

LIMA, PERU, 7 - 11 SEPTEMBER 1997

## **THE LIMA DECLARATION AGAINST CORRUPTION**

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**WE**, over 1000 citizens drawn from 93 countries, coming from all the continents and from countries large and small, in every stage of development, rich and poor, and from varied backgrounds in government, the private sector, and civil society,

**AFTER** a searching discussion of the means to contain corruption in all its manifestations around the globe and united in our vision of an era of international and national co-operation in the twenty-first century in which the evil of corruption is suppressed,

**NOW JOIN TOGETHER** in this Declaration of the 8th International Conference Against Corruption held in Lima, Peru from 7 - 11 September 1997.

### **CONVINCED that corruption**

- erodes the moral fabric of every society;
- violates the social and economic rights of the poor and the vulnerable;
- undermines democracy;
- subverts the rule of law which is the basis of every civilised society;
- retards development; and,
- denies societies, and particularly the poor, the benefits of free and open competition -

### **BELIEVING that**

- fighting corruption is the business of everyone throughout every society;
- the fight involves the defence and strengthening of the ethical values in all societies;
- it is essential that coalitions be formed between government, civil society and the private sector;
- a willingness to enter into such a coalition is a true test of an individual government's commitment to the elimination of corruption;
- the role of civil society is of special importance to overcome the resistance of those with a stake in the status quo and to mobilise people generally behind meaningful reforms;
- there must be a sustained campaign against corruption within the private sector as, with greater privatisation and deregulation, it assumes a greater role in activities traditionally performed by the state;
- and that top leadership sets the tone in all societies, as "You clean a staircase by starting at the top" -

**WE NOW CALL UPON** governments, international and regional agencies and citizens around the world to mobilise their efforts and energies to join us in achieving the following actions:

## **1. Actions at the International and Regional level**

1. International institutions must support more fully the creative role civil society has to play in advancing the development of good governance and work with them in partnership to this end. They must work together to emphasise the positive aspects of globalisation, and to contain its negative elements.
2. Tax deductibility of bribes by which exporting countries actively subsidise and encourage the corruption of officials in other countries must be ended.
3. The [OECD](#) should complete a convention to criminalise the bribing of foreign officials by the end of this year, and its member states should implement its provisions before the end of 1998. The [OECD](#) must then carry out a strong monitoring programme to ensure strict enforcement of the convention, with participation by civil society to ensure transparency.
4. All states of the Americas should ratify the [OAS](#) Inter-American Convention Against Corruption before the Summit of the Americas in Santiago in April, 1998. We urge the [OAS](#) to promote and monitor implementation of the convention, and commend it as an excellent example of regional cooperation against corruption for consideration by other regions.
5. The [World Bank](#) and the [IMF](#) should accelerate implementation of their new policies against corruption initiated by President Wolfensohn and Managing-Director Camdessus, and particularly the suspension of lending to governments who do not adequately address the corruption issue.
6. The [European Union](#) should accelerate implementation of its own anti-corruption policies recommended by the Commission of the European Communities in May, 1997; all EU member states should ratify the [European Union](#) Convention on Corruption adopted on 26 May 1997; and all member states of the Council of Europe should join in the work of its multi-disciplinary group against corruption to ensure that the Council's summit in October yields concrete results.
7. The work of the [United Nations](#) on action against corruption must be supported. States must implement the United Nations Declaration Against Corruption and Bribery and the International Code of Conduct for Public Officials. International funding agencies and donor governments must further support the technical co-operation activities of the UN.
8. The [World Trade Organisation](#) must itself join in the global struggle and begin to address the serious impact of corruption on world trade.

9. All multi-lateral and bilateral aid agencies, together with their development partners, must find practical ways of overcoming corruption in their development programmes.
10. Funding agencies should increase the assistance they give to strengthen national integrity system programmes to combat corruption. In particular, the transparency of international and national government procurement programmes must be strengthened. Governance and civil service reform must have a focus on suppressing corruption as an essential element, and assure the political neutrality of the civil service itself.
11. International institutions must realise that their international procurement practices are not yet fully satisfactory, and that they should further develop imaginative and new approaches to procurement in partnership with individual governments and the private sector, including the use of anti-bribery and integrity pacts. Bidders who bribe should be blacklisted. The Global Coalition for Africa should continue its imaginative work with Transparency International and governments in this area.
12. International organisations with mandates in the area, including INTERPOL and the World Customs Organisation, should take steps to strengthen international law enforcement co-operation.
13. Regulation of the operations of all international banking centres must be improved so as to ensure that assets under their control are governed by agreed international norms and that illicitly gained assets can be traced, frozen and forfeited. This should include exclusion from the international monetary system of off-shore banking centres which fail to meet these standards. Banking secrecy must not provide a shield for criminals and obstruct the exposure of corruption.
14. The reform and modernisation of customs systems, with an emphasis on transparency and integrity, is still urgently needed in many countries. Assistance should be increased by the donor community, and particularly through the World Customs Organisation ([WCO](#)). Members of the [WCO](#) should implement fully the Arusha Declaration of 1993 and the Columbus Declaration of 1994 and co-operate to ensure that transparency and integrity feature in all international trade transactions.
15. The International Chamber of Commerce must promote widespread acceptance by companies of codes of conduct and compliance programmes to combat extortion and bribery at home and abroad. We urge the adoption of codes of conduct and effective compliance programmes as a requirement for the right to bid on major projects.
16. The International Association of Prosecutors and the International Bar Association should develop model laws whereby the prosecution of corruption cases in each of our various legal systems can be rendered less complex and more expeditious, while being consistent with international human rights norms.
17. Shareholders around the world should insist that the companies in which they invest subscribe to the objectives of the corporate governance movement.
18. The various international associations of accountants and auditors and the international associations of security regulators must develop clear and universal accounting standards with widespread international recognition. It is particularly

important for the fight against corruption that all financial transactions are recorded, and that there are no "off the books" or secret accounts.

19. International professional societies should take a much closer interest in their national affiliates and use their influence to ensure that national professional standards are protected, strengthened and raised.
20. The international financial and donor agencies should co-operate with civil society in developing world-wide indices of the costs of goods and services to identify anomalies created by bureaucracy and corruption.
21. Regional and international institutions must do all they can to advance our Declaration and develop programmes to this end.

## **2. Actions at the National and Local Levels**

22. All governments should operate in a transparent and accountable manner at all levels, with the public having access to information to the maximum extent possible. They should ensure that public accounts are open to public scrutiny. The role of civil society is most crucial at the national and local levels, where participation should be fostered by providing open access to decision-makers and the holding of public hearings on matters of importance.
23. Civil society, too, must put its own house in order, with NGOs reforming themselves to ensure that as organs of civil society they practice the same standards of transparency and accountability that they expect from their governments. It must also be vigilant in defence of those who are persecuted for opposing corruption.
24. All governments must assure the independence, integrity and de-politicisation of the judicial system as the cornerstone of the rule of law on which the effectiveness of all efforts to combat corruption depends.
25. The Office of Ombudsman, as a bridge between the government and the people, can make a major contribution to the elimination of bureaucratic obstruction and corruption, and so countries without this necessary post should examine its adoption as an independent office of its elected congress.
26. Governments, in conjunction with civil society and the private sector, should periodically review the accountability features of all relevant organs of the state and of constitutional office-holders, and at the local level, to ensure that these form an effective bulwark against corruption. Conflict of interest rules must receive special attention. In this respect, the critical Office of the Controller (Auditor General) must play an important role maintaining and strengthening his necessary independence.
27. Governments who have not already done so must restrict to the minimum remaining economic opportunities for bribery and corruption, such as monopolies, discretionary fees, onerous taxes, and regulations and licences that impede business activity.

28. Civil service reform is essential to create an environment to fight corruption. All participants in the process should give particular attention to enabling proper salaries to be paid.
29. Particular attention should be given to the strengthening of financial management systems, and to rendering budget processes transparent and according a role to civil society.
30. Countries should improve the effectiveness of their laws dealing with corruption to the maximum extent possible consistent with their constitutions and international human rights norms including:
  - abolishing any requirement to prove that an official who received an illegal gift actually gave favours in return;
  - providing a system for the declaration of assets by persons holding public positions of trust (and their families), and placing on them the obligation to justify increases out of line with legitimate sources of income;
  - introducing the periodic or random monitoring of the assets and lifestyles of significant decision-makers in the public sector (and their families and associates), where appropriate by an independent agency;
  - laws which effectively empower the freezing, seizure and confiscation of the illicitly acquired wealth of officials found guilty of corruption, wherever it may be and by whomsoever it may be held;
  - providing appropriate protection for witnesses (and their families) and protecting whistle-blowers;
  - providing a system for the recording of gifts received by officials;
  - ensuring that officials at all levels cannot hide behind immunities but are fully subject to corruption laws;
  - and, debarring convicted criminals from standing for political office and appointment to positions of public trust.

The foregoing steps would make both prevention and prosecution more effective.

31. Governments should review their national and local administration procurement processes, in co-operation with the private sector and civil society, with a view to ensuring that these are fair, open and competitive, and so yield both value for money for the public and an enabling commercial environment for the private sector.
32. Bidders who bribe officials in efforts to win tenders should be blacklisted from competing for official business for an appropriate period, following a fair investigation.
33. As corruption is a major impediment in the electoral and political processes, urgent action must be taken to implement effective ways in which donations to politicians

and political parties are regulated and promptly publicly recorded, and campaign spending limits set and strictly audited. Continuing civic education programmes are essential.

34. National professional associations, in particular of lawyers, accountants, doctors and engineers, must examine the adequacy and effectiveness of their codes of professional conduct and of the means of disciplining those members who facilitate corruption.
35. The role of an independent media is essential, but for it to function effectively there must be freedom from harassment, freedom of information laws (for citizen and journalists alike) and a legal system which cannot be misused to muzzle legitimate expressions of concern. We urge governments, the media itself and civil society to ensure that the conditions exist for the media to play this role.
36. Newspaper editors everywhere should reflect on the roles their publications can play in giving the public a "voice" to counter corruption, and in raising awareness of complaints mechanisms and how the public can use these effectively. They must also consider how they can help foster a climate of public opinion which regards the corrupt, however rich and powerful they may be, with the contempt they deserve. The media itself must guard against accepting bribes and inappropriate hospitality.
37. As reform efforts will be in vain unless the culture of corruption is reversed, governments, schools and religious institutions should launch education, initiatives designed to raise awareness in the young of the incalculable harm done by corruption, and of the personal risks they run if they are involved in this.
38. Codes of conduct should be introduced in many spheres of life (including cabinet, parliament, the judiciary and throughout government ministries), and governments should examine arrangements whereby the ethics and integrity of their administrations can be assured.
39. Governments should encourage the use of independent surveys of public satisfaction with services and institutions as a valuable tool in identifying particular areas of difficulty as well as to monitor progress made in improving services by making them less susceptible to corruption.
40. Lastly, governments, civil society and the private sector should consider designating annual "anti-corruption days" or "accountability days", which in several countries has proved to be a focus for awareness raising. This concept could then be extended by the [United Nations](#) designating an annual international day of action.

We request the Chair of the Conference together with the Secretariat of the International Anti-Corruption Conference Council, [Transparency International \(TI\)](#), to take the necessary actions to bring these recommendations to the attention of governments and relevant institutions. We pledge that we, ourselves, will do our part.

We look forward to our meeting again in South Africa, in 1999. We affirm our conviction of the practical usefulness and impact of periodic exchanges of experience and success stories such as have taken place this last week in Lima, and we believe that we have made significant progress in moving forward the international debate on practical steps against corruption. In

South Africa in two years' time we will have the opportunity to assess the progress made both in the struggle against corruption itself, and the accomplishment of the actions proposed herein.

Finally, we express our heartfelt thanks to the Organising Committee, the people of Peru, their government, their private sector and their civil society, for the warmth of their welcome, the generosity of their hospitality, the development of a rich and relevant agenda, the promotion or civil society participation in the fight against corruption, and the vision of a new millennium of ethics and integrity.

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*Lima, Peru*

*11. September 1997*