



Nancy Z. Boswell
President & CEO

January 28, 2009

US Sherpa to the Group of Eight Summit
National Security Council
1650 Pennsylvania Avenue, NW
Washington, DC 20504

Dear Sir or Madam:

We welcome the 2007 Group of Eight (G8) commitment to fully implement anti-corruption obligations under international agreements, and the *2008 Accountability Report: Implementation Review of G8 Anti-Corruption Commitments*. We call on the G8 to issue a *2009 Accountability Report* with consistent and specific indicators of how commitments are being implemented. TI respectfully submits recommendations for this year's report, which were initially provided to G8 sherpas on October 22, 2008.

The *2008 Accountability Report* was an important initial step toward demonstrating that G8 pledges will be kept. This year's report should provide consistency in responses across countries with respect to implementation of important international agreements, particularly the OECD Convention on Bribery of Foreign Public Officials and the UN Convention against Corruption. Greater specificity reflecting what has been accomplished will help provide the basis for benchmarking future progress.

The deepening global financial crisis underscores the urgent need for reform of the global financial system to enhance transparency and accountability. The *2009 Accountability Report* should indicate what steps have been taken to achieve this objective and the attached recommendations suggest areas of importance.

We appreciate your consideration of our recommendations and look forward to the G8's leadership in setting an example of accountability.

Sincerely,

Nancy Z. Boswell

cc: John Herrmann



October 22, 2008

H.E. Masaharu Kohno
Japanese G8 Sherpa
Deputy Minister of Foreign Affairs
Kasumigaseki 2-2-1
Chiyoda-ku
Tokyo 100-8919

Your Excellency:

Transparency International has welcomed the G8 Leaders' commitments to the fight against corruption each year since the 2002 Kananaskis Summit. These commitments are vital in their own right and as prerequisites to progress on broader G8 goals, notably sustainable growth, economic development, environmental protection, and poverty alleviation, including meeting the Millennium Development Goals. Integration of anti-corruption and governance considerations into each G8 agenda item will help ensure the sustainability of reform measures.

The 2008 *'Accountability Report: Implementation Review of G8 on Anti-Corruption Commitments'* is an important step forward in demonstrating accountability for implementation of the Leaders' commitments. It also provides a basis for benchmarking future progress. While the 2008 Report is a positive initial step, next year's report would be strengthened by greater specificity and consistency. Accordingly, we have provided the attached recommendations to help guide next year's reporting.

We appreciate the opportunity to submit these recommendations and your cooperation in moving the accountability process forward.

Sincerely,

Huguette Labelle
Chair
Transparency International

G8 ACCOUNTABILITY REPORT ON ANTI-CORRUPTION COMMITMENTS
RECOMMENDATIONS FOR 2009 REPORT

I. REPORTING ON OECD ANTI-BRIBERY CONVENTION ENFORCEMENT

How have recommendations from Country Reviews carried out by the OECD Working Group on Bribery been implemented?

- Coverage of bribes paid through intermediaries and for the benefit of third parties
- Adequacy of definition of “foreign public official”
- Dissuasive sanctions for legal persons
- Nationality jurisdiction
- Adequate statute of limitations

How has foreign bribery legislation been enforced?

- How many foreign bribery investigations and prosecutions (including convictions and other dispositions) since the Convention entered into force?
- How many cases based on a violation of Article 8?
- What limits, if any, are there on ‘prosecutorial discretion’?
- What limits are there on invoking national security interests to prevent or terminate an investigation of foreign bribery?
- What measures are tax, customs and embassy personnel taking to implement the Convention?

How has awareness of the foreign bribery offense been raised in the private sector?

- What steps have been taken to encourage companies, including small and medium sized enterprises, to develop and implement effective internal controls for preventing and detecting foreign bribery?
- What legal protection is afforded to public and private sector whistleblowers?

What procedures are in place to handle mutual legal assistance (MLA) requests and have MLA requests been handled fully and promptly?

How has the 2006 OECD Council Recommendation on Bribery and Officially Supported Export Credits been implemented?

II. REPORTING ON UN CONVENTION AGAINST CORRUPTION IMPLEMENTATION

Does your government support the creation of a permanent peer review mechanism?

- If so, what level and kind of financial support will it provide?
- How will it support civil society participation?

Has the government published its response to the UNCAC Self-Assessment Checklist and participated in the ‘pilot program’ on implementation review?

What procedures are in place to deny entry and safe haven to officials guilty of public corruption and their assets?

Has the government utilized and deployed Accelerated Response Teams to deal with MLA requests for repatriation of assets to requesting states?

III. REPORTING ON IMPLEMENTATION OF AND SUPPORT FOR THE EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI)

How does the government participate in the EITI?

Does the government publish extractive revenues?

How has the government encouraged companies to publish payments to governments?

What support is provided to civil society monitoring of EITI implementation?

IV. REPORTING ON FINANCIAL TRANSPARENCY

What steps have been taken to adopt stronger transparency rules to effectively prevent the abuse of legal mechanisms or financial institutions to hide illicit cross-border transfers of funds?

Is tax evasion through offshore accounts a predicate criminal offense under your country's domestic anti-money laundering (AML) laws?

Has the government adopted and applied FATF AML requirements and if so, has it published information on assessments of compliance with these standards?

V. REPORTING ON COMMITMENTS TO AFRICA

How has the government used foreign aid to strengthen public sector institutions in African countries, and to assist countries to:

- **Combat money-laundering**
- **Promote budget transparency**
- **Implement the EITI and increase transparency of revenues from natural resources**
- **Improve capacity to investigate and prosecute allegations of public corruption?**

How has the government assisted African countries to implement the UNCAC and the African Union Convention on Preventing and Combating Corruption and Related Offenses (AU Convention)?

How has the government supported the New Partnership for African Development, the Africa Peer Review Mechanism, and country implementation of the Peer Review recommendations?

What support has been provided to promote participation by African civil society organizations in creating more transparent and accountable institutions, and monitoring the use of foreign aid?

VI. REPORTING ON COMMITMENTS RELATING TO INTERNATIONAL FINANCIAL INSTITUTIONS (IFI'S) (WORLD BANK, IMF & AFRICAN DEVELOPMENT BANK)

How has the government supported IFI's, including the African Development Bank's, efforts to increase transparency and combat corruption?

What steps have been taken to ensure effective implementation of the World Bank Governance and Anti-Corruption Strategy with respect to its fiduciary responsibilities and to its assistance to countries to strengthen governance and reduce corruption?

What steps have been taken to encourage the World Bank and African Development Bank to assist African countries to implement the UNCAC and the AU Convention?