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New Zealand needs to increase its efforts to fight foreign bribery

Just released report shows that New Zealand has made little progress since its 2015 ranking of “limited enforcement.”

Transparency International's (TI) just released "[Exporting Corruption - Progress report 2018](#)" offers an independent assessment of states' efforts in fighting offshore bribery through their laws and enforcement systems under the Organisation for Economic Co-operation and Development (OECD) anti-bribery convention. The latest report rates New Zealand as a state with limited enforcement of overseas corruption, and shows little improvement since the previous progress report published in 2015.

“Although domestic corruption in New Zealand appears low, we really need to lift our game in the way we respond to the threat of international corruption,” notes Professor John Hopkins, lead New Zealand author, commenting on behalf of Transparency International New Zealand (TINZ).

New Zealand has made progress with increased compliance and disclosure around trust ownership and has strengthened the regime for corporate liability for foreign bribery. However, Professor Hopkins notes, “We are still one of the countries that turn a blind eye to bribery where the person or organisation giving or receiving a bribe is not a New Zealander or a New Zealand owned business. In addition, New Zealand law continues to permit ‘facilitation payments’, a practice which undermines international good practice and our good name.”

The latest report makes seven recommendations for New Zealand's improvement. These are:

1. Remove the facilitation payment exception for the bribery of foreign public officials
2. Improve whistleblower protection
3. Introduce requirements for auditors to disclose suspicions of foreign bribery

4. Establish comprehensive mechanisms to ensure transparency of New Zealand trusts and companies, such as public registers that include information on beneficial ownership
5. Fund and develop active investigation mechanisms
6. Remove the requirement that the Attorney General consent to foreign bribery prosecutions
7. Introduce a positive requirement for commercial organisations to prevent foreign bribery

"New Zealand needs to make sure our international approach lines up with our reputation as of the world's least corrupt countries. The combination of an excellent reputation coupled with lax enforcement of foreign bribery is an extremely dangerous one. Organised crime and corrupt entities may see New Zealand a soft target for legitimising their activities," concludes Professor Hopkins.

Background information for journalists

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2. Exporting Corruption - Progress report 2018: assessing enforcement of the OECD Anti-Bribery Convention

Transparency International's 2018 Progress Report is an independent assessment of the enforcement of the Organisation for Economic Co-operation and Development (OECD) Anti-Bribery Convention, which requires parties to criminalise bribery of foreign public officials and introduce related measures. The Convention is a key instrument for curbing global corruption because the 44 signatory countries are responsible for approximately 65 per cent of world exports and more than 75 per cent of total foreign direct investment outflows.

This twelfth such report also assesses enforcement in China, Hong Kong Special Administrative Region of the People's Republic of China, India and Singapore, which are not parties to the OECD Convention but are major exporters, accounting for 18 per cent of world exports.

The [TI media release and a link to download the report are available here](#).

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.

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.

Transparency International New Zealand provides a free Anti-Corruption Training Tool (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 activities leading to the implementation of its recommendations. A second edition is due out this year.