



*European Economic and Social Committee*

**REX/353**  
**Combating corruption**  
**in the southern**  
**Mediterranean**

Brussels, 19 September 2012

**OPINION**

of the

European Economic and Social Committee

on

**Civil society's role in combating corruption in the southern Mediterranean countries**  
(own-initiative opinion)

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On 19 January 2012 the European Economic and Social Committee decided to draw up an own-initiative opinion, under Rule 29(2) of its Rules of Procedure, on

*Civil society's role in combating corruption in the southern Mediterranean countries.*

The Section for External Relations, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 5 September 2012.

At its 483rd plenary session, held on 18 and 19 September 2012 (meeting of 19 September), the European Economic and Social Committee adopted the following opinion by 149 votes to 1 with 3 abstentions.

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## **1. Conclusions and recommendations**

- 1.1 Corruption is a world-wide problem which causes people serious harm. In the countries of the southern Mediterranean it was one of the triggers of the recent rebellions known as the Arab Spring, and civil society, as the real driving force, has called for corruption to be condemned.
- 1.2 Combating corruption is one of the greatest challenges in many countries, and it also serves as a measure of the transparency and quality of new governance in legislative and government institutions and in public services.
- 1.3 Legislation and bodies established in certain countries to fight corruption must be extended and consolidated. The existence of independent, representative civil and social organisations is vital for public accountability of governance systems.
- 1.4 Democratic political change is resulting in encouraging reforms that need to be more far-reaching. In addition to institutional reforms, corruption needs to be combated in public services such as transport and public works, education, health, prisons, etc. Resources must not be used solely for security to the detriment of the fight against corruption.
- 1.5 The ENP commits the EU to graduating its relations with neighbouring countries according to whether democratic principles are effectively respected. The EESC calls on the EU to ensure that the Action Plans adopt this approach. The EU and its Member States must set an ethical example in fighting corruption both domestically and in their relations with partner countries.

- 1.6 The EESC calls on the EU to commit in particular to requiring its partners to respect ideological and religious diversity, the freedom of the press, judicial independence, equal opportunities for men and women and freedom of association.
- 1.7 The EESC calls for compliance with the ENP's priorities regarding cooperation on migration issues as well as: asylum; visa policies; and measures to combat organised crime, drug and arms trafficking, money-laundering and financial and economic crimes. The Action Plans must support judicial and prison reform and police and judicial cooperation.
- 1.8 Similarly, genuine compliance by the Euro-Mediterranean countries with the ILO core conventions defining "decent work" is a priority for the EESC.
- 1.9 The EESC undertakes to continue to support civil society organisations in the southern Mediterranean, and feels it is necessary for partner countries' governments, with the support of the EU, to implement training programmes to encourage the creation and consolidation of civil and social organisations. In particular, support is needed to foster social dialogue between employers and workers and, similarly, promote the role of women in the economic and business world.

## 2. **Corruption: a barrier to development and justice**

- 2.1 This opinion focuses on the southern Mediterranean countries, but it should be pointed out that political and administrative corruption extends to all continents (including the countries of the EU), as various prestigious organisations and agencies can testify and as is reported daily in the media.
- 2.2 The EESC can and must help civil society organisations in the southern Mediterranean in their current consolidation phase, providing support and solidarity. The European Union, too, through bilateral association mechanisms and ENP and Union for the Mediterranean instruments, must play an effective part in ensuring that the democratic principles laid down in the 1995 Barcelona Declaration are implemented in practice.
- 2.3 The social partners and civil society organisations of the Mediterranean region have a decisive role to play in ensuring that transparency and good governance practices take root in this new democratic era.
- 2.4 Corruption, in the sense of unlawful, precarious or abusive practice in local, regional or national governance, has developed in the various countries, particularly those with the highest poverty rates, but has become more acute in dictatorships.
  - 2.4.1 Accumulation of economic privileges by governing elites, nepotism, bribery, appropriation of state property and the siphoning-off of some of this into private accounts or investments are

some of the abuses which for decades were features of the political management of the recently deposed dictators and other leaders still in power.

Alongside systemic corruption, which is that mainly addressed in this opinion, corrupt practices have grown up in southern Mediterranean countries in certain private sectors and groups of individuals. Some of them are fall within the context of ordinary crime, such as the mafia networks based on corruption and violence that aim to establish a parallel society outside any institutional framework.

- 2.4.2 Corruption is very widespread throughout the world, as shown by the Transparency International (TI)<sup>1</sup> annual report, which gives 183 countries a score between 0 (highly corrupt) and 10 (highly transparent): over two thirds of these countries scored under 5. The countries of North Africa are located in the middle-to-bottom or bottom section of the list.
- 2.5 The effectiveness of the anti-corruption laws in certain countries has been blocked by those countries' practices of bribery and political control. It is generally too early to be able to assess the impact of the recent political changes, although it is already apparent in certain cases.
- 2.6 The problem of political corruption extends to different areas – both public and private – of the countries' life, affecting people's quality of life and engendering loss of rights, discrimination against communities and loss of resources through bribery or denial of legitimate access to employment, information or representation.
- 2.7 Moreover, the public sector suffers from lack of transparency regarding public funds on the part of political parties and administrations, opaque business accounts, barriers to the media's monitoring work and bribery of judicial or administrative officials.
- 2.7.1 Judicial administrations' lack of resources (and the misuse or siphoning-off thereof) has been highlighted by the United Nations Office on Drugs and Crime (UNODC) as a negative factor hindering the establishment of even minimum conditions of dignity in prisons, and contributing to a rise in crime.

### 3. **Corruption: a widespread problem in southern Mediterranean countries**

- 3.1 In southern Mediterranean countries corruption has become the norm, and certain corrupt acts are carried out almost openly with no fear of prosecution. Corruption affects the whole of society, including the economic and social sectors, and has gained ground, taking root in customs and common practices.

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<sup>1</sup> 2011 Corruption Perceptions Index, published in 2011.

- 3.2 The perception of corruption among the people of the southern Mediterranean countries is very high, according to studies carried out by a number of NGOs, in particular.
- 3.2.1 Three types of corruption are identified, according to the degree of condemnation by society:
- a) corruption involving acts condemned by all;
  - b) corruption involving acts condemned by only part of the population; and
  - c) corruption involving practices extensively tolerated by the population.
- 3.2.2 Public officials and politicians are among the most corrupt groups in society.
- 3.2.3 The health sector is one in which people resort to corruption most frequently. Often people are faced with the choice of paying bribes or not receiving the healthcare they need, despite the fact that they dealing with a public service.
- 3.2.4 In the justice sector, which is vital for society and the economy, corruption affects both the people of the country concerned and foreign investors. Many countries' corrupt justice systems hinder foreign direct investment.
- 3.2.5 Public administrations are a hotbed of corruption. Ways are found of enabling people to obtain jobs in the public administration who do not have the skills required to pass the competitive examinations.
- 3.3 *Other forms of corruption*
- 3.3.1 Occasional corruption aimed at obtaining a specific service: resort to corruption by a service user (whether natural person or legal entity), who is forced to pay in order to be allowed access to a service. "Petty corruption", which is sometimes tolerated, is also highly detrimental to society.
- 3.3.2 Mass corruption: corruption which is not formal. Those who practise it know that gifts and certain favours can facilitate contact and access to a service.
- 3.3.3 "Institutionalised" corruption: ongoing corruption which is ingrained and known to almost everybody. Users are aware of what is going on and know in advance the price they will have to pay for access to a service.
- 3.3.4 Negotiated corruption: this occurs in certain judicial and economic fields – in public procurement, for instance, or in the informal settlement of tax matters.
- 3.3.5 Corruption by "*fait accompli*". Entrepreneurs are often the victims of this kind of corruption. When they get to a certain stage in the implementation of their project, they are forced to pay to be able to continue with the project. Foreign investors also come up against this kind of

corruption, where they have to pay or, in some cases, take on a high-ranking official as local "partner" in order to be able to continue with their business.

- 3.3.6 The business community sees corruption as one of the greatest obstacles to developing a business in the southern Mediterranean. There are a number of countries where, despite very high public demand, very few businesses tender for public contracts. Most businesses are of the opinion that the award of contracts is a foregone conclusion.
- 3.3.7 Service-for-service corruption: corruption that does not involve cash but where a service or privilege is obtained.
- 3.3.8 Hierarchical corruption: certain services have a pyramid-shaped corruption structure. Each level of the hierarchical pyramid, starting with the lowest, takes its "cut", and the amount increases at each level of the hierarchy up to the top of the pyramid. In general, with this kind of service, appointment to posts can be sold for an amount depending on the estimated value of the "cut".
- 3.3.9 Planned, medium and long-term corruption: a form of "corruption engineering". In a given country a person may be appointed to a high or very high-level post to establish a personal wealth-acquisition plan based on corruption. This is achieved by diverting public resources for the sole benefit of an individual or group.
- 3.3.10 Political party corruption: in many countries votes are bought at election time. For many people, particularly in poor areas, electoral campaigns are a time for making money.
- 3.3.11 When talking about corruption people tend to focus exclusively on the public sector, but corruption is present in the private sector as well. For example, in clinics, certain favours are performed by staff in return for a payment which depends on their level of responsibility. Corruption is to be found in recruitment in private businesses.
- 3.4 Society in the southern Mediterranean is not inactive in fighting corruption:
- there is an awareness that corruption is not a "necessary evil" and that there are countries and systems in the world which operate without it;
  - associations are starting to form, not just to bring corruption to light but to explain its economic and social impact to the public;
  - several countries have taken the route of adopting new legislation to combat corruption;
  - people are becoming aware of the need to establish the rule of law, including the fight against corruption and privileges;
  - a number of elected representatives, including minority representatives, are coming onto the scene and putting the fight against corruption on the political agenda;
  - people guilty of corruption have been sentenced in a number of high-profile cases;
  - anti-corruption bodies have been set up in various countries.

4. **Corruption, a trigger for civil rebellion and a challenge for the Arab democratisation process**

4.1 The Conference of the States Parties to the United Nations Convention against Corruption (Marrakech, 24-28 October 2011) stated that the Arab Spring's call for greater democracy was "an emphatic rejection of corruption and a cry for integrity".

4.2 The democratisation movement has not yet reached all the Arab countries, nor has it been consolidated in the countries where authoritarian governments were overthrown. However, the rapid introduction of political pluralism has given the lie to the western cliché that the Arab peoples do not want democracy or are not yet ready to implement it. Civil society is at work in almost all the countries, taking part in the transition processes and calling for change to be implemented.

4.3 Despite the size and diversity of the Arab world, a common language and political and cultural heritage have facilitated the spread throughout the region of the democracy movement which started in Tunisia in late 2010, immediately followed by Egypt.

4.4 These processes of change have not all taken the same form or have the same effect. Several countries have held pluralist elections for the first time and formed governments on the basis of the will of the people, bringing about far-reaching political change. In other countries, peaceful protests have brought about major political reforms, although without changing the regime. In Syria, the dictatorial regime continues its violent repression of the opposition, with numerous casualties.

4.5 Similarly, civil society organisations, which were the main instigators of the protests, are trying to reorganise themselves and take advantage of the new prospects and promises of change.

4.5.1 For example, in Libya, where the political system has changed completely, organisations have emerged such as the Free Libyan Workers' Federation, an independent trade union federation replacing the official trade union structure of the Gaddafi regime. Similarly, in Egypt, the trade union monopoly of the ETUF has been broken with the creation of new confederations such as the EFITU and the EDLC.

4.6 Before the emergence of the democracy movements, the EESC noted that in the MPCs freedom of association was not guaranteed and a flourishing civil society was being held back by political and administrative hurdles.

4.6.1 It must be ensured that the past contradictions between the ratification of international agreements signed by governments and national laws which in practice restrict or obstruct them are eliminated.

**5. The role of the social partners and of civil society as a whole in the democratisation processes and systems for fighting corruption**

5.1 The Final Declaration of the Euromed Summit of Economic and Social Councils and Similar Institutions (Istanbul, 16-18 November 2011) stresses the need *to promote and consolidate the democratic transition process in the countries of the southern Mediterranean through (...) government institution building, the creation of independent judiciaries, shoring up of media freedoms and sustained efforts to fight corruption.*

5.2 We must see an end to the barriers to formation of associations and, above all, the corrupt practice of making people close to the government heads of associations with the aim of watering down their representative role.

5.3 It is essential to foster collective bargaining in the framework of social dialogue between employers and workers.

Actual implementation has yet to be consolidated, over and above mere (albeit important) ratification of the ILO conventions on decent work, which should be part of governments' commitments and government consultation of workers' and employers' organisations.

5.4 Consultative institutions such as those which already exist in a number of countries are essential to serve as channels for joint proposals from independent representative associations.

5.5 Institutional channels to fight corruption have been set up in several countries, such as Morocco's Central Corruption Prevention Authority. This body was set up in 2007 and civil society is involved in it. Organisations of consumers, service users, farmers, employers, women, trade unions and other sectors and groups concerned should also have a part to play in bodies monitoring health, prices, water management, immigration, social services, etc.

5.6 In general terms, social and civil players (trade unions, employers, associations, NGOs) play a key role, particularly when it comes to independent organisations, which in many cases are still in their infancy.

5.7 In the fight against corruption the role of the social partners<sup>2</sup> also differs according to the country. Their involvement takes different forms in the southern Euromed countries.

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<sup>2</sup> In the context of the Social Dialogue Forum, there is an agreement in principle for a campaign entitled Social partners opposing corruption and supporting good governance.



5.8 In certain countries, training and awareness-raising programmes have been developed. There is therefore still a need to promote and support large-scale programmes to reinforce the fight against corruption.

Brussels, 19 September 2012.

The President  
of the  
European Economic and Social Committee

Staffan Nilsson

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