

**INSTITUTE OF
BUSINESS
ETHICS**

EU Anti-Corruption Report 2014 Summary

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Background

- This Report provides an analysis of corruption within the EU's Member States and of the steps taken to prevent and fight it.
- It is the first report by the EU Commission, which will be issued every two years from now on.

The report has the following structure:

- a) **Introduction**, presenting the policy background and objectives;
- b) Results of **Eurobarometer surveys** of 2013 on perceptions and experience of corruption;
- c) **Horizontal chapter**, describing corruption-related trends across the EU;
- d) **Thematic chapter**, focusing on a cross-cutting issue of particular relevance at EU level, with a particular focus on public procurement;
- e) **Annex on methodology**, describing how the report was prepared including methodological choices and limitations;
- f) **Country chapters**, covering each of the 28 Member States, which highlight selected key issues for each country and provide points for further attention which reflect the Commission's attempt to identify measures likely to give added value.

Introduction

- The Member States of the EU are not immune from suffering from deep-rooted corruption.
- Corruption varies in nature and extent from one country to another, but it affects all Member States of the EU.
- A broad definition of corruption is given: '*abuse of power for private gain*'.
- Corruption alone is estimated to cost the EU economy EUR 120 billion per year, just a little less than the annual budget of the European Union.

Results of Eurobarometer surveys

- Two Eurobarometer surveys were carried out in 2013 for this report: 1) **Special Eurobarometer** – survey of general population in all Member States, based on face-to-face interviews, every two years, sample of 1000 or 500 respondents depending on size of population; and 2) a **business-focused 'Flash Survey'** – a phone-based survey of businesses of all sizes from the energy, healthcare, construction, manufacturing, telecoms and financial services sectors in EU28.

- There were 27,786 respondents to the Special Eurobarometer.
- At the European level, three quarters of respondents (76%) think that corruption is widespread in their own country – Greece (99%), Italy (97%), Lithuania, Spain and the Czech Republic (95% in each) are most likely to think corruption is widespread.
- A quarter of Europeans (26% - down from 29% in 2011) consider that they are personally affected by corruption in their daily lives, with the highest respondent rates in Spain and Greece (63% in each), Cyprus and Romania (57% each) and Croatia (55%), and the lowest rates in Denmark (3%), France and Germany (6% each).
- Around one in twelve Europeans (8%) say they have experienced or witnessed a case of corruption in the past 12 months. This is most likely in Lithuania (25%), Slovakia (21%) and Poland (16%), and least likely in Finland and Denmark (3% each), Malta and the UK (4%).
- Around three quarters of Europeans (73%) say that bribery and the use of connections is often the easiest way of obtaining certain public services in their country.
- Responses confirm a positive perception and low experience of bribery in **Denmark, Finland, Luxembourg** and **Sweden**, where respondents rarely indicated that they had been expected to pay a bribe (less than 1% of cases) and the number of people who think that corruption is widespread is significantly below the EU average.
- In the **UK** only 5 persons out of 1115 were expected to pay a bribe – the best result in all Europe, nevertheless, the perception data show that 64% of UK respondents think corruption is widespread in the country (the EU average is 74%).
- In countries like **Germany, the Netherlands, Belgium, Estonia** and **France**, while more than half of the respondents think corruption is a widespread phenomenon, the actual number of people having had to pay a bribe is low (around 2%).
- **Hungary** (13%), **Slovakia** (14%), and **Poland** (15%) have relatively high numbers of people indicating that they had personal experience with bribery, but in these countries healthcare provides the bulk of instances of bribery.
- In certain countries, including **Portugal, Slovenia, Spain** and **Italy**, bribery seems rare but corruption in a broader sense is a serious concern.
- **Croatia, the Czech Republic, Lithuania, Bulgaria, Romania** and **Greece** are seen to be lagging behind in the scores concerning both perceptions and actual experience of corruption.

Main Findings

- The individual country analyses revealed a wide variety of corruption-related problems, as well as of corruption control mechanisms, some of which have proved effective and others have failed to produce results.
- Analyses show that public procurement is particularly prone to corruption in the Member States, owing to deficient control mechanisms and risk management.
- Results are condensed into four subject areas: A) Political dimension, B) Control mechanisms and prevention, C) Repression, D) Risk areas.

Background issues – not necessarily linked to corruption in themselves, but can have an impact on the extent to which an environment opens the door to corruption.

- Transparency policies and freedom of information
 - Openness and transparency can act as a disincentive to corruption, and can help to reveal transgressions when they occur.
- Whistleblowers' protection
 - whistleblowing faces difficulties given the general reluctance to report such acts within one's own organisation, and fear of retaliation.
- Transparency of lobbying

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