

Patron, Sir Don McKinnon

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Transparency International New Zealand

Lessons learned from the Saudi sheep saga

The Auditor-General's report on the Government's Saudi Sheep Contract provides the basis for a wider public debate about corruption and bribery. The report shows the need for detailed analysis about what happened and how to avoid similar re-occurrences.

Transparency International's New Zealand (TINZ) Chair, Suzanne Snively, congratulates the Office of the Auditor General on the landmark report into the Saudi sheep contracts acknowledging its importance and the year-long investigation. Snively said "We are particularly pleased with its message about the dangers of complacency about corruption, and the need for transparency to be used as the foil that prevents corruption from taking root".

While the report shows that no criminal activity took place it is troubling that some have read the Auditor-General's report as a vindication of the Saudi sheep deal.

Snively disagreed, saying "New Zealanders benefit in many ways from our reputation of transparency and honesty. The Saudi Sheep Contracts failed to meet public expectations.

The Auditor General specified a number of faults and the lessons that need to be properly acknowledged and addressed.

Snively said, "The Auditor General's Report did nothing to dispel our worries about New Zealand's international reputation in light of the embarrassing Saudi incident. Of

concern is that the judgement that the deal was within the law has the potential itself to raise eyebrows offshore – The Saudi contracts may be lawful but the optics are awful.

TINZ believes that the biggest lesson from the report is about the dangers of carrying out murky deals which keep people in the dark.

There is much to be gained were the New Zealand Government to decide that it wants to lead the world in terms of transparent policy process – especially in its dealing with foreign investors and negotiating trade treaties.”

Accountable and transparent agreements are proven to have better outcomes, higher returns to investors and provide stronger tax bases.

Transparency International New Zealand will continue this conversation. Our mission is to foster a New Zealand culture where transparency, integrity, good governance and ethical standards and practices are the core values for all New Zealanders.

”The Auditor General’s report provides a chance to re-assess what else New Zealand can be doing to prevent corruption in our politics and public sector”, Snively adds.

The OAG’s final message is clear. Government contracts are monitored for their probity, and in this case, the benefit to the New Zealand people. Even with the best of intentions, opacity in government no longer works, sooner or later it will be exposed to the light of day.

To paraphrase the Police: Everything you do, every word you speak, every step you take, the world is watching you! Let’s lead the world by ensuring that government business is conducted in broad daylight!

Background information for journalists

1. **Media contact:**

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2. **Office of the Auditor-General**

[Inquiry into the Saudi Arabia Food Security Partnership.](#)

3. **Transparency International**

Transparency International is a global civil society coalition leading the fight against corruption. It compiles a number of measures of different aspects of corruption including the Corruption Perceptions Index, the Global Corruption Barometer, and the Bribe Payers Index. Information on Transparency International can be found at www.transparency.org and detailed information on the Corruption Perceptions Index can be found at www.transparency.org/cpi.

4. **About TINZ**

Transparency International New Zealand (TINZ) is the local chapter of the global organisation - <http://www.transparency.org.nz/>. TINZ works to actively promote the highest levels of transparency, accountability, integrity and public participation in government and civil society in New Zealand and the Pacific Islands.

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Transparency International New Zealand provides a free [Anti-Corruption Training Tool](http://transparency.org.nz/Anti-Corruption-Training) (transparency.org.nz/Anti-Corruption-Training) designed by leading experts in the field, and enables organisations to provide training for their personnel. This was developed in partnership with the Serious Fraud Office and BusinessNZ.

Transparency International New Zealand published the [Integrity Plus 2013 New Zealand National Integrity System Assessment](#) and is actively engaged in the implementation of its recommendations.