



# annual report 2006



TRANSPARENCY  
INTERNATIONAL  
BANGLADESH



# annual report 2006





## Foreword

It is with great pleasure, humility and a deep sense of satisfaction that Transparency International Bangladesh (TIB) presents its Annual Report 2006. As usual TIB kept itself busy throughout the year, but 2006 was definitely much more eventful, more effective and indeed more challenging than any time before.

In 2006 we have been able to make further progress in creating increased and sustained anti-corruption demand, and raising an effective voice as a tool for social accountability through our research, communication, advocacy, and civic engagement activities.

We have attached greater priority this year to citizen's participation at local level through the Committees of Concerned Citizens (CCCs) with special emphasis on the Youth Engagement and Support (YES) programme. The CCCs and YES activists have implemented various awareness, motivation, communication and outreach campaigns, which in many cases yielded positive results.

On the other hand 2006 was not free from challenges for TIB, especially in terms of reactions from some quarters in positions of power. In that sense we went through rigorous tests of our risk-management capacity, which we survived successfully. We are grateful to all individuals and institutions who supported us by joining hands in many ways without which TIB would not be where we are today.

Anti-corruption movement is a hugely difficult mission, to say the least. It will remain so. Compared to the challenges we confront and the cause we stand for, our capacities are limited. We are convinced, nonetheless, that even the smallest of initiatives can lead to real differences - sooner or later. That's what keeps us going. As we move on, we cordially welcome any suggestions, ideas and contributions from all concerned - individuals and institutions – who consider themselves having stakes in fighting corruption in Bangladesh. Our strength lies in your support and cooperation.

**Iftekharuzzaman**

Executive Director





*Do you recall the spelling of integrity?*

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Map of Bangladesh showing the CCC areas





# Introduction

Transparency International Bangladesh (TIB), the accredited national chapter of the Berlin-based Transparency International (TI) is an independent, non-government, non-partisan and non-profit organization with a vision of Bangladesh where government, politics, business, civil society and the daily lives of the people shall be free from corruption.

TIB is committed to values of democracy, justice, rule of law, transparency, accountability, integrity and impartiality.

TIB's mission is to catalyze and strengthen a participatory social movement for raising citizens' voice and demand to promote and develop institutions, laws and practices for combating corruption in Bangladesh and establishing an efficient and transparent system of governance, politics and business.

TIB began its activities as a Trust in 1996, and has since devoted itself to the task of catalyzing a conducive policy and institutional environment for reduction and prevention of corruption in Bangladesh. To this end TIB, the largest chapter in the TI family worldwide in terms of programme and institutional capacity, has been implementing a robust multi-dimensional programme of research, communication, advocacy, civic engagement and anti-corruption capacity building of TIB and its constituency.

## Making Waves

TIB is currently implementing the Making Waves project. The key objective of the project is to create robust and sustained demand for reduction of corruption and enhancement of accountability, transparency and efficient functioning of public and private bodies. The project also aims at catalyzing institutional and policy reforms that would create and strengthen the anti-corruption edifice – the national integrity system. Activities are designed to bring the information on ill effects of corruption and governance failure to the core of public discourse at national and local levels through various means of public awareness, communication, voice raising and participation for social accountability. The main streams of Making Waves activities are to:



*Mothers' Gathering at a Primary School*



- ❑ Expand TIB's network of community watchdog bodies - Committees of Concerned Citizens (CCCs) to increase awareness of people at the grass-roots levels and strengthen their participation in demanding quality service delivery by public, private and non-government sectors;
- ❑ Strengthen the Advice and Information Desks (AI-Desks) to support the CCCs and their constituencies with information, advice, training and other means of developing the capacity to prevent being victims of corruption at the local levels;
- ❑ Establish a solid research programme including surveys, report cards and diagnostic studies, to probe into the nature, causes and consequences of corruption and disseminate the same with policy recommendations;
- ❑ Undertake programmes of campaign and advocacy at both national and CCC levels for policy reform and institutional change; and
- ❑ Develop and strengthen the capacity of TIB as the pivotal organization for steering the movement to combat corruption in Bangladesh and act proactively towards creation of an enabling environment.

This report highlights the main activities and progress achieved by TIB during the period January to December 2006 – the fourth year of the Making Waves project.



*A workshop on 'Corruption : Impact on Women'*



## Transparency International Bangladesh

### *A Social Movement Against Corruption*

Corruption is a key national challenge for Bangladesh. TIB defines corruption as abuse of entrusted power for private benefits. There is a close relationship between power and corruption, which is not to say that everyone in position of power is involved in corruption. However, those who engage in corruption, abuse power – within or outside the Government. Corruption is also a behaviour or act that breaks away or contradicts from ethical and moral standards, laws and civic virtues. Corruption involves giving and taking or seeking of favours, buying political influence, taking kickbacks and bribes. Corruption may also include any or a combination of such acts as embezzlement, fraud, nepotism, negligence of duty, misuse of public or institutional fund and extortion.

Corruption is a menace that breeds and increases injustice – it accentuates poverty and human insecurity, prevents development, and undermines democracy and governance. It prevents rule of law and effective functioning of key institutions of the national integrity system. Corruption distorts market and stifles economic growth, and thereby creates and deepens social and economic deprivation and inequality. Corruption leads to violation of basic constitutional and human rights. It breeds crimes, social frustration and discontent.

Corruption is nothing new, nor is it peculiar to any particular context. It takes place in greater or lesser degree in all countries of the world, irrespective of political and economic system, big or small, developed or developing. However, in a developing country like Bangladesh its impacts are most unbearable. Corruption has become an issue of public interest in Bangladesh not merely because of the annual Corruption Perceptions Index (CPI) published by Transparency International which has for the fifth successive year since 2001 ranked Bangladesh at the bottom of the list, and in 2006 at number 3, but more importantly because of the way corruption affects the lives of the common people.

Corruption must be fought comprehensively and strategically. Political will and Government commitment are indispensable in any anti-corruption strategy, supported by effective functioning of key institutions of democracy and national integrity system. However, the people at large who are the ultimate source of power, have also a vital role to play at both national and local levels to prevent corruption by active denial of corruption and by raising voice and demanding change.

It is in this context that TIB sees itself as a social movement against corruption – a catalyst for the creation of an environment in which ill effects of corruption will occupy the centre-stage of public discourse, corruption will be hated and rejected by the people and the anti-corruption movement will gain stronger grounds at all levels of the state and society.

TIB is a strictly non-partisan organization, its work is against corruption, not against the Government or any of its institutions or departments. On the contrary, considering it a co-stakeholder in fighting corruption, TIB's role is to strengthen the hands of the Government.



## Engaging Citizens



CCC Modhupur organized a human chain to protest destruction of forest and wildlife

### Committees of Concerned Citizens (CCCs)

Six new CCCs were formed at the beginning of the year, taking the total to 36, all of which have become fully operational.

The CCCs have implemented numerous activities throughout the year in two broad categories:

- a) activities for information, awareness and participation of citizens at large in anti-corruption voice raising and demand creation at local levels; and
- b) activities aimed at promoting social accountability with particular emphasis on the content and quality of services in selected public service delivery institutions in such vital sectors of public life as health and education.



CCC Members addressing at a meeting



Face the public meeting, like this one has been a successful tool for CCCs

### Creating nation-wide demand for Right to Information Law

For the first time in Bangladesh TIB observed the International Right to Know Day on September 28, nationally as well as locally in CCC areas. The objective was to create awareness at local level about people's right to information which is the key to fighting corruption. People from all walks of life participated in various events on the day with great interest and enthusiasm and raised the demand for the Right to Information Law. The programme was observed in partnership with Manusher Jonno Foundation.



A rally to mark the International Right to Know day





### Advice and Information Desks

Information is power, while lack of availability or access to information is one of the main reasons for corruption and public harassment, especially at the local level. TIB has set up the Advice and Information Desks (AI-Desks) in all 36 CCCs to serve as the sources of information and guidance to local people about their rights, entitlements and duties with particular reference to public service delivery institutions so that they are able to avoid falling victims of corruption. The AI-Desks are being managed by the CCC members with the help of volunteers associated with Youth Engagement and Support (YES) groups. AI-Desks have been successful in bringing about specific visible changes in selected areas of service delivery.

The Satellite AI-Desk has been an innovation that has evolved in response to the need to disseminate information to those who are not in a position to come to CCC office, especially poor, illiterate and marginalized people. Introduced by the CCC Rangpur, the Satellite AI-Desk model is being replicated in other areas.



YES members giving information through a Satellite AI-Desk

### Citizens Report Cards

Citizens Report Cards measure the level of citizens satisfaction about the content and quality of services provided by service delivery institutions, and are used as tools of communication, advocacy and engagement of all stakeholders including the concerned authority to catalyze change towards transparency, integrity and social accountability. 23 such report cards were released by the CCCs and various follow-up initiatives taken.



*CCC Members at a press conference while releasing report card*

### Coordination and Peer Learning among CCCs

Numerous initiatives were taken for coordination, training and peer learning of good practices, strengths and weaknesses among various CCCs.



*Yearly planning workshop of CCC*



## Research



*Building of the National Parliament of Bangladesh*

TIB's research programme with special emphasis on NIS monitoring and diagnostic studies on key institutions of NIS and those of public interest continued. The Parliament Watch Report 2005 was released in July 2006. One of the recommendations of the report – positive incentives for MPs attending the session regularly – was implemented by the Speaker.



The Corruption Database 2005 was released in July 2006. This report drew sharp reaction of the Government, particularly the two ministries that were ranked by the report to have the highest incidence of corruption. They used the media and even the Parliament to intimidate TIB. TIB was successful in managing the situation in its favour. This was an example of risks involved in TIB's work on the one hand, and recognition of the need for continued work on the other.



**“Actually they prepared the report to encourage corruption...they wanted to show the country as a failed state...the people who work in this organization actually want to make their fortune only.”**

- LGRD and Cooperative Minister Abdul Mannan Bhuiyan

**“We neither give importance nor recognize the TIB report.”**

- Law Minister Barrister Moudud Ahmed

**“We don’t know the source of the funding of this organization.”**

- Health Minister Khandaker Mosharraf Hossain

- During a debate over TIB in Parliament

Source: *The Daily Star*, July 10, 2006

Environment and Forest Minister M Tariqul Islam yesterday rejected the corruption report of TIB terming it totally false and baseless and called upon the organisation to refrain from publishing such reports.

Source: *The Independent*, July 10, 2006

**“The report is baseless, untrue and misleading and so we refuse to accept it. If you (TIB) don’t withdraw the report then there will be processions against TIB in different districts and we will take legal action.”**

- LGRD and Cooperative Minister Abdul Mannan Bhuiyan at a press conference on July 10, 2006.

Source: *The Daily Star*, July 11, 2006

Transparency International Bangladesh (TIB) yesterday refused to withdraw its corruption index report on two ministries that threatened to sue the organization terming the report ‘baseless’ and “untrue”.

Source: *The Daily Star*, July 12, 2006

**Instead of doing that (taking actions against corruption), they are threatening TIB for tarnishing country’s image. How does a country’s image tarnish? When a Minister, who is also a public representative, talks about country-wide procession against this organization (TIB), that is when country’s image is tarnished.**

Source: Dr. Syed Manzoorul Islam, *The Daily Prothom Alo*, July 17, 2006

**Despite having a reputation in politics the way Mannan Bhuiyan attacked TIB’s report and Prof. Muzaffer Ahmad was not at all expected.**

Source: Mohiuddin Ahmed, *The Daily Sangbad*, July 27, 2006.





*A TIB round table on Anti-Corruption Commission*

Among other research reports released were the diagnostic study on the Election Commission, Passport Delivery Service, Dhaka Medical College Hospital and the Benapole and Teknaf Land Ports. Released through round table discussion sessions with the participation of various stakeholders these reports led to wide media interest and coverage and opened opportunities for follow-up for change.

A research paper on 'The Anti-Corruption Commission: How Can it be Made Effective?' was presented at an advocacy roundtable organized in collaboration with the 'Reporters Against Corruption' on 17 September 2006. It was widely attended and participated by a cross-section of stakeholders and experts including one of the Commissioners. TIB continued to pursue its advocacy to make the ACC effective.

As part of observance of this year's International Anti-Corruption Day, a seminar was organized on "Corruption and Parliamentary Oversight: Primacy of the Political Will", on December 9, 2006. It was attended by representatives of all the major political parties including members and/or Chairpersons of Standing Committees. The event drew tremendous media interest and brought to public focus the issue of eroding public trust on this vital institution of democracy and national integrity system.

#### Anti-Corruption Commission: Credibility Checklist

#	Indicator	Score in a scale of 10
1	Degree of overall independence of the Commission	
2	Commission's control over its financial resources	
3	Commission's authority in key operational and management decisions	
4	Leadership capacity of the Commissioners – vision, team spirit, inspirational and motivational personality and experience	
5	Public trust and credibility of the Commissioners	
6	Public trust and credibility of the employees	
7	Competence, skill, motivation and moral standard of employees	
8	Overall resource level – financial, human and technical	
9	Integrity test of Commissioners (disclosures)	
10	Integrity test of employees (disclosures)	
11	Availability and degree of compliance of Code of Ethics	
12	Availability and compliance of accountability mechanism (external)	
13	Availability and compliance of Internal self-regulatory mechanism	

*Excerpt from: The Anti-Corruption Commission: How Can it be Made Effective?*



### TIB Recommendations for ensuring effective oversight role of the Parliament:

- All political parties aspiring to be represented in the parliament must make a firm political pledge to make the Parliamentary Committees effective;
- They must be committed to the formation of all Committees in the first session, at least within three months thereof;
- They should also make a firm political commitment against the practice of boycott, absenteeism and delayed attendance in the sessions of the Parliament;
- The office of the Parliamentary Ombudsman as provided in the Constitution must be appointed without delay;
- A Parliamentary Code of Ethics should be adopted and enforced with special emphasis on conflict of interest and declaration of assets and interest;
- Members of the Parliament who do not disclose and update their assets and liabilities in a Parliamentary Register of Interests should be barred from becoming members of the Parliamentary Committees.
- Article 70 of the Constitution which prevent floor crossing has outlived its relevance and must be reviewed to ensure objectivity and integrity of the parliamentary practice;
- Chairpersonship of the Standing Committees should rest with the opposition bench to the extent possible, no less than 50 percent of all Committees including the Public Accounts Committee and those of key ministries;
- The proceedings as well as the deliberation of the Committees should be made public; wider participation of other stakeholders especially media;
- In the spirit of balance, vibrancy, objective and effectiveness of the Committees the Treasury Bench should do more than offering a proportional representation of membership as per the composition of the Parliament;
- Rule 188 (2) must be strictly observed to ensure that no member shall be appointed to a Committee who can bring conflict of interest on matters to be addressed by the Committee;



*A National Seminar on Parliament to mark the International Anti Corruption Day*



- Members of the Parliament should be committed to take interest in the business of the Parliament rather than affairs of administration in their constituencies which is one of the main source of corruption and restricted scope of parliamentary oversight thereof;
- There should be a 'Committee of Committees' to undertake periodic evaluation of the performance of the Parliamentary Committees and their oversight functions;
- It needs to be asked whether there are too many Committees, and whether it is necessary to have as many Committees as ministries. Instead the parliament could institute mechanisms for bringing the government to account on selected priority areas and set examples of action taken and best practices which can then be followed by others;
- The process of budget preparation and execution must be made transparent and participatory so as to ensure safeguards against misuse of public funds and resources. The powers of the Parliamentary Committees, especially Public Accounts Committee must be further enhanced and freed from partisan influence;
- Develop and institutionalize a process of de-politicization of the administration so as to ensure that only the most competent persons with high degree of integrity and morality are appointed to public office. Establish conflict of interest standards for the government employees and effective mechanisms to prevent illicit enrichment including deterrent sanctions against the violators; and
- Finally, the politicians should themselves realize their own stake in fighting corruption, and hence encourage the public to reject and hate corruption, corrupt politicians and corrupt political practices so that the embedded network of corruption is eliminated; and to that effect provide legal and judicial protection to individuals and institutions involved in fighting corruption.

**Excerpt from: Corruption and Parliamentary Oversight: Primacy of the Political Will**



*A wall painting with anti-corruption slogans*



## Communication & Advocacy



TIB's Anti-corruption communication through TV spots was further intensified throughout the year. Monthly phone-in programmes were aired on a private TV channel on various topical themes, most often coinciding with subjects of released research reports or organized events.

TIB Newsletter both English and Bengali versions were duly published. E-bulletins were updated. The TIB website has been re-designed. Communications materials e.g., brochures, stickers and leaflets have been regularly produced and distributed. Special

sticker has been produced and distributed to sensitize the school children and youth.

### Partnerships

TIB intensified its efforts to build issue-based partnerships in its work, e.g., with Manusher Jonno Foundation for campaign on Right to Information Law, with the Citigroup for Youth Engagement, and with Reporters Against Corruption (RAC) for making Anti-Corruption Commission effective.



*Debate competition jointly organized by TIB, Citigroup & DUDS*

### Alliance Regarding AI - Desk

National Level		Local Level	
No.	Organization	No.	Organization
1.	Samata	1.	Setu
2.	Nijera Kori	2.	Mukti Nari-Shishu Unnoyan Sangstha
3.	ALRD	3.	BRAC
4.	D. Net	4.	BLAST
		5.	Nari Uddyog Kendra
		6.	GSS
		7.	Bondhon Society
		8.	Jatiya Mohila Ainjibi Samity
		9.	Sommilito Samajik Andolon
		10.	Mohila Parishad
		11.	Haorbashi Rokkhaye Nagorik Uddyog
		12.	Prothom Alo Bondhusava
		13.	Ain-o-Shalish Kendra
		14.	Proshika
		15.	Zilla Ainjibi Samity
		16.	Legal Aid Committee
		17.	District ACC
		18.	Naripokkha
		19.	Mohila Adhidoptor
		20.	Ainjibi Samity
		21.	Manabadhikar Bastobayon Sangstha
		22.	MLAA
		23.	Human Right Based NGO Network





*TIB Members attended in the quarterly Members' Day*

Quarterly 'Members Day' was regularly organized, with a view to facilitating closer involvement of members in planning and implementation of various TIB activities.

### Youth Engagement

The Youth Engagement and support (YES) programme has been launched dovetailing all activities so far undertaken addressed to the young generation including the volunteer groups, theatre and cultural groups attached to the CCCs, participants of debates, essays, cartoon competitions, youth concert and other cultural tools. Peoples' Theatre Groups and folk media based cultural groups like Gambhira and Baul have been actively performing their shows regularly.



*Peoples Theatre Group of CCC's performed street drama*



### International Anti-Corruption Day

TIB observed the 3rd International Anti-Corruption Day (IACD) on December 9, 2006, by implementing a series of activities in Dhaka, all CCC areas and beyond with great enthusiasm with particular emphasis on:

participation of the young generation who raised voice against corruption and undertook

many innovative programmes, intensification of demand for accession of Bangladesh to the UN Convention against Corruption. TIB's demand for effective oversight role of the Parliamentary Committees in ensuring accountability of the Government.



*Rallies have been arranged on International Anti Corruption Day*

This year's observance of the IACD was designed and implemented mostly by the young generation including TIB Volunteers, cultural activists, and other support groups with the slogan "Durjoy Tarunyo Durnity Rukhbeyi" (The invincible youth shall surely resist corruption). Volunteers all across the country organised various programs such as rallies, cultural events, essay, debate and painting competitions, human chain, poster and sticker campaigns, street theatre shows, publication of brochures and leaflets etc. Among many remarkable events was a cross-country bi-cycle rally by volunteers from south-western district of Faridpur. The rally started in Faridpur and ended in the capital Dhaka in nearly 9 hours. Along with encouraging youth participation, TIB and CCCs all around Bangladesh organized various programs both at national and local levels. Activities included the following:



*A debator while delivering her speech in the Debate Competition*

### Parliamentary Style Anti-Corruption

**Debate:** For the first time a Parliamentary Style Debate Competition on the theme of fighting corruption was arranged where students from colleges and universities across the country took part. This event was held between 29-30 November in partnership with the Dhaka University Debating Society, Ruquyyah Hall, East-West University and North-South University. Two leading national newspapers – The Daily Star and The Daily Prothom Alo and a private TV channel, 'Bangla





Vision' joined as media partners. A special TV program was also aired on the occasion. During the competition the participating students debated on issues like role of parliamentarians in fighting corruption, parliamentary code of conduct, and the debaters perception and expectation of an ideal Member of Parliament.

**NewTV Messages:** On the eve of the IACD, electronic media communication campaign was reinforced with couple of new TV communication messages – one highlighting the failure of the Parliamentary Committees in playing their due role in ensuring accountability of the Government, which called upon the would-be MPs of the next Parliament to be aware of the public demand for effective Parliament and Parliamentary Committees. The other spot calls for action by all from respective positions to contribute to transparency in the election process.



*Clips of TV spots on transparency in election process and effective Parliament*

**Programs outside Dhaka:** All 36 Committees of Concerned Citizens (CCC) organized programs in their respective areas. These programs included signature campaigns with a call for the government to sign the UN Convention against Corruption, seminars, rallies, cultural programs, essay, debate and cartoon competitions, poster and sticker campaigns etc. In all CCC areas people from all walks of the society took part with great enthusiasm and expectation. In a number of areas where CCCs have not been set up, alliances were formed this year with some socio-cultural groups to observe the Day. Demand to accede to the UN Convention against Corruption was at the core of all these programmes nationally and locally.



*Country-wide signature campaign has to accede to the UNCAC*

**Cartoon & Essay Competition & Cartoon Exhibition:** The first ever cartoon competition of this type had been a great success with 313 entries in two categories. An exhibition of selected cartoons was also held at a popular gallery in Dhaka during 7-10 December. The exhibition received huge media coverage. Besides, an Essay Competition in the national level was also arranged.



*Visitors at Anti Corruption Cartoon Exhibition*

**Anti-Corruption Youth Concert:** The high point of IACD observance by TI-Bangladesh was the first ever anti-corruption youth concert in Dhaka on 29 December 2006. Leading artists and musical groups of the country performed in the 8 and a half hours non-stop open-air concert, participated at the ground by nearly 30,000 youngsters. It was telecast live and/or covered as main news item by most channels. Print media covered it extensively. The live on-line transmission was featured by more than 7,500 on-line viewers sending impromptu feedbacks - the highest record for any such transmission yet in Bangladesh. TIB Chairman, Treasurer, Trustees



*Eminent musicians performed in the Anti Corruption Concert*



Prof. Abdullah Abu Sayeed and Advocate Sultana Kamal, Prof. Muhammad Zafar Iqbal, and the Nobel Prize Winner Prof. Muhammad Yunus spoke to the young audience.

Prof. Yunus told them that corruption was a huge giant - the biggest impediment to Bangladesh's development. He stressed the importance of collective social movement against the menace with active involvement of the youth. The programme ended enthusiastically with an anti-corruption oath taken by the young participants. The English version of the oath was:



*The greatest achievement of the Bengali nation is our independence;  
Our commitment to the immortal heroes of our struggle for national independence and  
democracy - We shall protect our independence and sovereignty at any cost;  
Our commitment today: we shall resist corruption at every stage of our lives individually  
and collectively ... We promise today - we shall not give in to the evil force of corruption.  
My confident pronouncement to my youth - The Invincible Youth shall surely resist  
Corruption.*



## Institutional Capacity

TIB's institutional capacity has grown substantially during the year. Full time staff strength has crossed 190. Over 2000 people – CCC and YES members - are working with TIB at the local level on a fully voluntary basis. TIB has updated its Human Resource Manual and Operations Manual. A Partnership Policy delineating set of terms and conditions under which TIB can forge issue-based partnerships with other organizations/initiatives for promoting shared interests has been adopted. A Gender Strategy has been developed with an action plan to mainstream gender institutionally and programmatically. A series of training programmes was organized for capacity building of the staff at various levels on the basis of a Training Needs Assessment of all staff and CCC members using multiple methods.

Separate cross-cutting Programme Support Units - Monitoring and Evaluation, Human Resource, Training and Gender – have been established, and have become fully operational directly reporting to the Executive Director.

The year 2006 was marked by significant progress and achievements as well as challenges for TIB. Planned activities were duly implemented. Some innovations have been successfully experimented. Progress has been made in expanding TIB constituency through new partnerships. Some vital policies have been adopted which will contribute to further institutional strengthening.

Finally, to quote evaluators who conducted the 2006 Output to Purpose Review of the Making Waves project, "Making Waves has undergone an amazing transformation over the past three years. ... The main praise ... should go to the CCC members, who give their time and expertise for nothing, and the volunteers, who are actively engaged in efforts to mobilize a social movement against corruption around the country".

On 6 November 2006 the Berlin-based Transparency International (TI) released its annual Corruption Perception Index (CPI). CPI is a composite index in a scale of 0-10 that provides international ranking of countries in terms of perceived prevalence of political and administrative corruption. 163 countries were included in the index in 2006.

Having been placed for the fifth successive year from 2001-2005 at the top of the list of countries where corruption is perceived to be highest, Bangladesh was ranked 3rd in 2006 parallel with the Chad, Democratic Republic of Congo and Sudan, scoring 2.0. The change in the ranking of Bangladesh in 2006 was attributed more to the poorer performance of several other countries than to a drop in corruption levels in Bangladesh as such. In fact, among Asian countries Bangladesh was mentioned together with Myanmar and Cambodia where lack of political will to strengthen anti-corruption institutions perpetuated rampant corruption, undermining improvements in quality of life for the poorest citizens.

Finland, Iceland and New Zealand were ranked as countries where level of corruption was the lowest with score of 9.6. Among Asian countries Singapore scored the highest score of 9.4.





**Table 1: CPI 2001-2006 Bangladesh's ranking and score compared to other South Asian countries**

Country	2001 (91)		2002 (102)		2003 (133)		2004 (146)		2005 (159)		2006 (163)	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank
Bangladesh	0.4	91	1.2	102	1.3	133	1.5	145	1.7	158	2.0	156
Bhutan	*		*		*		*		*		6.0	32
India	2.7	71	2.7	71	2.8	83	2.8	90	2.9	88	3.3	70
Nepal	*		*		*		2.8	90	2.5	117	2.5	121
Pakistan	2.3	79	2.6	77	2.5	92	2.1	129	2.1	144	2.2	142
Sri Lanka	*		3.2	52	3.4	66	3.5	67	3.2	78	3.1	84

Figures in parentheses indicate number of countries included in the index.

(\*) implies not included in ranking.

CPI is a poll of polls using corruption-related data from a number of expert surveys involving business leaders and analysts. The data include assessments of country analysts living within and outside the country. The sources of data for Bangladesh were six surveys conducted by five organizations: Country Policy and Institutional Assessment 2005 by the World Bank (IDA & IBRD); Country Risk Service and Country Forecast 2006 by Economist Intelligence Unit (EIU); Grey Area Dynamics 2006 by Merchant International Group (MIG); Global Competitiveness Report of 2005 and 2006 by World Economic Forum; and Risk Ratings 2006 by the World Markets Research Centre (WMRC). Further details on CPI can be obtained from [www.transparency.org](http://www.transparency.org)

**Table 2: CPI 2006 - List of top 10 countries where corruption is perceived to be highest and top 10 countries where corruption is perceived to be lowest.**

Rank from bottom	Countries where corruption is perceived to be highest (score)	Countries where corruption is perceived to be lowest (score)	Rank from top
163	Haiti (1.8) Myanmar (1.9) Iraq (1.9)	Finland (9.6) Iceland (9.6) New Zealand (9.6)	1
160	Guinea (1.9) Sudan (2.0) Congo, Democratic Republic (2.0)	Denmark (9.5) Singapore (9.4) Sweden (9.2)	4 5 6
156	Chad (2.0) Bangladesh (2.0)	Switzerland (9.1) Norway (8.8)	7 8
151	Uzbekistan (2.1) Equatorial Guinea (2.1)	Australia (8.7) Netherlands (8.7)	9



# Financial Statement

# Auditors' Report

To the Board of Trustees of Transparency International Bangladesh Chapter (TIB)

We have audited the accompanying Balance Sheet of Transparency International Bangladesh Chapter (TIB) for the period 01 January 2006 to 31 December 2006 and the related Income & Expenditure statement, Receipt & Payment statement for the year then ended.

## Respective Responsibilities of Management and Auditors

TIB management is responsible for preparing the financial statements, which give a true and fair view, in accordance with the Generally Accepted Accounting Principles (GAAP). Our responsibility is to express an independent opinion based on our audit on those statements and to report our opinion. This responsibility is established by TIB Financial Procedure Manuals and International Standards on Auditing adopted by the ICAB.

## Basis of Audit opinion

We conducted our audit in accordance with International Standards on Auditing as adopted by the ICAB. Our audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. Our audit also includes an assessment of the significant estimates and judgments made by the TIB in the preparation of the financial statements, and of whether the accounting policies are appropriate to the TIB circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary, in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

## Opinion

In our opinion, the financial statements present fairly, the financial position of TIB for the period from 01 January 2006 to 31 December 2006 and of the results of its operation for the period then ended according to the best of our information and explanations given to us and shown by the books of the TIB

Further to our opinion in the above paragraph, we state that:

- We have obtained the relevant information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- Proper books of account as required have been kept by the TIB so far as it appeared from our examination of those books;
- The Balance Sheet, Income & Expenditure statement and Receipt and Payment statement dealt with the report are in agreement with the books of a account and returns.

Dhaka, 29 April 2007



Chartered Accountants  
Hoda Vasi Chowdhury & Co  
Independent Correspondent Firm to  
Deloitte Touche Tohmatsu





# Balance Sheet

As at 31 December 2006

		Amount in Taka	
PROPERTY & ASSETS	Notes	2006	2005
<b>Current Assets:</b>			
Cash in Hand	7	540,541	340,907
Cash at Bank	8	21,442,253	28,594,798
Advances and Deposits	9	935,000	791,000
<b>Total</b>		<b>22,917,794</b>	<b>29,726,705</b>
<b>FUND &amp; LIABILITIES:</b>			
Current Liabilities	10	14,038,642	-
Balance as on 01-01-2006		29,726,705	3,329,839
Excess/(shortage) of income over expenditure		(20,847,553)	26,396,866
<b>Total</b>		<b>22,917,794</b>	<b>29,726,705</b>

These Financial Statements should be read in conjunction annexed notes



Treasurer



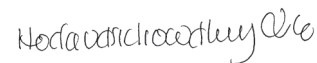
Executive Director



Chairman

Auditors' Report  
See annexed Report of date

Dhaka, 29 April 2007



Chartered Accountants

Independent Correspondent Firm to **Deloitte Touche Tohmatsu**




# Income & Expenditure Statement


For the period from 01 January 2006 to 31 December 2006

INCOME:	Notes	Amount in Taka	
		2006	2005
Grant	11	83,846,651	85,891,254
Membership Subscription	12	46,700	8,200
Other Income	13	942,068	608,841
<b>A. TOTAL INCOME</b>		<b>84,835,419</b>	<b>86,508,295</b>
<b>EXPENDITURE:</b>			
<b>PROJECT EXPENDITURE:</b>			
Making Waves (NIP Phase- II)	14	105,052,775	59,510,187
General Fund	15	14,268	5,867
Investigative Journalism Award	16	-	100,000
International Travel	17	423,873	257,895
TI-NIS Country Studies (Bangladesh)	18	-	81,480
TI-NIS Country Studies (South Asia)	19	104,589	156,000
TI-Humanitarian	20	87,467	-
<b>B. TOTAL EXPENDITURE</b>		<b>105,682,972</b>	<b>60,111,429</b>
<b>C. EXCESS/(SHORTAGE) OF INCOME OVER EXPENDITURE (A-B)</b>		<b>(20,847,553)</b>	<b>26,396,866</b>

These Financial Statements should be read in conjunction with annexed notes


  
Treasurer

  
Executive Director

  
Chairman

Auditors' Report  
See annexed Report of date

Dhaka, 29 April 2007

  
Chartered Accountants


Independent Correspondent Firm to **Deloitte Touche Tohmatsu**

# Receipts and Payments Statement

For the period from 10 January 2006 to 31 December 2006

		Amount in Taka	
INFLOW OF FUND:	Notes	2006	2005
Cash at Bank		28,594,798	2,330,443
Cash in Hand		340,907	152,396
Grant		83,846,651	85,891,254
Membership Subscription		46,700	8,200
Other receipts		942,068	608,841
TOTAL GENERATION OF FUND		113,771,124	88,991,134
OUTELOOW OF FUNDS:			
PROJECT EXPENDITURE:			
Making Waves (NIP Phase-II)		91,158,133	59,454,187
General Fund		14,268	5,867
Investigative Journalism Award		-	100,000
International Travel		423,873	257,895
TI-NIS Country Studies (Bangladesh)		-	81,480
TI-NIS Country Studies (South Asia)		104,589	156,000
TI-Humanitarian		87,467	-
TOTAL OUTFLOW OF FUNDS:		91,788,330	60,055,429
CLOSING BALANCE:			
Cash at Bank		21,442,253	28,594,798
Cash in hand		540,541	340,907
		21,982,794	28,935,705

These Financial Statements should be read in conjunction with annexed notes

  
Treasurer

  
Executive Director

  
Chairman

Independent Correspondent Firm to **Deloitte Touche Tohmatsu**

