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**Dhaka, 05 December, 2012**

# CPI – What & Why

- **Composite index, poll of polls for score & rank based on perceived level of corruption in public sector - both the administrative and political**
- **Corruption – abuse of power, is an illegal activity that comes to light through scandals, investigations or prosecutions**
- **Impossible to compare actual levels of corruption in countries based on hard empirical data – e.g., number/amounts of bribes, or number of cases cannot be comparable**
- **No other credible method exists to compare countries - since 1995**

## Data Sources

***13 international surveys by credible institutions***

***7 for Bangladesh - CPI 2012 data are from:***

- Bertelsmann Foundation Transformation Index
- Economist Intelligence Unit Country Risk Assessment
- Global Insight Country Risk Ratings
- Political Risk Services International Country Risk Guide
- World Bank - Country Performance and Institutional Assessment
- World Economic Forum Executive Opinion Survey
- World Justice Project Rule of Law Index

## What type of data are used

- **Corruption and bribery in general**
- **Conflict of interest and diversion of funds**
- **Misuse of public office for private or political party gain**
- **Likelihood of countering corrupt officials ranging from petty bureaucratic corruption to grand political corruption**
- **Undocumented extra payments collected in the discharge of government functions, judiciary, executive level, law enforcement and tax collection**
- **Government's anti-corruption efforts and achievements and capacity to control impunity**

# Method

- Data period - January 2011 to September 2012
- Data on corruption in the public and political sectors
- Only sources that provide data allowing comparative picture are considered
- For sources that provide data for multiple years, data for the most recent year/period is included
- Perception of country experts, both resident and non-resident, and business leaders & analysts, investors & analysts
- Minimum – 3 surveys; the more the number of surveys

## Method

- **Produced by TI's Research Department**
- **Guided by experts from:**
  - **Department of Statistics and Political Science of Columbia University**
  - **Methodology Institute, London School of Economics & Political Science**
  - **Department of Government, London School of Economics and Political Science**
  - **European Commission Joint Research Centre, Instt of Peace & Security of Citizens (IPSC), Italy**
  - **Harvard Business School**
  - **Dow Jones**
  - **Standard and Poor**

# CPI 2012 - Results

- Bangladesh has scored 26 in a scale of 0-100, and has been ranked 144<sup>th</sup> from the top and 13<sup>th</sup> from below among 176 countries
- Compared with 2011 the ranking is the same from below, but 24 position lower from top (last year's result compared to 2010 was one position better from below and 14 position better from top)
- Score is one point less than 2011 when the score was 2.7, which is equivalent to 27 converted into the new scale
- Among 7 South Asian countries Bangladesh's position is 6<sup>th</sup> from top and 2<sup>nd</sup> from below. The top position is taken by Bhutan (score 63 rank 33), the lowest position taken by Afghanistan (score 8, rank 174)
- Except for Bhutan all South Asian countries including Bangladesh have received much lower than the global average of 43

# CPI 2012 – Results South Asia

Country	CPI 2012		CPI 2011*		Change	
	Score	Rank/176	Score	Rank/183	Score	Rank
Bhutan	63	33	57	38	+6.00	+5
Sri Lanka	40	79	33	86	+7.00	+7
India	36	94	27	120	+5.00	1
Pakistan	27	139	25	134	+2.00	-5
Nepal	27	139	22	154	+5.00	15
Bangladesh	26	144	27	120	-1.00	-24
Afghanistan	8	174	15	180	-7.00	+6

*Ranking from top*

*\* 2011 score converted into 2012 scale*

*Maldives was not included in the 2012 Index for shortage of minimum 3 data source*



# CPI 2012 Results – The Top & the Bottom

TOP Performers			Bottom - lower than Bangladesh		
Country	Score	Rank	Country	Score	Rank
Finland	90	1	Somalia	8	174
New Zealand	90	1	North Korea	8	174
Denmark	90	1	Afghanistan	8	174
Sweden	88	4	Sudan	13	173
Singapore	87	5	Myanmar	14	172
Switzerland	86	6	Uzbekistan	17	170
Norway	85	7	Turkmenistan	17	170
Australia	85	7	Iraq	18	169
Netherlands	84	9	Venezuela	19	165
Canada	84	9	Chad	19	165

# Other notable top & Bottom

## Other High Performers:

### Asia

- Hong Kong (77/14), Japan (74/17), Qatar (68/27), UAE (68/27)

### Others

- Iceland (11), Luxembourg (12), Germany (13), Barbados (15), Belgium (16), UK (17), USA (19), Uruguay (20), Chile (20), France (22)

## *Bottom - lower than Bangladesh:*

- Burundi, Haiti, Equatorial Guinea, Zimbabwe, Libya, Laos, Angola, Tajikistan, Cambodia, Yemen, Guinea, Kyrgyzstan, Guinea-Bissau, Paraguay, Eritrea, Papua New Guinea, Syria, Congo Republic, Ukraine

# Highlights - global

- **Corruption remains a serious global problem**
  - 124 countries out of 176 (two-thirds) scored below 50
  - 67 countries scored less than average of 43
  - No country has scored 100 percent
  - Many OECD countries like Germany, Belgium, UK, USA, Japan, France, Austria, Spain, Italy have scored less than 80
- **Good governance & zero tolerance to corruption are indispensable part of the solution to the global policy challenges governments face all over the world**

# Highlights - Bangladesh

- Bangladesh has scored same as Cameroon, Ukraine, Congo Republic, Syria, Central African Republic
- Bangladesh was earlier placed at the bottom of the list 5 successive years from 2001-2005.
- In 2006, 2007, 2008, 2009, 2010, 2011 Bangladesh was ranked in no 3, 7, 10, 13, 12, and 13 respectively
- Bangladesh this year is 144<sup>th</sup> among 176 countries (in 2011 we were 120<sup>th</sup> in 183, in 2010 134<sup>th</sup> in 178)
- Bangladesh is one of the 31 countries who have worsened their score compared to 2011, and one of the 57 countries who have fallen in rank (from top)
- Among South Asian countries Bangladesh is the only country other than Afghanistan that has lost in score.

# Factors behind the result

*Though ranked same as 2011 (13<sup>th</sup> from below), score (26) is much below global average of 43, second lowest in South Asia; position from top 24 steps below 2011*

***Corruption remains a key challenge***

*Possible factors are:*

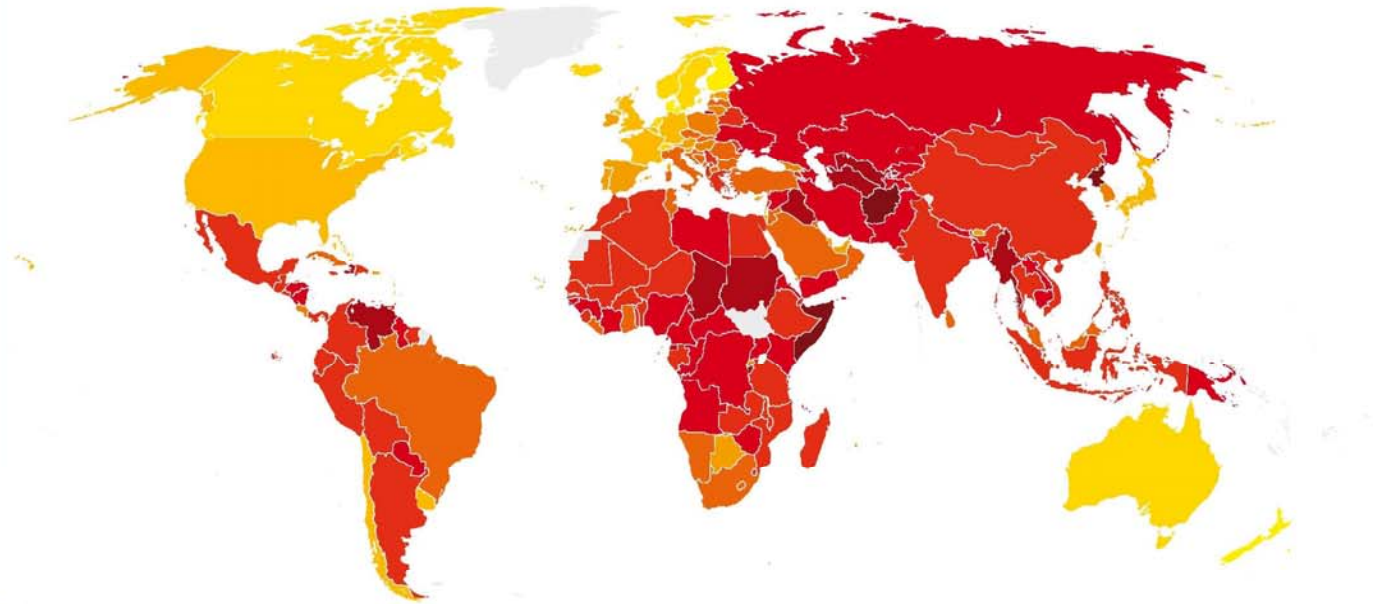
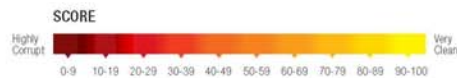
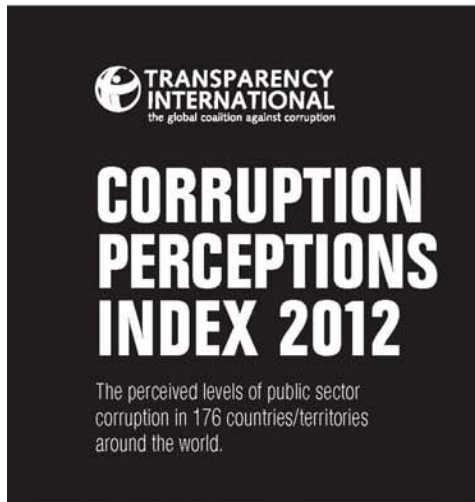
- Growing weight of deficits against delivery with respect to electoral pledges
- Procession of High profile/grand corruption including the Padma Bridge, Railway scam, Stock market, HallMark, Destiny
- Unabated grabbing of land, river, water bodies by the powerful
- No disclosure of asset of high & mighty
- Attempt to curtail independence & effectiveness of ACC

## Factors behind the result

- Questionable role/stance of ACC on some high profile cases
- Large-scale withdrawal of criminal and corruption cases under political consideration
- Weakening of institutional capacity to control corruption and promote accountable governance including
  - Weakened parliament due to boycott, conflict of interest
  - Politicized administration and law enforcement
  - Continued provision of whitening black money
  - Weakened public procurement rules

## Key messages - *What next?*

- Fulfill anti-corruption election pledges without fear or favour – challenge impunity
- Strengthen institutional and policy framework
  - Parliament, especially committees
  - Strengthen Anti-corruption Commission
  - Enforce Right to Information & Culture of disclosure & openness
  - Judicial integrity & Rule of Law
  - Public service integrity including law enforcement agencies, impartiality free from partisan political influence
  - Transparency in procurement
  - Adopt & enforce National Integrity Strategy and Implement UNCAC Commitments



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***Thank you***

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