Measuring corruption in Africa: The international dimension matters

EXECUTIVE SUMMARY

Effective economic governance institutions are essential, not only for combating corruption, but also for structural transformation and inclusive development in Africa. The current predominantly perception-based measures of corruption are flawed and fail to provide a credible assessment of the dimensions of the problem of corruption in Africa. They focus on country ranking (“naming and shaming”) and as such do not provide useful policy insights and practical recommendations to inform policy and institutional reforms to help African countries to stem corruption. Alternative non-perception-based methods of measuring corruption remain inadequately developed and also ignore the international dimension of corruption in Africa. The present report calls upon African countries and partners to move away from purely perception-based measures of corruption and to focus instead on approaches to measuring corruption that are fact-based and built on more objective quantitative criteria. In the interim, perception-based methods anchored on more transparent and representative surveys should be used with caution and complemented, where possible, with quantitative country or case-specific indicators to produce more sophisticated and useful measures of corruption.

Corruption is indeed one of the major impediments to structural transformation in Africa. While attempts to define corruption have their strengths and weaknesses, Khan (2006) provides a credible contextual framework for an analysis of corruption in Africa. He describes corruption as a phenomenon that is “closely linked to poor governance”, and states that “pressure to reduce corruption and move towards good governance is both necessary and desirable, but these ends cannot be achieved unless attention is also given to other governance capacities required for accelerating and sustaining growth” (pp. 216–244). Corruption cannot be tackled without considering the broader governance challenges in each African country. The present report notes that the idea that corruption is unique to African countries is based on the myth that “corruption is due to low income”, in order “to invent a rationale for discounting bad governance in poor countries” (Kaufmann, 2001, p. 86).

In assessing the magnitude of corruption in Africa, far more attention should be given to decision-making processes and their ultimate implementation, as well as the international dimension of this phenomenon. In this regard:

a. An institutional perspective is critical since many African countries continue to operate within the realms of inadequate institutional structures and processes, which trigger and enable corruption to thrive. A “lack of…institutions has been shown to be one of the most important determinants of corruption” (Shah and Schacter, 2004, p. 42). Fighting corruption requires the efforts of various governance institutions, including through the enforcement of anti-corruption laws, rules and regulations, and the promotion of good practices. It also benefits from the strengthening of anti-corruption principles, including transparency, participation, accountability and integrity (Chêne, 2011).

b. Accounting for the external and transnational dimension of corruption in Africa facilitates strategic decision-making that is holistic and helps to tackle the problem of corruption at its root. Foreign multinational corporations often capitalize on weak institutional mechanisms in order to bribe State officials and gain unwarranted advantage to pay little or no taxes, exploit unfair sharing of rents, and to secure political privileges in State policies. This report highlights that Africa “probably loses much more from corruption by multinational companies than from corruption by the multitude of local small-and-medium enterprises” (Ndikumana, 2012, p. 3).
The dynamic nature of corruption makes it difficult to give a precise definition, but this difficulty should not in any way belittle the depth and magnitude of the socio-economic devastation caused by corruption. It poses significant economic costs to developing countries, including the subversion of development plans and programmes, and the diversion of resources that may have been invested more efficiently. It is worth recalling here that corruption distorts the market to the extent that it discourages investments. A corrupt environment is bad for society because “the real development priorities of a country are often neglected in favour of those that generate the greatest personal gains for the decision makers” (Samura, 2009, p. 1).

Although a number of requisites are important to achieve the structural transformation of Africa (characterized by structural change, rural-urban shifts and demographic transition from high-fertility-high-mortality to low-fertility-low-mortality scenarios), the application and practice of principles of good governance has a central place, as they define the interaction among the various economic actors and stakeholders. Notwithstanding the gains achieved over the past few years, evidence in 2015 shows stalling progress in the continent’s overall governance performance, threatening the very foundation and also efficacy of one of the drivers of structural transformation. The Ibrahim Index of African Governance shows that 6 countries (Botswana, Cabo Verde, Mauritius, Namibia, Seychelles and South Africa) of the 54 have made progress between 2011 and 2014. It is, however, important to note that there have been variations in performance depending on the Index’s components, especially in 2015. African countries have also made good progress towards improving the continent’s natural resource governance trajectory.

Enhanced governance and related institutions are critical to improving the quality of growth in many African countries. Indeed, while the evidence on regulatory quality confirms the positive correlation between this dimension of governance and gross domestic product (GDP) growth, the evidence on public management indicates that there is a negative correlation with GDP growth. This clearly implies that different aspects of governance in African countries adjust with different time lags on economic growth. Governance therefore needs to be unbundled by policymakers to adequately assess the effects of the different components on growth.

The lack of good governance in Africa commonly implies weak institutions, ineffective checks and balances, inadequate regulatory and legal frameworks, and poor enforcement mechanisms – which are all factors that incite corruption. Furthermore, corruption occurs in a system in which the authority of government officials is unmonitored and where governance has failed (Carnegie Endowments for International peace, 2014). This facilitates instances of grand and petty corruption by domestic and foreign private investors, and by public officials in Africa.

Structural transformation requires robust governance institutions such as national planning authorities, independent oversight bodies (e.g. legislature, an independent judiciary), representative political institutions, effective central banks and other investment regulatory bodies (ECA and African Union, 2011). The setting up of such public institutions is critical in ensuring transparency and accountability. Efficiently run institutions contribute in sustaining long-term economic growth. In the African context, this also implies having institutions that ensure transparent checks and balances so that resources are being allocated in the most efficient manner.

In a nutshell:

- Africa needs to maintain good governance and build robust governance institutions so as to accelerate and sustain its economic development efforts, through structural transformation.
- Weak governance institutions are one of the main determinants of corruption, threatening prospects for positive outcomes of the structural transformation process.

Key issues in the corruption measurement debates for Africa’s structural transformation

The present perception-based measures of corruption are inadequate to provide a credible assessment of the dimensions of the problem generally, and especially in Africa. The definitional ambiguity surrounding the concept of corruption is particularly unsettling when attempts are made to measure it. The type of definition one chooses to describe corruption will influence the conceptual, methodological and empirical framework
adopted to analyse it. In this regard, it is unsurprising that those who drafted the United Nations Convention against Corruption experienced difficulties when trying to come up with a definition of corruption: "It was decided that the text of the Convention would not include a definition of corruption, as this is a polyvalent and changeable term that means different things to different people, and above all because it is an evolving concept" (Argandona, 2006, p. 5).

Practitioners have sought to raise awareness among the general public and policymakers on corruption. The most widely used approach has been to rank countries by how corrupt they allegedly are, using various statistical proxies. Annual reports on corruption have led to heated debates and in the process, have placed corruption at the centre of public policy debates in developing countries. However, corruption measurements are only useful for awareness-raising and not for policymaking.

Since the latter part of the 1990s, a large number of indicators have surfaced – all claiming to explain one or multiple dimensions of corruption both in developing and developed countries. One feature that all of these indicators share is the similarity in the methods they adopt to gather and analyse data. These include: surveys of firms, public officials and individuals; and views of outside observers in non-governmental organizations, multilateral donors and the private sector. These data sources can be used individually or in aggregate measures, which combine information from many such sources. Three issues need to be highlighted in this regard:

a. Current indicators do not present a reliable picture of corruption in Africa, since they are perception-based. For any indicator of corruption to be strong and reliable, it is necessary that the sample be homogeneous. The standard practice is that the different indicators, used in the various corruption indices, are gathered from surveys administered to a limited sample of people;

b. Most of the data are of a quality which would not be useful for policymaking. Generally, data on reported cases of corruption tend to correspond to information about the response of criminal justice systems rather than information about the true extent and nature of the crime itself. As a consequence, a large array of methods has been developed to provide assessments of corruption and monitor its trends and patterns. Given the difficulty to collect data on factual experiences of corruption, methods based on experts' assessments and re-evaluation of available data (e.g. composite indices) have remained prominent (United Nations Office on Drugs and Crime, 2009);

c. The data do not capture the international dimension of corruption, even though the phenomenon is not just an African problem.

The African Governance Report IV notes that the increasing level of corruption in Africa is the result of three main factors. First, the level of institutional weakness in many African countries, which makes it possible for political leaders and public servants to misuse national resources and abuse their power without being checked. Second, the continued decline in the living standards of public servants associated with poor incentives in many African countries, which makes corruption a very attractive and viable means of social livelihood. Third, the blind eye often turned to corruptors by western countries. Foreign companies and private interests often take advantage of the weak and ineffective institutional mechanisms available to deal with corrupt practices. This has allowed foreign companies to corrupt State officials in order to gain undue advantage or secure political privileges in State policies.

Following on from the above, it is important not to neglect the existence and significance of the international dimension of corruption in Africa, which is driven primarily by the behaviour of foreign firms and other international stakeholders. Indeed, foreign intervention is an intrinsic part of the policy landscape in many African countries since it comes through conditionality frameworks, which is often tied to official development assistance (ODA) packages. It is obvious that ODA remains critical in financing the continent's structural transformation agenda. Specifically, in terms of meeting the challenges caused by corruption, ODA has been used to support anti-corruption initiatives in many African countries, notably by strengthening the judiciary, national anti-corruption agencies and improving State accountability. In fact, part of the public policy literature advocates that foreign assistance contributes to reducing corruption in a given country.

ODA flows also influence the evolution of corruption in Africa, given its continued significance within
African national budgets. The total amount of ODA to African countries has more than doubled in real terms during the past 15 years.\(^1\) For example, the amount of ODA to African countries increased by 115 per cent between the period 1997/1998 and 2013.\(^2\) Such financial flows play an important role in the economy. Available data indicate that in 2013, ODA amounted to about 2.7 per cent of total income. Such a continent-wide average hides important variations, and there are 16 African countries receiving ODA resources corresponding to more than 10 per cent of GDP.

In countries dependent on foreign assistance, the overall socioeconomic and geopolitical landscapes are such that public policies cannot be attributed to the State only. Specifically, foreign assistance is an outlet by which certain political elites in recipient countries engage in rent-seeking behaviours. On this basis, part of the development literature has reached scathing conclusions on foreign assistance, for example that aid can make States less accountable, that there are vested interests for ODA to be channelled to specific activities, and that it incentivizes domestic corruption.

The present report notes that the distinction between types of foreign assistance has a different correlation with corruption.\(^3\) For example, in 2014, Norwegian total bilateral foreign assistance to African countries amounted to 4.938 billion Norwegian kroner. Of this, 1.051 billion kroner (slightly above 21 per cent) was spent for specific purposes/activities.\(^4\) In the African aid architecture, bilateral aid tends to be tied to countries’ political agendas, especially in natural resource-rich countries.

The literature is unable to reach consensus on the definition of corruption and the same applies to cross-border corruption. Instead, the debate on cross-border corruption focuses on its various forms. However, the common element of all forms of cross-border corruption is that it occurs across jurisdictions and within the realm of international commercial transactions. Cross-border corruption is a serious concern given “its potential to interact with domestic corruption, often with the effect of intensifying both and making reform more difficult. In its causes as well as in its consequences, cross-border corruption has much in common with domestic varieties; countries that have serious internal corruption problems are likely to be particularly vulnerable to cross-border forms as well” (Johnston, 1998, p. 14).

In practice, cross-border acts include: collusion between suppliers and public officials within the international supply chain; money laundering; customs tariff avoidance; and bribery in international transactions. The report notes that: in 2014, following a three-year trial, the Serious Fraud Office of the United Kingdom of Great Britain and Northern Ireland convicted the Smith and Ouzman company of bribing foreign public officials in Mauritania and Kenya; in early 2015, two subsidiaries of Goodyear Tire and Rubber Company, based in Angola and Kenya, allegedly paid bribes to public officials in order to increase sales, in breach of the United States Foreign Corrupt Practices Act (Alix Partners, 2015); and between 1995 and 2014, out of a total of 1,080 cases of cross-border corruption, 257 (or 23.8 per cent) referred to African countries.

The report also notes that illicit financial flows are import elements of international corruption affecting the African continent. Such flows may originate from three broad types of activities: commercial activities, criminal ones, and corruption. However, it is to be recalled that corruption is also intrinsically linked to commercial and criminal sources of illicit financial flows. Illicit financial outflows which derive from commercial activities “have several purposes, including hiding wealth, evading or aggressively avoiding tax, and dodging customs duties and domestic levies” (ECA, 2015, p.24). Among the criminal activities that may give rise to illicit financial flows, of particular relevance in Africa are “trafficking in people, drugs and arms and smuggling, as well as fraud in the financial sector, such as unauthorized and/or unsecured loans, money laundering, stock

\(^1\) All figures reported are the results of the authors’ computations using data from the OECD Development Assistance Committee, and in particular table 30 on “Net disbursements of ODA to Sub-Saharan Africa by recipient” and table 25 on “ODA receipts and selected indicators for developing countries and territories”. Available from http://www.oecd.org/dac/stats/statisticsonresourceflowstodevelopingcountries.htm. Accessed 31 August 2015. Easterly and Pfluze (2008, p.2) warn about the quality of data, in a situation where “cooperation with the DAC is voluntary and a number of international agencies apparently do not participate in this sole international effort to publish comparable aid data”.

\(^2\) The average of the years 1997 and 1998 was $20,967 million (at 2012 prices and exchange rates), and it became $44,904 million in 2013.

\(^3\) See also, among others, Askarov and Doucouliagos (2013).

\(^4\) The computations are from data available from http://www.norad.no/en/front/countries/.

\(^5\) More information is available from http://www.ft.com/intl/cms/s/0/28b88282-8a04-11e4-9271-00144feabdc0.html.
market manipulation and outright forgery" (ECA, 2015, p. 31). The stark reality is that illicit financial flows are motivated by the perpetrators' need to safeguard their proceeds from corrupt activities, outside Africa.

Institutions which may drive illicit financial flows consist of an intricate network of African and international financial institutions. This network represents an interconnection of different jurisdictions (characterized by varying degrees of financial secrecy) and informal institutions. In addition, there is the ancillary presence of some foreign firms (multinational corporations) which are also perpetuators of illicit financial flows.

International corruption, to a varying degree, represents a threat to the sovereignty of African countries. Such an implication is directly obvious for those episodes of corruption involving foreign States as the giving hand in the corrupt relationship. However, negative implications for national sovereignty are present even when foreign firms are the corruptor as they might be part of broader strategies aimed at capturing African elites. More generally, international corruption presents a particularly serious problem of accountability to the African polities involved and to their civil societies. The fact that some of the protagonists of the corrupt exchange reside abroad, and can easily escape the local domestic jurisdictions, exacerbates the chronic problem of transparency and accountability experienced in most of Africa. In this respect, an already present democratic deficit manifests itself with particular virulence.

Given the prominence and pertinence of its international dimension, the problem of corruption in Africa cannot be tackled by crafting policies, which are exclusively domestic-oriented. At a minimum, there is a need to sharply increase the transparency of the international financial system and to augment the capacity of States, so as to place an obstacle to illicit financial flows, which are instrumental to the more vicious and damaging occurrences of corruption. Increased State capacity, together with international coordination, is also a necessity for a more proactive role of African jurisdictions in fighting occurrences of cross-border corruption.

Key messages and findings

The key messages and findings of this report are presented below, drawing on the foregoing discussions on the issue of corruption and its measurement in Africa. Both the conceptual framework and current measurement techniques show the flaws of current approaches to understanding the issue of corruption in Africa in a meaningful way. The report calls for a rethink of the problem of measuring corruption. The critical messages of this report are:

a. Corruption has many facets and is often conducted in secrecy, which makes it inherently difficult to measure in a precise and objective manner. In this regard, any results based on empirical measurements of corruption must be treated with some scepticism. The use of perceptions of corruption rather than corruption per se is problematic as perception may change far more rapidly than the actual levels of corruption;

b. Corruption is a complex phenomenon in all countries to varying degrees. There is no international single clear definition of corruption and this definitional ambiguity affects international rankings and attempts at cross-county comparisons. Such comparisons may be done, but have very limited usefulness. In this regard, African countries should engage in improving their own governance agenda rather than undertaking the futile exercise of naming and shaming one other because of the given perception of the levels of corruption;

c. Although corruption is a variable that cannot be measured precisely, the number of indices has grown exponentially over the years, largely to raise awareness among policymakers and the general public. The range of indicators include the Corruption Perceptions Index (Transparency International) and the Worldwide Governance Indicators (the World Bank), and a newer generation of indices, such as the Global Corruption Barometer (Transparency International), the Global Integrity Index (Global Integrity) and the Index on African Governance (Mo Ibrahim);

d. The types and quality of data make corruption measurement difficult. Given that objective data on corruption are difficult to obtain, no measurement framework accurately accounts for actual levels of corruption in a country and, by extension, at the global level with precision. Specific perception-based measures of corruption are imperfect proxies to overall levels of corruption. There is a need to enhance broader
data quality. Disaggregated indicators are one of the more effective methods to operationalize corruption data. Whenever possible, quantitative data should be combined with qualitative assessments;

e. There is a need to move the debate beyond the present corruption indicators and assess corruption in a broader African governance context. The levels of institutional weakness in many African countries make it possible for political leaders and officials to misuse national resources and abuse their power without being checked. In this regard, strengthening and building governance institutions is instrumental to tackling all governance challenges affecting the continent, including corruption;

f. The current practice of survey bias towards one group of society over another undermines the quality of the outcome of the corruption measurement;

g. Identifying the major types of corruption in a given country and measuring their individual occurrence (e.g. no aggregation) should provide a better picture of their extent and prevalence in the country. This will better equip policymakers with relevant information to allow them to design and carry out appropriate anti-corruption measures;

h. Although corruption always has an international character, in Africa, the international dimension of corruption has characteristics such that any narrative or measurement on corruption which does not take into account this dimension would be seriously incomplete because of two broad issues:

i. Foreign assistance can play both a positive and a negative role in terms of its impact on corruption at country level;

ii. Cross-border financial flows may be both a determinant and a cause of corruption.

Policy recommendations

The policy recommendations of this report are categorized into four interconnected themes: enhancing ownership and participation in development planning; improving transparency and accountability; building credible governance institutions; and improving the regional and global governance architecture.

1. Enhancing participation and ownership is critical for Africa’s structural transformation

The report notes that in most African countries, there continues to be minimal participation by the population at large in development planning processes and corresponding policymaking. The lack of a participatory approach creates a significant space for corrupt practices. In this regard:

a. African States should introduce and enforce processes that allow citizens, including vulnerable groups, to participate in development planning and policymaking;

b. Foreign assistance should explicitly focus on establishing institutions that allow citizens to participate in their countries’ development processes;

c. Citizens’ voices need to be heard and in this regard, civic education should be fostered at all levels. Across Africa, there are examples of civil societies taking a more active role in the delivery of public services and reducing the incidence of corruption, but there remains leverage to do more.

2. Strengthening transparency and ensuring accountability must be given priority

Transparency and accountability are essential requisites in ensuring good governance and, in turn, reducing corruption. In many African countries, weak transparency and accountability undermine the possibility of planning and executing policies, notably those relating to structural transformation. There are three major stakeholders whose combined actions influence the degree of transparency and accountability: the Government and other State actors; the media; and civil society organizations:

a. African countries should approve freedom of information laws and reinforce their implementation. Prior to 2011, the number of countries with freedom of information legislation on the African continent stood at 5, representing just 9 per cent of the entire continent. This number
has since increased to 13, representing 24
per cent of all countries in Africa. At present,
Angola, Côte d’Ivoire, Ethiopia, Guinea, Liberia,
the Niger, Nigeria, Rwanda, Sierra Leone, South
Africa, Tunisia, Uganda and Zimbabwe have all
adopted freedom of information laws;

b. More transparency is required on information
relating to political processes. One practical
option is the introduction of Africa i-Parliaments.
The second is an Africa-wide initiative, estab-
lished in 2005, to “empower African parliaments
to better fulfil their democratic functions by
supporting their efforts to become open,
participatory, knowledge-based and learning
organizations”.6 The project is supported by the
United Nations Department for Economic and
Social Affairs and funded by Italian Development
Cooperation;

c. Information relating to the activities of public
administrations should be made readily
available, which would contribute considerably
to increasing transparency. This applies notably
to public procurement, which remains highly
vulnerable to corruption. For instance, readily
available data on public procurement would
allow the computation of standardized costs
of what is being bought, which in turn would
enable the auditing of activities in those cases
that seem most suspect;

d. It is critical for all African States to ensure fiscal
transparency and good public financial gover-
nance in order to reduce corruption risks, through
the Collaborative Africa Budget Reform Initiative.
This Initiative was created in 2007 to deal with
these two imperatives. At present, only 13
countries have acceded to the Initiative: Burkina
Faso, Central African Republic, Côte d’Ivoire, the
Gambia, Ghana, Kenya, Lesotho, Liberia, Mali,
Mauritius, Rwanda, Senegal and South Africa;

e. Increased transparency in the use of official
development assistance is of paramount
importance. Projects such as the International
Aid Transparency Initiative (2010a)7 should be
embraced and fully implemented by African
countries. The Initiative aims at enhancing aid
transparency so as to improve aid effectiveness.
It is articulated around the International Aid
Transparency Initiative Standard, which is a
template for countries to report detailed data
on development cooperation activities. Thirteen
out of the 40 partner countries are from Africa.
These are: Benin, Burundi, Burkina Faso, the
Republic of the Congo, the Democratic Republic
of the Congo, Ghana, Liberia, Madagascar,
Malawi, Nigeria, Rwanda, Sierra Leone and United
Republic of Tanzania;

f. The media is an essential actor in ensuring good
governance. A thriving free media is a prerequi-
site for any country’s successful socioeconomic
development. Such a standard is not respected
in several African countries and rectifying such a
situation should be a priority. African countries
have a moral duty towards their populations
to guarantee the statutory independence of
the media. In practical terms, they should, for
instance, ensure the safety of local and interna-
tional media organizations and journalists;

g. African countries should strive to provide a
civil society organization-friendly environment,
by encouraging civil society organizations to
engage actively with legislators, auditors and
other oversight institutions. It is to be recalled
that civil society organizations have an important
role in guaranteeing a country’s fight against
corruption. In this regard, African Governments
and the private sector should support these
organizations by strengthening their capacity
through training programmes, among others.

3. Building credible governance
institutions should define the
transformation agenda beyond the
issue of corruption

The report acknowledges that reforming public
institutions is complex and appears to be a daunting
challenge for many African countries, more so if the
evidence presented is based on weak and irrelevant
indicators. Many of the recommendations relating to
governance institutions have already been advanced,
but implementation remains an enormous challenge.
Too often, Africa has replicated institutions from abroad
without any domestication plan. Institutions, and
sometimes even constitutions, have been imported,
while an endemic lack of institution-building has
entrapped African States with administrations that are
often inefficient. Such isomorphic mimicry results in

6 See http://www.parliaments.info/.
7 For a discussion on open data, see Lucio Picci (2012).
implementing reforms without their core underlying functionalities.

Correcting the endemic problems which many African countries continue to encounter in terms of institution-building is not easy. Part of the policy recommendations aimed at increasing transparency and strengthening implementation mechanisms contribute to enhancing institutional building. African States should more effectively define their institution-building processes, allowing and encouraging them to be part of a national discourse on good governance. Some of the critical areas for governance reforms include:

   a. Strengthening the capacities of accountability and oversight institutions, as part of wider governance reforms. This implies that African countries have to invest in strengthening the capacities of their parliaments, audit institutions, ombudspersons, judiciaries (including anti-corruption and commercial courts), media and civic associations;

   b. Improving public sector management to ensure effective use of financial and human resources. In this regard, African countries should set up regional centres of excellence to enhance skills in accounting, auditing and decentralized budgeting.

4. **Fostering international cooperation and improving the regional and global governance architecture is a required urgent action in Africa**

Corruption in Africa has a significant international dimension. In this regard, African countries and international stakeholders should collaborate to significantly improve the global governance architecture. In recent years, various global initiatives have been established to tackle corruption. For instance, through the Organization for Economic Cooperation and Development’s Automatic Exchange of Information Portal, financial institutions have to report to their tax agencies the accounts held by non-resident individuals and entities. Nevertheless, a lot more remains to be done, for instance:

   a. Advanced economies should be fully committed to their obligations under the OECD Anti-Bribery Convention of 1997 and ensure rigorous enforcement. Indeed, pressure should be exercised on non-complying countries to ensure that firms fully internalize the risks of prosecution when deciding how to carry out business in African countries;

   b. Relevant international organizations should take a more proactive stance in encouraging and promoting collaboration aimed at effective forms of exchange of information on financial flows;

   c. African States should be proactive in their participation in international activities aimed at combating illicit financial flows, while fully implementing regional initiatives. To this end, the African Peer Review Mechanism should incorporate issues of illicit financial flows for country review evaluations;

   d. There is a need for African countries and development partners to discuss illicit financial flow issues through solution-exchange virtual platforms. To this end, Africa should work closely with its global partners (e.g. the European Union, the G20) to foster transparency and accountability in the banking and financial systems;

   e. Global anti-corruption campaigns are generally directed towards demand-side corruption, although the supply-side is equally important. The role of private sector actors in fuelling corruption (both domestically and internationally) should not be ignored. In this regard, international conventions should make provisions for punitive measures, which also target the private sector.