Many exporting nations still turn a blind eye to bribing foreign officials

Only a fifth of the OECD Anti-Bribery Convention countries are steady enforcers

Berlin, 8 October 2013 – The governments of major exporting nations must do more to stop their multinational companies from bribing their way into international markets, the anti-corruption group Transparency International said today in a report on enforcement of the OECD Anti-Bribery Convention.

The Convention is an agreement among 40 major exporting countries to stop the practice of bribing foreign governments - to win contracts and licences or dodge taxes and local laws, for example.

According to the report, *EXPORTING CORRUPTION – OECD PROGRESS REPORT 2013*, 30 of the 40 countries signed up to the convention are barely investigating and prosecuting foreign bribery, considering the large value of their exports.

“The 40 countries, which represent more than two thirds of the global exports, would make it very hard to get away with bribery if they lived up to the requirements of the OECD anti-bribery convention,” said Transparency International Chair Huguette Labelle.

Countries fail to enforce foreign bribery rules for several reasons, including: budget cuts in enforcement agencies, a lack of specialised bodies to investigate foreign bribery and a failure to take advantage of existing deterrents.

Governments can do more to fight corruption

Only eight countries have met their commitments under the Convention. The failure of so many countries to crack down on companies that bribe foreign governments imperils the 1997 agreement, Transparency International warned.

The countries actively enforcing the Convention only account for 26 per cent of global exports. If countries that accounted for 50 per cent of global exports were actively enforcing the OECD Convention, then it could be considered a success.

Twenty countries, including G20 members Brazil, Japan, South Korea and The Netherlands have done little or nothing to hold companies and businesspeople to account for bribing foreign governments. Twenty-three countries have not brought any criminal charges for major cross-border corruption by companies in the last four years.

However, there are promising developments in legislative reforms and restructuring of anti-corruption agencies in Australia, Brazil and Canada that may bear fruit in the coming years.

Call on G20 countries to fight bribery

Transparency International also called on major exporters China, India, Indonesia and Saudi Arabia to sign the OECD convention.

“It is especially important these economies meet their G20 commitments and ensure that their companies, which have increasing influence overseas, operate cleanly,” said Labelle.

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