



News Update - March 2011



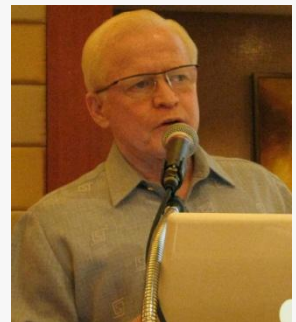
Paul Volcker with TI-USA President Nancy Boswell at the TI-USA Integrity Awards Dinner on December 9, 2010.



Brackett Denniston, SVP and General Counsel of General Electric, accepted the *Corporate Leadership Award* on behalf of GE.

Photos: Richard A. Bloom

Read TI-USA's [Press Release](#) commemorating International Anti-Corruption Day.



Jose Cuisia, Jr., newly confirmed Philippines' Ambassador to the US, opened the procurement transparency workshop in the Philippines on December 13.

Photo: TI-USA

Dear Colleagues:

There is much to report since our last newsletter. China has adopted new foreign bribery prohibitions, the Russian Duma is set to act on a credible foreign bribery law and the UK seems poised - finally - for its Bribery Act to enter into force. The G20 and APEC member economies, comprising the most promising emerging markets, have agreed to implement foreign bribery and transparency laws and to report on their progress this year, and the US Government has agreed to put forward draft language for the Trans-Pacific Partnership Agreement (TPP) that includes strong foreign bribery prohibitions and transparency requirements.

We welcome these indicators of our impact moving the anti-corruption agenda forward but recognize enforcement remains a formidable challenge. In the coming months, we will work with our coalition of companies, labor and non-profits in the US and with our local TI chapter colleagues abroad to meet this challenge.

We also have an unparalleled opportunity to support change in countries with endemic, systemic corruption. The internal drive for reform, so critical to sustainability, is now evident in the Middle East where corruption is widely considered an impediment to political stability and economic opportunity.

TI-USA is responding to requests from the US Administration, international organizations and the private sector for its views and is participating in initiatives to strengthen transparency, integrity and accountability.

We will continue to do so with the same expert and balanced approach that has become our hallmark. We will also move forward with a significant transition. As many of you know, after 17 years, I have decided to step down as President and CEO. It has been my privilege to guide this organization from a fledgling to one that is widely respected and highly influential. I am very proud of what we have accomplished and will hand over the reins of an organization that is stronger than ever, with an ambitious program, deeply committed Board of Directors and professional staff, and a solid and diverse base of support.

Let me take this opportunity to thank those who devoted their time, expertise and resources to bring us to this exciting juncture. We look forward to continued close cooperation in realizing our collective goals.

Kind regards,

A handwritten signature in black ink, appearing to read "Nancy".

Nancy Z. Boswell
President & CEO



TI-Russia Managing Director Elena Panfilova addresses business in Washington on February 11, 2011.

Photo: USRBR

Quick Links:

[TI-USA Website](#)

[Benefits for TI-USA Contributors](#)

[TI's Corruption Perceptions Index 2010](#)



Progress on Stemming Foreign Bribery

Our efforts to secure the adoption and enforcement of foreign bribery laws by all major exporters are gaining traction, albeit against resistance.

When the UK once again delayed publication of its Guidance for the private sector, thus putting off the entry into force of the UK Bribery Act, TI-USA sought and secured a US demarche on the UK seeking prompt action. TI-UK, in a March 11th letter to OECD Secretary General Gurría signed jointly with other NGOs, expressed concern about the repeated delays. It sought support for an implementation timeline to begin no later than June 2011; to assure adequate resources and clear mechanisms for effective enforcement; and, the issuance of non-statutory Guidance to companies that does not undermine the letter and spirit of the Bribery Act.

On February 25, China adopted amendments to its Criminal Code prohibiting bribery of foreign public officials as well as commercial bribery. Russia recently sent well-regarded anti-bribery legislation to the Duma, a necessary step in its efforts to join the OECD.

At the invitation of the US Government, TI-USA hosted a private sector dialogue on FCPA compliance for the Chinese delegation participating in the US-China Strategic & Economic Dialogue Anti-Corruption Working Group.

On February 11, 2011, TI-USA and the US-Russia Business Council co-hosted a roundtable featuring **TI-Russia Managing Director Elena Panfilova** and several former Russian prosecutors working with her. Ms. Panfilova advises President Medvedev on fighting graft as a member of the President's Civil Society Commission.

The TI-Russia team was in Washington at the invitation of the US State Department to discuss ways to implement anti-corruption recommendations that TI-USA and TI-Russia put forward through the US-Russia Presidential Commission Civil Society Anti-Corruption Working Group. The recommendations sought greater transparency and US support for prosecution of officials named in FCPA cases, as well as visa denials for those officials.

TI-USA encouraged OECD outreach to these countries and worked through multilateral political initiatives, including the G20 and APEC, and through the UN Convention Against Corruption to have China and Russia agree to take these important first steps. On February 25, China adopted amendments to its Criminal Code prohibiting bribery of foreign public officials as well as commercial bribery. Russia recently sent well-regarded anti-bribery legislation to the Duma, a necessary step in its efforts to join the OECD.

APEC Anti-Corruption Experts Agree to Reporting on Progress

TI-USA continued to make progress on its advocacy for APEC members to be held accountable for commitments to adopt and enforce foreign bribery laws and transparency standards for procurement, customs, licensing and other important trade-related areas. On the premise that public reporting on progress shines a light on challenges and encourages action, TI-USA worked with the National Center for APEC and Johnson & Johnson to secure US support for a Leaders' commitment to report on progress.

Since the 2010 APEC Leaders' Summit, we have met with **Kurt Tong, Senior Official for APEC**, and with other officials from State and USTR, urging the US, as this year's APEC Host Economy, to ensure an inaugural report. We provided input to a reporting template presented to APEC members and participated in the APEC Anti-Corruption Experts Task Force Meeting in conjunction with the Senior Officials Meeting in Washington DC on March 3-4, 2011.

We will continue to press for a report this year and are cooperating on a public-private sector session at the third Senior Officials Meeting in the Fall.

Promoting Procurement Transparency & Integrity

TI-USA's policy advocacy for enforcement of procurement transparency commitments is amplified by projects on the ground.

With financial support from the **Center for International Private Enterprise (CIPE)** and our first grant from the **GE Foundation**, TI-USA worked with local partners in Indonesia, Mexico, Peru, the Philippines and Vietnam to assess whether APEC procurement transparency commitments have been implemented into law and regulation and, if so, whether the business community finds them effective in reducing corruption.

The initiative will produce five country reports which local partners can use for advocacy as well as an omnibus submission with recommendations to the US Government.

In a related initiative, TI-USA will develop a "red flags" civil society procurement monitoring tool aimed at enhancing civil society's capacity to prevent, reduce and mitigate corruption in public procurement. The initiative is funded by the World Bank's Governance Partnership Facility and will be piloted in Indonesia and the Philippines.

TI-USA Honors Volcker, GE with 2010 Awards

At our first Integrity Awards Dinner on December 9, **Paul Volcker** was honored with the *TI-USA Integrity Award* for his principled and sustained commitment to integrity in US financial markets and in addressing corruption challenges at the UN Oil for Food program and the World Bank.

General Electric received the *TI-USA Corporate Leadership Award* in recognition of its exemplary corporate integrity programs and its generous and sustained contribution of human, financial and political capital to TI-USA and the broader anti-corruption movement.

Speakers included **Lanny Breuer**, Assistant Attorney General for the Criminal Division, U.S. Department of Justice; **Ambassador Richard Boucher**, OECD Deputy Secretary-General; **Huguette Labelle**, TI Chair, **Oby Ezekwesili**, World Bank VP for Africa; **Mark Mendelsohn**, TI-USA Board member and Partner, Paul, Weiss, Rifkind, Wharton & Garrison LLP; **Richard Thornburgh**, Former Governor of Pennsylvania, US Attorney General and UN Under-Secretary-General and TI-USA Advisory Council member **Charles Bowsher**, Former US Comptroller General.

Over 200 guests attended from the US government, diplomatic corps, and private and non-profit sectors. Videos of each of the speakers' presentations may be viewed on the [TI-USA website](#).

TI-USA Awarded Siemens Integrity Initiative Grant

On December 9, 2010, the **Siemens Integrity Initiative** announced that TI-USA was among the first 18 grant recipients. Nearly 300 nonprofit organizations from 66 countries applied for funding in the first round.

TI-USA's project will assess the strengths and weaknesses of the most commonly used methods of compliance verification and develop recommendations for ways to provide investors, competitors and the public greater assurance that companies are meeting their stated compliance goals.
