

Corruption in Arab Region

Kinda Hattar

Regional Advisor

Transparency International



- Global Movement for Fighting corruption
- Secretariat in Berlin
- Over 100 Chapters around the world that are independent national NGOs who are accredited by TI-S based on integrity and transparency standards.
- TI in the Arab region: 7 effective and efficient Chapters in:
Palestine, Jordan, Lebanon, Kuwait, Bahrain, Tunisia and Morocco
- TI globally is known for:
 - Corruption Perception Index (CPI)
 - Corruption Barometer
 - National Integrity System Studies
 - Advocacy and Legal Advice centers
 - Corruption in Defence Sector
 - Corruption in Mining sector
 - Corruption in Humanitarian Aid
 - Political corruption

Corruption in the Arab region

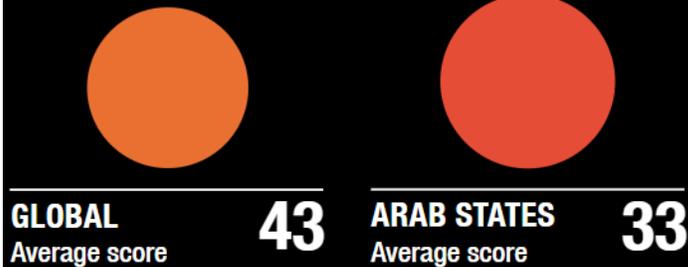
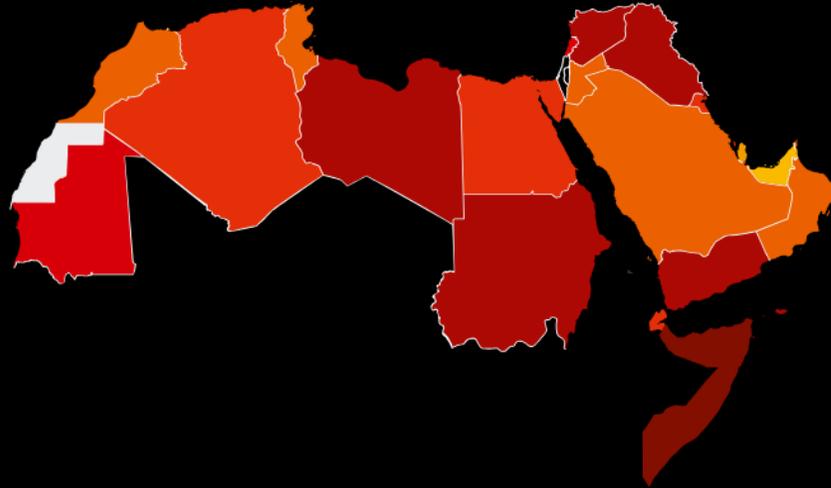


Despite the political changes that shook the Arab region few years ago, the hope for Arab countries to fight corruption and end impunity has not seen any progress yet. On the contrary, the majority of [Arab countries have failed to fulfil the will of the people](#) to build democratic systems allowing for greater transparency and accountability.

While the majority of Arab countries show no significant change in this year's index, on the ground, a number of countries such as **Jordan**, **Lebanon**, and **Tunisia** are taking small yet positive steps towards fighting corruption and increasing transparency and integrity.

CORRUPTION PERCEPTIONS INDEX 2017

Arab States



| RANK | COUNTRY/TERRITORY | SCORE |
|------|----------------------|-------|
| 21 | United Arab Emirates | 71 |
| 29 | Qatar | 63 |
| 57 | Saudi Arabia | 49 |
| 59 | Jordan | 48 |
| 68 | Oman | 44 |
| 74 | Tunisia | 42 |
| 81 | Morocco | 40 |
| 85 | Kuwait | 39 |
| 103 | Bahrain | 36 |
| 112 | Algeria | 33 |
| 117 | Egypt | 32 |
| 122 | Djibouti | 31 |
| 143 | Lebanon | 28 |
| 143 | Mauritania | 28 |
| 148 | Comoros | 27 |
| 169 | Iraq | 18 |
| 171 | Libya | 17 |
| 175 | Sudan | 16 |
| 175 | Yemen | 16 |
| 178 | Syria | 14 |
| 180 | Somalia | 9 |



Six out of the most corrupt countries in the world are from the region: Iraq, Libya, Sudan, Yemen Syria, and Somalia.

These countries are also inflicted with political instability, war, internal conflicts and terrorism, stressing the fact that war and conflict fuel corruption and in particular political corruption.



Although some efforts have been made, corruption still persists in these countries and across the region. Stagnant scores on the index reflect the challenge of political corruption that ravages the Middle East and North African (MENA) region:

The political systems in Arab states are controlled by ruling elites who [abuse power for personal gain](#) at the expense of millions of disadvantaged citizens.

In the absence of separation of powers, and without strong and transparent public institutions and accountability mechanisms, the introduction of anti-corruption laws and regulations becomes more lip service than real and much needed political and institutional reform.

THE GOOD



Tunisia is one of the very few countries that slightly improved on the index.

The country took some serious anti-corruption steps last year such as passing the Access to Information law, whistleblower protection and lately conflict of interest and illicit financial flows laws.

Some of these are progressive laws compared to what others in the region, the Whistleblower Protection law and adopting a national anti-corruption strategy.

In addition, there is a good space for civil society to play a role in accountability. The parliament also adopted a Financial Court law, which allows the court to investigate Grand Corruption cases.

Yet Tunisia has adopted a year ago the “reconciliation” law which provided impunity to the corrupt public officials of the past and that would send negative messages that “One can be corrupt and Get Away with it”.

THE BAD



Gulf States have maintained or dropped on the index, as ruling families continue to hold power politically and economically, public freedoms are oppressed, and an active independent civil society is absent. The military involvement of these states in regional coalitions has raised the levels of secrecy and ambiguity of public expenditure and state budgets.

Qatar had the sharpest decline in the overall index the past two years by 10 points. The country has been implicated with FIFA corruption scandals, especially around the votes to host the 2022 World Cup, in addition to human rights violations of migrant workers.



Jordan also dropped below 50, despite the adoption of a new electoral and integrity laws. Many corruption cases were investigated, but no prosecution has taken place yet.

Many reports have shown that investment is also hindered in the country as government fails to address petty forms of corruption such as bribery and nepotism.

Corruption levels in **Egypt** are still high in the [absence of a real political will to fight it](#). In 2016, the government violated the independence of auditing institutions when the President Al Sisi sacked and [sentenced the head of Egypt's top auditing body](#), Hisham Geneina, for publicly exposing how much corruption has cost Egypt in the past four years.

CSO space in Egypt has also closed down which hinders the public efforts to hold governments accountable for their actions.

Corruption in Defence Sector



The region has some of the most rapidly growing Defence budgets in the world, with a spend of **\$135bn**, and where up to a third of all government spending can be on Defence.

Those at critical risk are **Kuwait, Morocco, Iraq, Libya, Syria, Bahrain, Oman, Egypt, Qatar, Algeria, and Yemen** as there is virtually no accountability or transparency of Defence and security establishments. Across the region only **Jordan and Tunisia** publish information on Defence and security budgets, though with insufficient detail for any meaningful scrutiny.

However, all countries suffer from lack of oversight, excessive secrecy, and widespread nepotism with networks based on family and business ties in the procurement of defence contracts.

Global Corruption Barometer



WHAT DO PEOPLE THINK ABOUT CORRUPTION?

CORRUPTION IS PERCEIVED TO BE INCREASING

61%

of people think corruption has increased in the last year.



BRIBERY IS WIDESPREAD

Nearly 1 in 3

paid a bribe in the last year, or around **50 million people**

GOVERNMENTS ARE FAILING TO FIGHT CORRUPTION

68%



say their government is doing badly

26%



say their government is doing well



COURTS ARE THE WORST, POLICE AREN'T MUCH BETTER

Almost

1 in 3

who dealt with the courts paid a bribe



1 in 4

people who dealt with police paid a bribe



VICTIMS ARE INTIMIDATED INTO SILENCE

Only

1 in 5

bribe payers report the incident



2 in 5

who do report corruption suffer retaliation



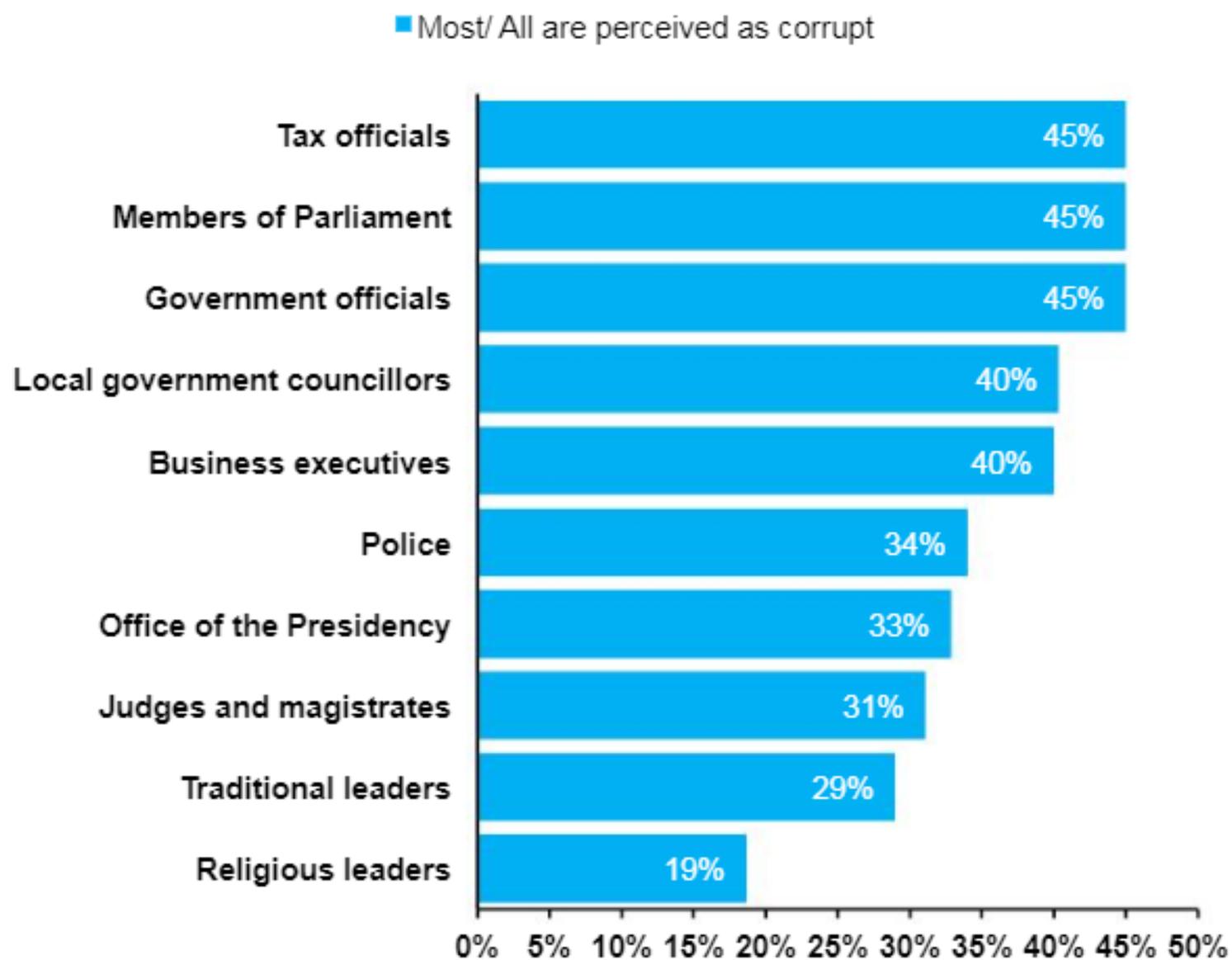
30%

fear retaliation if they speak out about corruption



Almost a third say people in the region don't report corruption because they fear the consequences.

FIGURE 1. HOW CORRUPT ARE DIFFERENT INSTITUTIONS AND GROUPS IN SOCIETY?





Local Integrity System

The Local Integrity System (LIS) Tool assesses the internal governance and capacity of each of the core local government actors and their role in promoting integrity in the system as a whole.

It also assesses the capacity to perform, and the effectiveness of, each of the oversight and accountability functions.

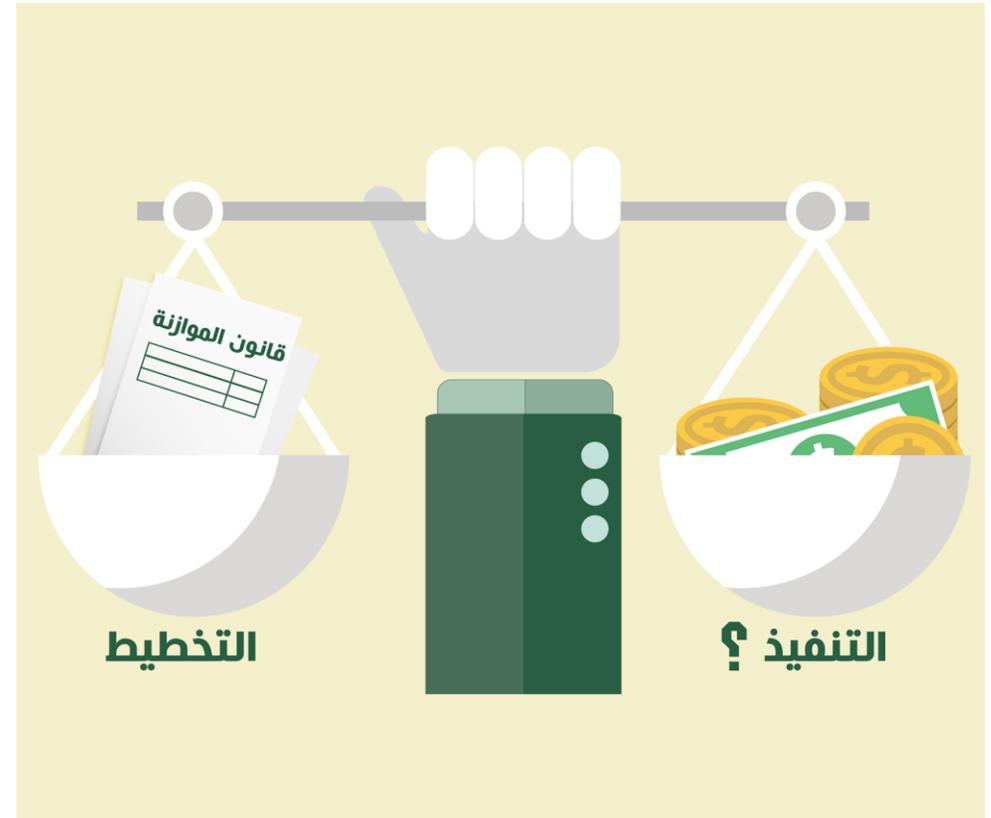
The LIS Tool is designed to conduct an in-depth assessment of a small number of local government units in a given country. It is not designed to compare the state of integrity in all (or even the majority of) local government units in a country. When used repeatedly, the LIS Tool can monitor and evaluate the progress of the LIS over time.

Palestine



Palestine conducted a Local Integrity System Study for 20 Local governorates and municipalities in Palestine. The main findings were:

- **lack of information published** according to the requirements of the law. **No resources or mechanisms** in place to publish information.
- **weak relationship** civil society organisation (absence of social accountability)
- the lowest indicator was the lack of **financial disclosures** and second worst on the scale was the **procurement and contracting**



Jordan



Main findings

- **existing laws and regulations and trusteeship powers of the executive authority** affect the municipalities' work, such as those regarding the Council of Ministers and Ministry of Municipal Affairs.
- **Lack of financial resources needed** to implement infrastructure to provide services
- **Lack of qualified human resources.**
- **relationship with the community:** the local community is accustomed to the idea that the municipality is there to meet their demands without having to contribute or even pay any dues.
- **Weak CSOs** in terms of integrity, transparency, and community accountability at the local level.
- **Weak local media**, especially investigative reporting and journalism.

LIS in Libya



-**Targeted Location:** Libya – Operated from Palestine (research) and Tunisia -

-**Targeted group:** 7 Libyan municipalities of the Nicosia Initiative (Ghariyan, Zintan, Sabha, Tripoli, Sirte, Benghazi, Toubruk)

applying the LIS methodology, can equip Libyan municipalities with important skills that will have a long term positive impact on stability and principles of good governance in their regions.

- **assesses the existence and effectiveness of procedures and mechanisms** to promote transparency, accountability and integrity in order to fight corruption at the local level,
- **develops recommendations on areas for reform** to be taken up by local government stakeholders,
- **develops a follow-up action plan for strengthening local integrity**

