

## EU Anti-Corruption Report: A Next Step in Europe's Fight Against Corruption

**The European Commission recently published proposals for a bi-annual EU-wide Anti-Corruption Report that will monitor corruption levels throughout the 27 Member States. The EU Anti-Corruption Report is the latest attempt by the EU to reduce corruption levels and promote new policies and initiatives in Member States where corruption is still a significant problem.**

A British Member of the European Parliament recently described corruption as the “elephant in the room with much awareness of its presence but too little discussion of what to do about it”. The 2010 [EU Internal Security Strategy in Action](#) highlighted that “sustaining political will to combat corruption is of key importance” and that EU level action must be taken. In June 2011, Cecilia Malmström, the European Commissioner for Home Affairs, announced the proposal of an EU-wide corruption monitoring mechanism. The proposal signals a significant step in the fight against corruption and will reinforce anti-corruption initiatives taken by individual EU governments.

According to [EU figures](#), corruption costs the EU economy EUR 120 billion each year, which is comparable to the entire annual EU budget. Malmström highlighted the scale of the problem stating that “no country in the EU is totally free of corruption. Four out of five EU citizens regard corruption as a major problem in their country. This is a serious challenge: socially, politically and economically”.

### Varied Levels of Corruption

Transparency International's (TI) Corruption Perceptions Index (CPI), which is widely used as a benchmark by international organisations and businesses to rank countries' corruption risk, shows the discrepancies in corruption levels across EU Member States. The Index places corruption levels on a scale of 0, highly corrupt, to 10, very clean. The variation is clear to see: Denmark, which ranks as the world's least corrupt country scored 9.3. Other EU countries such as Finland, Sweden and the Netherlands are all within the world's top ten least corrupt countries. However, Greece, which scored the lowest within the EU, scored 3.5 and Bulgaria, Italy and Romania all scored below 4 on the CPI. These scores are comparable to China, India and Brazil.

In the wake of the Eurozone financial crisis and the problems suffered by Portugal and Greece, which are ranked by TI as two of the four most corrupt countries in the Eurozone, the issue of corruption has become more pertinent. Aris Syngros, head of Transparency International Greece, stated that “corruption is one of the main reasons why we have this economic crisis in Greece”. In recent months, Romania and Bulgaria's entrance into the

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Schengen Area was also postponed due to their failure to combat corruption and organised crime. These factors have led European governments to increase pressure on other EU Member States to take tougher measures against corruption. Despite the fact that all countries acceding to the EU must have reached certain anti-corruption standards, the EU now recognises that each Member State needs to better enforce their anti-corruption measures.

### EU Anti-Corruption Report and Multilateral Monitoring Mechanism

Central to the [EU's proposals](#) is a bi-annual EU Anti-Corruption Report that will periodically assess corruption levels across Member States, identify trends and issues and make tailor-made recommendations. The non-binding report will act as a monitoring mechanism that, according to Malmström, will be capable of identifying "failures and vulnerabilities across the 27 EU Member States". The EU believes that exchange of best practice, stimulating peer learning and increased transparency will force Member States to take tougher measures. While the recommendations will be non-binding, naming and shaming in the form of comparisons between Member States may encourage countries with higher levels of corruption to enforce existing anti-corruption measures and develop new EU-wide policies and initiatives.

The EU emphasises the need to take a multilateral approach to tackling corruption. The proposals indicate that the monitoring mechanism will engage with existing European and international initiatives including the European Council's Group of States against Corruption (GRECO); the UN Convention against Corruption (UNCAC); and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Each Member State will also have a designated "research correspondent" who will work on the ground and report back to an expert group. The EU will also draw upon the work carried out by existing agencies such as European Anti-Fraud Office and EUROPOL.

TI [welcomed](#) the proposals stating that "it is hoped that the new reporting tool may help reduce the risk of crises such as in Greece and Portugal in future" and that the mechanism could be used in the assessment of a country's public finances for international aid packages. However, TI highlighted the while "it is now time to define the details and benchmarks of measurement if Member States' anti-corruption efforts are to be evaluated properly". Martin Ehrenhauser, an Austrian MEP, also questioned if large Member States will allow critical reports.

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