that fail to implement the OECD Anti-bribery Convention and that did not provide sufficient support to identify companies that paid kickbacks in the oil-for-food scandal. He has successfully countered attempts to oust him from the OECD's anti-bribery group and has continued to be outspoken about the need to implement those anti-bribery rules to which countries have committed. For over 19 years, ensuring foreign bribery, money laundering and other related activities of the corrupt are stopped has been a core priority of Prof. Pieth.

With information taken from: www.transparency.org



TI-Canada has gone green!!

If you are receiving this by snail mail, it means we do not have your email address

Help TI-Canada to conserve by sending your email address to:

mamati@schulich.yorku.ca

& ensure you also receive TI-Canada announcements that go only electronically

TI-CANADA MEMBERSHIP INFORMATION

INDIVIDUAL MEMBERS: (Fee Range -- \$50 to \$100) Individual members will have full participation and voting privileges at all meetings of the members.

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

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

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

We welcome government departments and agencies as (arm's length) members, but government members will have no voting rights.

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

The designated spokesperson of professional and business firms has full voting and participation rights at meetings of members.

CHARTER MEMBERS: (Fee -- \$5,000)

The purpose of charter membership is to put the chapter on a sound financial footing in its first few years of operation. Charter members will have all the rights and privileges of other members and will have the right to sit on a Corporate Advisory Council and assist in advising the Board on policies and programs.

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

APPLICATION FOR MEMBERSHIP

Name: _____

Title: _____

Organization: _____

Address: _____

Country: _____ **Postal Code:** _____

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

E-mail: _____

Membership Category (Check one):

Individual Volunteer/NGO Government Professional/Business Charter

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

mail to:

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