



TRANSPARENCY INTERNATIONAL | USA

STATEMENT ON THE G20 TORONTO SUMMIT DECLARATION

TI-USA welcomes the G20 commitment to build on its groundbreaking agreement at the Pittsburgh Summit to attack corruption and bribery and applauds US leadership in promoting progress on this vital issue. At his June 27th G20 press conference, President Barack Obama underscored the importance he places on the anticorruption agenda, noting,

“I’m pleased we endorsed my proposal to broaden the G20 agenda to include the fight against corruption. In too many places, the culture of the bribe is a brake on development and prosperity. It discourages entrepreneurship, destroys public trust, and undermines the rule of law while stifling economic growth. With a new commitment to strengthening and enforcing rules against corruption, economic opportunity and prosperity will be more broadly shared.”

TI-USA called for G20 action to enforce rules against corruption, many of which were included in the G20 Toronto Summit Declaration: adopting and enforcing anti-bribery prohibitions; fighting corruption in the public and private sectors; preventing access of corrupt persons to the global financial system; cooperation in visa denial; extradition and asset recovery; and, protecting whistleblowers.

The G20 commitment to establish a Working Group to make comprehensive recommendations for consideration at the November Summit in Korea could be a positive step. We call on the Working Group to ensure implementation of the Pittsburgh Summit commitment to “enforce laws against transnational bribery such as the OECD Anti-Bribery Convention” as well as the UN Convention against Corruption, and other UNCAC provisions on solicitation, anti-money laundering, asset recovery, extradition and mutual legal assistance. Concrete steps on implementation would help illustrate that the G20 will, as it indicated, “lead by example.”

TI-USA continues to urge the G20 to report on progress, with consistent and specific indicators and timetables. The G-20 commitment in other contexts to transparent international assessment and peer review of progress, called the “fourth pillar” of its reform agenda, also should be applied to review of progress on anti-corruption commitments.

In emphasizing the important role played by the multilateral development banks in directing billions to aid in the financial recovery, the G20 also underscored the importance of completing implementation of institutional reforms. These reforms include “specific actions for greater transparency, stronger accountability, improved institutional governance” and other steps to build institutions that support the poor in a “financially prudent way.” To ensure that development dollars are not lost to corruption, these reforms should include enhanced corruption risk assessment, supervision and audit and transparency of aid flows and budget and

procurement transparency in recipient nations. The G20 emphasis on “deeper country ownership” should ensure a significant role for the non-executive branches of government and for civil society, particularly in weak rule of law environments. These issues should be included on the agenda for the Working Group on Development to ensure that resulting agenda and multi-year action plans address the challenges presented by corruption to reducing poverty and strengthening the global economy.

More broadly, the G20 appropriately put transparency and accountability at the heart of the financial sector reforms. Transparency for derivatives, hedge funds and credit rating agencies and information exchange among securities regulators will be heightened, and efforts will continue to secure common accounting standards and action by non-cooperative jurisdictions. These reforms will help ensure that the global financial system and institutions are not misused for corrupt purposes.

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