



Editorial

## TRANSPARENCY INTERNATIONAL INDIA

Quarterly

### A glimmer of hope

The new cabinet, sworn in May, symbolizes some consequences of echoes and noises made by voluntary organizations like ADR, Lok Sewak Sangh, Transparency International India, RTI Act lobbies, and pressure groups. This is not essentially a self-adulatory assessment. None of the constituents of the cabinet is being tried in a court of law for heinous offences. Most of the 'tough' stalwarts with records of intimidation, mayhem, repression, and manipulation, or their spouses as proxies, have been rejected by the electorate. With the exception of few, all members are graduates and beyond, and experienced.

All this is a positive prospect. While the civil society can feel content to a limited extent, it has an unending task in persuading the government to include in its agenda for economic growth and development another important one that shall usher in more probity and transparency in public life. In fact, the principles of accountability, responsibility and honesty are germane, rather essential and crucial, to the overall growth of economy and distribution of entitlements to deserving people.

Top on the agenda for reform are the ratification of the United Nations Convention Against Corruption (UNCAC) that would facilitate retrieval of clandestine and illicit funds in foreign banks, passage of the Lokpal Bill, Whistleblowers Act, forfeiture of the illegally acquired property of corrupt public servants, notification of rules under the Benami Transaction (Prohibition) Act, 1988, independence of the CBI, strengthening the criminal justice system, constitution of judicial commission, setting up the state and

national security commissions, mandated by the Supreme Court in *Prakash Singh* case, declaration of authority to sanction prosecution of legislators, also proposed by the apex court, etc.

The denial of ministerial berths to tainted legislators shall have the indirect effect on such persons seeking expeditious trial so that they can prove their 'innocence' and become eligible to biggest slots in the administration. Whereas a genuinely innocent legislator would be interested in speedy trial, others with a guilt complex shall let it lie down so that they can at least contest elections, though not aiming at the ministerial position. In case of the latter, a presumption of 'involvement' can be drawn and their exclusion justified.

On balance, prospects of course correction appear encouraging as there have been healthy initiatives. We are all hopeful and confident that this would usher in an era of more responsive governance.

### Board Management Meeting: June 27

TI India's Board of Management's Quarterly Meeting was held on June 27. It was attended by nine members and two special invitees. Members were briefed about the activities of TII and its State Chapters. Chairman expressed satisfaction over the progress, particularly with regard to Integrity Pact programme.

### Letter to Union Law Minister

Chairman Admiral Tahiliani addressed a letter to Union Law & Justice Minister Dr M Veerappa Moily forwarding the Citizens' Charter on Subordinate Judiciary, recently prepared by TII's Eastern & Central UP Chapter, and inviting his attention to the following recommendations in particular made in the fourth report (on Ethics) of the Second Administrative Reforms Commission, headed by him, -

- Appointment of Lok Bill Commission
- Disqualification of candidates seeking elections who are charged with serious criminal offences involving moral turpitude.

#### Transparency International India

Lajpat Bhawan, Lajpat Nagar

New Delhi-110 024, India

Tel. (011) 2646-0826 / 2922-4519

Telefax : (011) 2646-0826

Editor : P. S. Bawa

E-mail: info@transparencyindia.org

Website: www.transparencyindia.org

(c) Forfeiture of illegally acquired property of corrupt public servants.

Since he is now heading the Ministry of Law, he has been requested to initiate action on the above issues.

### **Corporate Support Forum**

TI India has set up a Corporate Support Forum (CSF) to foster partnership with the corporate world, facilitate dialogue with them and identify solutions to the corruption related problems. So far, eight Central Public Sector Undertakings (CPSUs) have consented to be its members.

### **Study of the CVC's functioning**

A three-member committee, headed by our Chairman and comprising Mr Bawa and Mr Jitendra Kohli, is studying the functioning of the Central Vigilance Commission (CVC). The objective of the study is to indicate areas where the Commission needs strengthening. The report would be submitted to CVC.

### **Global Corruption Barometer (GCB)**

The Global Corruption Barometer 2009, based on a survey released on 3 June, indicated that 58 per cent respondents perceived politicians to be most corrupt. Civil servants/public officials were rated by 13 per cent as the second most corrupt institution in the country. Other institutions that were polled included the parliament/legislature, the private sector, media and the judiciary. The main findings for India are as below -

- 10 per cent feel that parliament and law making bodies are corrupt
- 9 per cent consider business and private sector to be corrupt
- 8 per cent consider that corruption in media affect the lives of people, and
- 3 per cent perceive judiciary to be corrupt.

The 2009 Barometer shows the poorest families continue to be punished by petty bribe demands as compared to high-income respondents. Thus, petty corruption denies people their entitlements to basic and need-based services.

About 45 per cent of the Indian respondents feel that the government is ineffective in addressing corruption as the existing channels for attending corruption-related complaints were found wanting. They often lack staff and resources to protect themselves from political interference. Influential politicians and senior officials are rarely convicted for corruption, eroding the

public confidence in the political will to effectively tackle corruption at the highest levels.

The GCB, now in its sixth edition, surveyed 73,132 people in 69 countries including 12 countries from Asia Pacific. In India, the survey was conducted in five metros – Delhi, Mumbai, Kolkata, Chennai, and Bangalore between October and November 2008.

### **Integrity Pact**

During the quarter, TI India signed a MoU with the National Hydro-electric Power Corporation Ltd. (NHPC) for the adoption of Integrity Pact. It brings the total to 38 CPSUs that have agreed to adopt IP.

CVC has issued a circular titled 'Standing Operational Instructions' on May 18 consolidating all the circulars issued since December 2007.

Meanwhile, the Department of Personnel & Training (DP&T) has issued a circular addressed to the Chief Secretaries of all the States and UTs inviting their attention to various circulars issued by CVC recommending the adoption of Integrity Pact in their public sector undertakings with regard to contracts and procurements.

During the meeting on April 17 with the Airport Authority of India (AAI)'s Chairman, the CVO and the Independent External Monitors, AAI's Chairman informed that the AAI had not received any complaint so far.

A meeting was held between TII's ED and Dr P.C. Sehgal, Managing Director of Mumbai Rail Vikas Cooperation at Mumbai on May 14 to discuss the signing of the MoU on IP.

### **Project on Improving Governance**

At the grassroots level, we are working in the four districts of Chattisgarh - Bilaspur, Bastar, Koria and Raigarh. In each district, training is being imparted to trainers for advocacy on RTI, Social Audit, Citizens' Charter and e-Governance. The trainers will then hold hands of the disadvantaged, so that in due course they are able to file RTI applications and understand these tools to improve governance.

### **Publication of Brochures**

Brochures on Development Pact and RTI (in Hindi) have been prepared and published for advocacy. Efforts are on to involve the Government of Bihar for adopting the concept of development pact.

### Television Appearance

Executive Director was interviewed by Swiss TV on Black Money in foreign banks on April 23

### Presentation at the World Bank

During his private visit to the USA, Shri P S Bawa, Vice Chairman, made a presentation of the activities of TII to the Indian Club at the World Bank, Washington, on 29 June, in the presence of senior executives who had elicited interest in the TI's Indian chapter.

### Central & Eastern UP Chapter

On invitation from the Diesel Modernisation Works, Patiala, a production unit of Indian Railways, Shri U S Pandey made a presentation on Integrity Pact in the presence of Chief Administrative and other Officers on 1 May. He also addressed students of class XII of Central School in Patiala on "How to become a good citizen?".

### Orissa Chapter

In the last quarter, workshops on RTI were organised in the following rural areas -

- (i) Labang, Balikuda, Jagatsinghpur on 5 April
- (ii) CYSD at Bhubaneshwar on 5 April
- (iii) Balidokan, Konark on 5 June.
- (iv) Seminar on "Scope for Improvement of Functioning of RTI Act in Orissa" was held at Bhubaneshwar on 15 June 2009. It discussed the manner in which the RTI Act was helpful in obtaining required information and the obstacles being faced. It also emphasized the need to change the mindset of the govt. officials.

During the valedictory session, Dr. S K Agarwal urged that in view of the rulings of the Supreme Court and various High Courts, penalties should invariably be imposed on erring officials for deficiency in rendering expected services. Such an action would introduce accountability and reduce the number of appeals.

It was attended by 76 delegates representing the civil society, the government, corporate sector and academics.

- (v) A state-level seminar on "Integrity Pact and Development Pact" was held at Bhubneshwar on 16 June. Shri Sudhansu Bhusan Mishra, IAS (Retd.), the former chief secretary of Orissa, was the chief guest. Dr. Bimalendu Mohanty, Chairman of Orissa Chapter presided. Dr. S K Agarwal and Ms. Anupama Jha, Executive Director, TI India, made presentations on

July 2009

"Integrity Pact" and "Development Pact", respectively.

### Tamil Nadu Chapter

The Managing Committee of the Chapter met on June 13 to review its working, including the propagation of RTI and 'Coalition Against Corruption' activities. Due to constraints, it decided to (i) work at the systematic level, the policy level, and major development sectors where corruption was of a very high order; (ii) update its recently launched website [www.transparencyindiatn.org](http://www.transparencyindiatn.org) with reports, developments, news, studies, surveys, etc. on corruption; (iii) make efforts to seek funds for introducing subject such as "good governance" in schools and colleges to sensitize youths, RTI training programs, etc.; and (iv) enlist volunteers among students, young professionals, retired persons etc.

### Meetings Attended

TII was represented by its Executive Director at

- The South Asian countries' meet at Bangkok, organized by Fredskorpset, a Norwegian Agency that promotes participant exchange program, in order to exchange knowledge among countries. The meeting was held on April 6 to 9.
- A round table meeting at Mumbai, jointly organized by TI India and Ernst & Young on "Building effective compliance program to combat fraud and corruption" on May 14. Several private sector companies including Dow Chemicals, Tata Legal, Tata Consulting Services, Heinz, Indo German Chamber of Commerce, etc. participated in this meeting.
- TI's Regional Program Meeting of Asia Pacific at Canberra, Australia held between May 18 and 23. The meeting was attended by Executive Directors of 22 Asia Pacific countries, representatives from Australian Government, Australian National University, donor agencies including Ausaid and ADB, WWF, International Anti-Corruption Convention and TI-S.

Issues discussed included the role of the public sector in leading integrity in government experiences through the ADB/OECD Anti Corruption initiative. Other topics of discussions included cost of advertisement for political campaigns in various countries, private sector funding to political parties and issues related to political corruption and procurement.

The session on “Improving Private Sector Governance in the context of the financial crisis” focused on the importance of corporate reporting as an essential pre-requisite for corporate integrity and the broader integrity of financial systems and markets.

Also discussed in the meeting was key findings of the Global Corruption Report (GCR) and opportunities for advocacy and its follow up activities. The GCR is scheduled to be released in September.

- As a part of fund raising for our various activities, ED participated in a fund raising workshop, organized by South Asian Fund Raising Group on June 30 at India Habitat Center, New Delhi. She also held discussions with senior officials of leading donor agencies such as GTZ, FES and Ford Foundation on April 14. She also discussed possible partnership with Country Director of AusAid on June 4<sup>th</sup> at his office in New Delhi.
- In order to promote the value of ethics and train people on anti corruption tools, a request came from Sri Sri Ravi Shankar of Art of Living, Bangalore, for a possible partnership with Transparency International. ED visited the Art of Living Ashram and met with Sri Sri Ravishankar on April 18<sup>th</sup> for partnership on “Standup Against Corruption and Poverty”.
- A Meeting was held on May 1 at India Habitat Center, New Delhi, with Shri Ajay Pandey, representatives of Institute of Rural Research & Development, on the possibilities of holding a workshop in August on NREGA
- TII’s Chairman and ED also met with the VAT Commissioner of Delhi on June 3 for developing a Code of Conduct for the VAT Department.
- The Global Compact Society, India, in collaboration with TI India and United Nations’ Office on Drugs and Crime (UNODC) organized a Workshop on June 29-30 at India Habitat Center, New Delhi on “Making a Business Case for Ethical and Transparent Corporate Conduct”. It discussed the 10

Principle of the UN Global Compact (UNGC) which highlights that corruption and unethical practices have a far reaching negative impact on business and society at large.

#### NAMES OF TI INDIA’S DONORS

Name of Donor	Receipt No.	Rs.
<b>A. Project Funding</b>		
1. NMDC Ltd. Khanij Bhawan, Castle Hills Masab Tank, Hyderabad	537	1,00,000/-
2. Steel Authority of India Ltd Ispat Bhawa, Lodhi Road New Delhi - 110003	538	1,00,000/-
3. Bharat Heavy Electricals Ltd Bhel House, Siri Fort New Delhi -110049	540	1,00,000/-
4. RITES Ltd. RITES Bhawan Sector 29, Gurgaon	542	1,00,000/-
5. Bharat Petroleum Copn. Ltd Bharat Bhawan, Currimbhoy Rd. Ballard Estate, Mumbai	545	1,00,000/-
<b>B. Non-Project Funding</b>		
1. Shri Biswajit Mohanty Shanti Kunj, Link Road Cuttack, Orissa	533	1,000/-
2. Ms Hema Hatangadi Conzervs System Pvt. Ltd 44 P, Electronic City East Phase Hosur Road, Bangalore	534	1,000/-
3. Shri K K Khanna 543, Raza Park, Jaipur	535	1,000/-
4. Shri M L Kumar 132, Nilgiri Apartments Alaknanda Apts., N. D. -19	541	1,000/-
5. Shri Jitendra Kohli 157, Munirka Enclave Nelson Mandela Rd, N. D. 67	543	1,000/-
6. Ms Saroj Bala C-II/107, Satya Marg, Chanakyapuri, New Delhi -21	544	1,000/-

#### Request

We depend upon our well wishers to provide financial support of any amount. We value their contributions, which may be sent to Transparency International India, Qr. No-4, Lajpat Bhawan, Lajpat Nagar-IV, New Delhi-110024, by cheque or draft alongwith your PAN Card Number. Such contributions are exempted from Income Tax under Section 80 G of the Income Tax Act.

To receive the TI India’s Quarterly e-News Letter, please intimate your email ID at [info@transparencyindia.org](mailto:info@transparencyindia.org)