



Transparency International India

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The coalition against corruption

PRESS RELEASE

Corruption Perception Index – 2010

India – Continues to be Corrupt

New Delhi, October 26:

There has been a little decline in India's Integrity Score to 3.3 in 2010 from 3.5 in 2007, 3.4 in 2008 and 2009, on a scale from 0 (perceived to be highly corrupt) to 10 (perceived to have low levels of corruption). India's rank on Transparency International's Corruption Perception Index (CPI) is 87 out of 178 countries, surveyed this year, indicating a serious corruption problem. It is an indication that the country continues to be perceived as more corrupt as in the past.

Perception about corruption in India seems to have increased primarily due to alleged corrupt practices in the recently held Commonwealth Games in Delhi. This trend is confirmed by the statements of the former CVC Pratyush Sinha's comment that "One in three Indians 'utterly corrupt'; Prime Minister Manmohan Singh's statements against the damaging effect that bribes, extortion and fraud have on all levels of life, and warned that the problem threatens India's future economic prospects; Supreme Court's ruling in May 2010, that "the corrupt government servants should be sacked" and similar other desperate versions. It is felt that most of the anti-corruption institutions and Lok Ayuktas are powerless in all states. The Supreme Court pronouncements regarding police reforms are awaiting implementation.

Corruption Perceptions Index 2010: Highlights

According to the 2010 CPI, Denmark, New Zealand and Singapore are at first place with scores of 9.3.

Unstable governments, often with a legacy of conflict, continue to dominate the bottom rungs of the CPI. Afghanistan and Myanmar share two places at the bottom with a score of 1.4, with Somalia coming in last with a score of 1.1. Overall, the 2010 CPI shows that nearly three quarters of the 178 countries in the index score are below five, a clear indication that corruption is perceived to be rampant world-wide.

"These results signal that significantly greater efforts must go into strengthening governance across the globe. With the livelihoods of so many at stake, governments' commitments to anti-corruption, transparency and accountability must speak through their actions. Good governance is an essential part of the solution to the global policy challenges governments face today," said Huguette Labelle, Chair of Transparency International (TI). Further, a strong correlation continues to exist between corruption and poverty, jeopardizing the global fight against poverty and threatening to derail the UN Millennium Development Goals. "Allowing corruption to continue is unacceptable; too many poor and vulnerable people continue to suffer its consequences around the world. We need to see more enforcement of existing rules and laws. There should be nowhere to hide for the corrupt or their money," said Labelle, further adding, "Allowing corruption to continue is unacceptable; too many poor and vulnerable people continue to suffer its consequences around the world. We need to see more enforcement of existing rules and laws. There should be nowhere to hide for the corrupt or their money".

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CPI for India

CPI is based upon corruption-related data from 13 source surveys published between January 2009 and September 2010, from 10 independent and reputable institutions in the world whose studies are well documented and the methodology published to enable an assessment of their reliability.

Data from 10 out of 13 surveys (excluding ADB, AFDB, and Economic intelligence Unit) has been used for India. The subjects, the source, and the points (out of 10) given by the institutions for India are indicated below

- Government's **capacity to punish and contain corruption** – Bertelsmann Foundation – 3.9
- **Transparency, accountability, and corruption in Public Sector** – World Bank & IBRD - 3.3
- **Extent of corruption** as practiced in governments, as perceived by the public and as reported in the media, as well as the **implementation of anticorruption initiatives** – Freedom House Foundation – 2.6.
- **Likelihood of encouraging corrupt** officials, ranging from petty bureaucratic corruption to grand political corruption – Global Insight – 3.5
- **Institutional Framework** – State efficiency: 'Bribing and corruption exist/do not exist' – IMD International, Switzerland, World Competitiveness Centre – 3.7 (2009)
- As above – IMD World Competitiveness Yearbook – 2.6 (2010)
- How serious do you consider the problem of **corruption to be in the public sector** – Political & Economic Risk Consultancy (PERC) – 3.4 (2009)
- As above – Asian Intelligence Newsletter – 3.3 (2010)
- Undocumented **extra payments or bribes** connected with (1) export and imports, (2) public utilities, (3) tax collection), public contracts, and (5) judicial decisions are common/never occur – World Economic Forum (WEF) – 3.3 (2009)
- As above – Global Competitiveness Report – 3.0 (2010)

To fully address these challenges, India needs to integrate anti-corruption measures in all spheres, from the responses to the financial crisis and climate change to commitments by the international community to eradicate poverty. For this reason TI-India advocates earliest ratification and stricter implementation of the UN Convention against Corruption (UNCAC), the only global initiative that provides a framework for putting an end to corruption.

Some of TI India's Initiatives:

TI-India (TII) has been actively engaged in the campaign against corruption, together with other like-minded civil society organizations like Lok Sewak Sangh, Gandhian Satyagraha Brigade, MKSS, Parivartan, Public Affairs Centre, Campaign for Judicial Accountability & Reforms, Citizens' Forum Against Corruption, Association for Democratic Reforms, Lok Satta etc.

It has been pursuing, *inter alia*, for

- the passage of the Lok Pal Bill
- the Corrupt Public Servants (Forfeiture of Property) Bill
- ratification of the UNCAC and transfer of funds lying in secret bank accounts abroad
- Integrity Pact that has been adopted by only 39 out of 200 public sector undertakings and the Ministry of Defense (none of the public sector undertakings of the States has adopted the IP)

- notification of the rules under the Benami Transaction (Prohibition) Act, 1988
- Lok Ayktas in all states with adequate powers for taking action against the corrupt
- Strengthening of the Central Vigilance Commission
- Passage of the Judicial Standards & Accountability Bill for transparency in judiciary
- electoral reforms to prevent those charge-sheeted for heinous offences from contesting electoral office
- Police reforms as per the decision of the Supreme court of India in *Prakash Singh* judgment
- strengthening of the prevention of Corruption Act and removal of the restriction (Single Directive) that requires sanction of the competent authority even to initiate an enquiry into charges of corruption against senior officer of the rank of Joint Secretary or its equivalent
- independent Central Bureau of Investigation
- training of officers in integrity
- citizens' charters with penalty clause in all public departments
- social audit
- ethical standards to be observed by the corporate sector
- role of the Planning Commission in monitoring the expenditure of money, grants, subsidies, and laying stress on outcomes rather than outputs (statistical formality), etc.

However, the political establishment has shown little will to address these measures. We are sure if these measures are taken seriously and taken to their logical conclusion, there would be an improvement in India's standing in the world community.

TI-I shall continue pursuing these specific goals

(P. S. Bawa)
Chairman,
Transparency International India

Comparative Statistics about CPI since 2002

Year	No. of countries surveyed	India's CPI Score & Rank	Highest CPI Score & Rank (Top 3 countries)	Asia's Highest CPI Score & Rank	China's CPI Score & Rank	CPI Score & Rank of South Asian Nations
2002	102	2.7 (71)	Finland (9.7) Denmark (9.5) New Zealand (9.5)	9.3 (5 th) Singapore	3.5 (59 th)	Pakistan (2.6), Bangladesh (1.2) Sri Lanka (3.7)
2003	133	2.8 (83)	Finland (9.7) Iceland (9.6) Denmark (9.5) New Zealand (9.5)	9.4 (5 th) Singapore	3.4 (66 th)	Pakistan (2.5), Bangladesh (1.3) Sri Lanka (3.4)
2004	146	2.8 (90)	Finland (9.7) New Zealand (9.6) Iceland (9.5) Denmark (9.5)	9.3 (5 th) Singapore	3.4 (71 st)	Pakistan (2.1), Bangladesh (1.5) Nepal (2.8)
2005	159	2.9 (88)	Iceland (9.7) Finland (9.6) New Zealand (9.6)	9.4 (5 th) Singapore	3.2 (78 th)	Pakistan (2.1), Bangladesh (1.7) Nepal (2.5) Sri Lanka (3.3)
2006	163	3.3 (70)	Finland (9.6) Iceland (9.6) New Zealand (9.6)	9.4 (5 th) Singapore	3.3 (70 th)	Pak (2.2), BD (2), Bhutan (6), Nepal (2.5) Sri Lanka (3.1)
2007	180	3.5 (72)	Denmark (9.4) Finland (9.4) New Zealand (9.4)	9.3 (4 th) Singapore	3.5 (72 nd)	Pakistan (2.4), Bangladesh (2), Bhutan (5), Nepal (2.5) Maldives (3.3) Sri Lanka (3.2)
2008	180	3.4 (85)	Denmark (9.3) New Zealand (9.3) Sweden (9.3)	9.2 (4 th) Singapore	3.6 (72 nd)	Pakistan (2.5), Bangladesh (2.1) Bhutan (5.2) Nepal (2.7) Maldives (2.8) Sri Lanka (3.2)
2009	180	3.4 (84)	New Zealand (9.4) Denmark (9.3) Sweden (9.3)	9.2 (4 th) Singapore	3.6 (79 th)	Pakistan (2.4), Bangladesh (2.4) Bhutan (5.0) Nepal (2.3) Maldives (2.5) Sri Lanka (3.1)
2010	178	3.3 (87)	Denmark New Zealand Singapore (9.3)	Singapore (9.3)	3.5 (78 th)	Pakistan (2.3), Bangladesh (2.4) Bhutan (5.7) Nepal (2.3) Maldives (2.3) Sri Lanka (3.2)