

CORRUPTION PERCEPTIONS INDEX 2012

Corruption Perceptions Index 2012 Published 5th December 2012

Scores and ranks 176 countries and territories from around the world on the perceived level of corruption in the public sector.

**Calculated using an updated methodology
Presented on a scale of 0-100**

VERY CLEAN

9.0 - 10.0

8.0 - 8.9

7.0 - 7.9

6.0 - 6.9

5.0 - 5.9

4.0 - 4.9

3.0 - 3.9

2.0 - 2.9

1.0 - 1.9

0 - 0.9

No Data

HIGHLY CORRUPT

PRESS RELEASE 5TH DECEMBER

Governments should hear the global outcry against corruption

A growing outcry over corrupt governments forced several leaders from office last year, but as the dust has cleared it has become apparent that the levels of bribery, abuse of power and secret dealings are still very high in many countries. Transparency International's 2012 Corruption Perceptions Index shows corruption continues to ravage societies around the world. Many of the countries where citizens challenged their leaders to stop corruption –from the Middle East to Asia to Europe – have seen their positions in the index stagnate or worsen.

“Governments need to integrate anti-corruption actions into all public decision-making. Priorities to reduce the exposure to corruption risk include better rules on lobbying and political financing, making public spending and contracting more transparent and making public bodies more accountable to people. After a year of focus on corruption, we expected governments to take a tougher stance in 2012 against the abuse of power. The Corruption Perceptions Index results demonstrate that societies continue to pay the high cost of corruption.”

Huguette Labelle, the Chair of Transparency International.

PRESS RELEASE 5TH DECEMBER

The results

Two thirds of the 176 countries ranked in the 2012 index score below 50, on a scale from 0 (perceived to be highly corrupt) to 100 (perceived to be very clean), showing that public institutions need to be more transparent, and powerful officials more accountable.

Underperformers in the 2012 Corruption Perceptions Index include the Eurozone countries most affected by the financial and economic crisis. These countries are among the lowest scoring in the European Union, showing that perceptions of corruption are on the rise in Europe. In June 2012, Transparency International warned Europe to address corruption risks in the public sector to tackle the financial crisis, calling for strengthened efforts to corruption-proof public institutions.

“Corruption is the world’s most talked about problem. The world’s leading economies should lead also by example, making sure that their institutions are fully transparent and their leaders are held accountable. This is crucial since their institutions play a significant role in preventing corruption to flourish globally.”

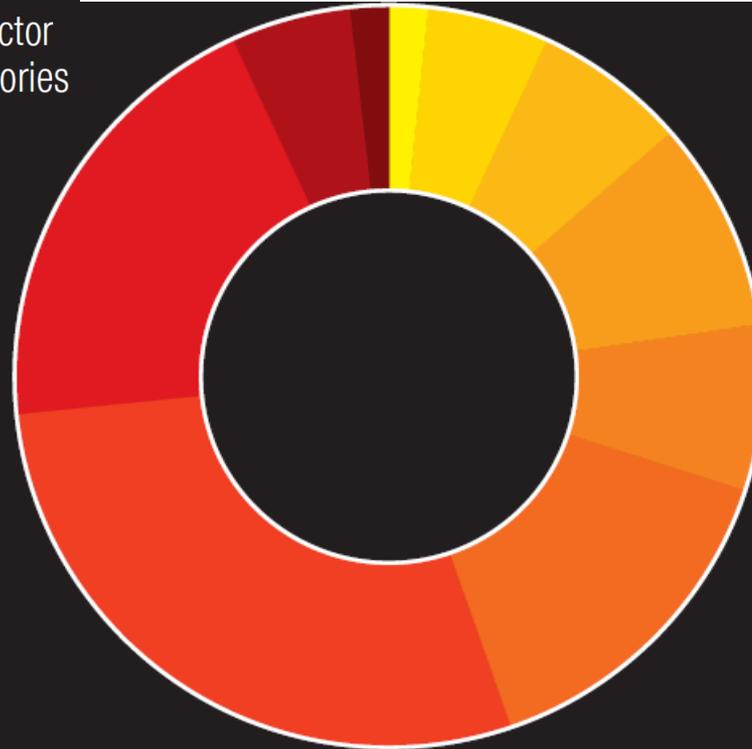
Cobus De Swardt, Managing Director of Transparency International

CORRUPTION PERCEPTIONS INDEX 2012

The perceived levels of public sector corruption in 176 countries/territories around the world.

43 is the average score worldwide.

70% of countries score less than 50 out of 100.



SCORE

Highly Corrupt

0-9 10-19 20-29 30-39 40-49 50-59 60-69 70-79 80-89 90-100

Very Clean

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VERY CLEAN

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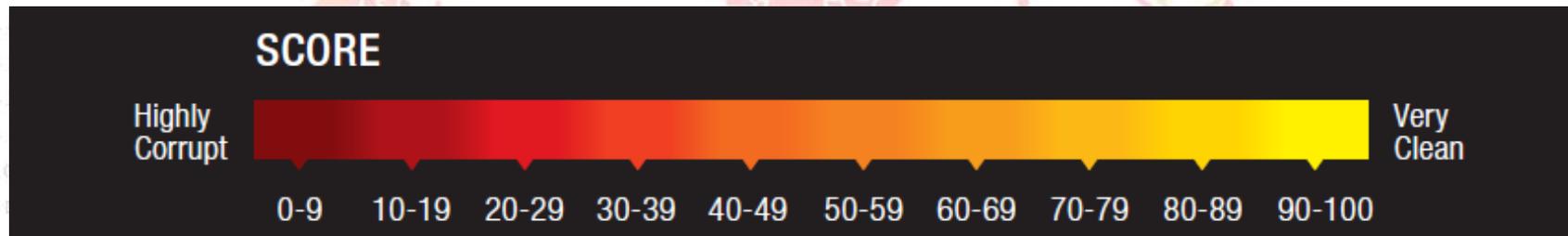
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HIGHLY CORRUPT

CPI 2012: THE TOP

Denmark, Finland and New Zealand tie for first place with scores of 90, helped by strong access to information systems and rules governing the behaviour of those in public positions.

RANK	COUNTRY/TERRITORY	SCORE
1	DENMARK	90
1	FINLAND	90
1	NEW ZEALAND	90
4	SWEDEN	88
5	SINGAPORE	87



VERY CLEAN
 9.0-
 8.0-
 7.0-
 6.0-
 5.0-5.9
 4.0-
 3.0-
 2.0-
 1.0-
 0-0.9
 No

HIGHLY CORRUPT

CPI 2012: THE BOTTOM

Afghanistan, North Korea and Somalia once again cling to the bottom rung of the index. In these countries the lack of leaders who are accountable and effective public institutions underscore the need to take a much stronger stance against corruption.

RANK	COUNTRY/TERRITORY	SCORE
172	MYANMAR	15
173	SUDAN	13
174	AFGHANISTAN	8
174	KOREA (NORTH)	8
174	SOMALIA	8

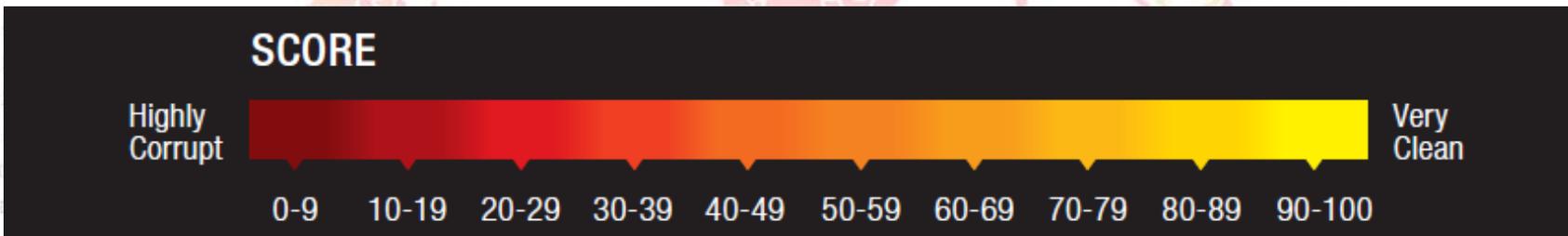


HIGHLY CORRUPT

CPI 2012: ROMANIA

Romania ranks 66th in the CPI 2012, following Kuwait, Lesotho and fellow EU member states such as: Croatia which ranks 62nd (46 score), Hungary which ranks 46th (55 score), and Poland which ranks 41st (58 score).

RANK	COUNTRY/TERRITORY	SCORE
64	LESOTHO	44
66	KUWAIT	44
66	ROMANIA	44
66	SAUDI ARABIA	44
69	BRAZIL	43



BACKGROUND

This year Transparency International has updated the methodology for the Corruption Perceptions Index, allowing for year-over-year comparisons for all editions published from 2012 onward.

To reflect the updates that have been made to the methodology, from now on the Corruption Perceptions Index is presented on a scale from 0 (highly corrupt) to 100 (very clean).

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No Data

HIGHLY CORRUPT

BACKGROUND: THE METHOD

STEP 1 – Select data sources

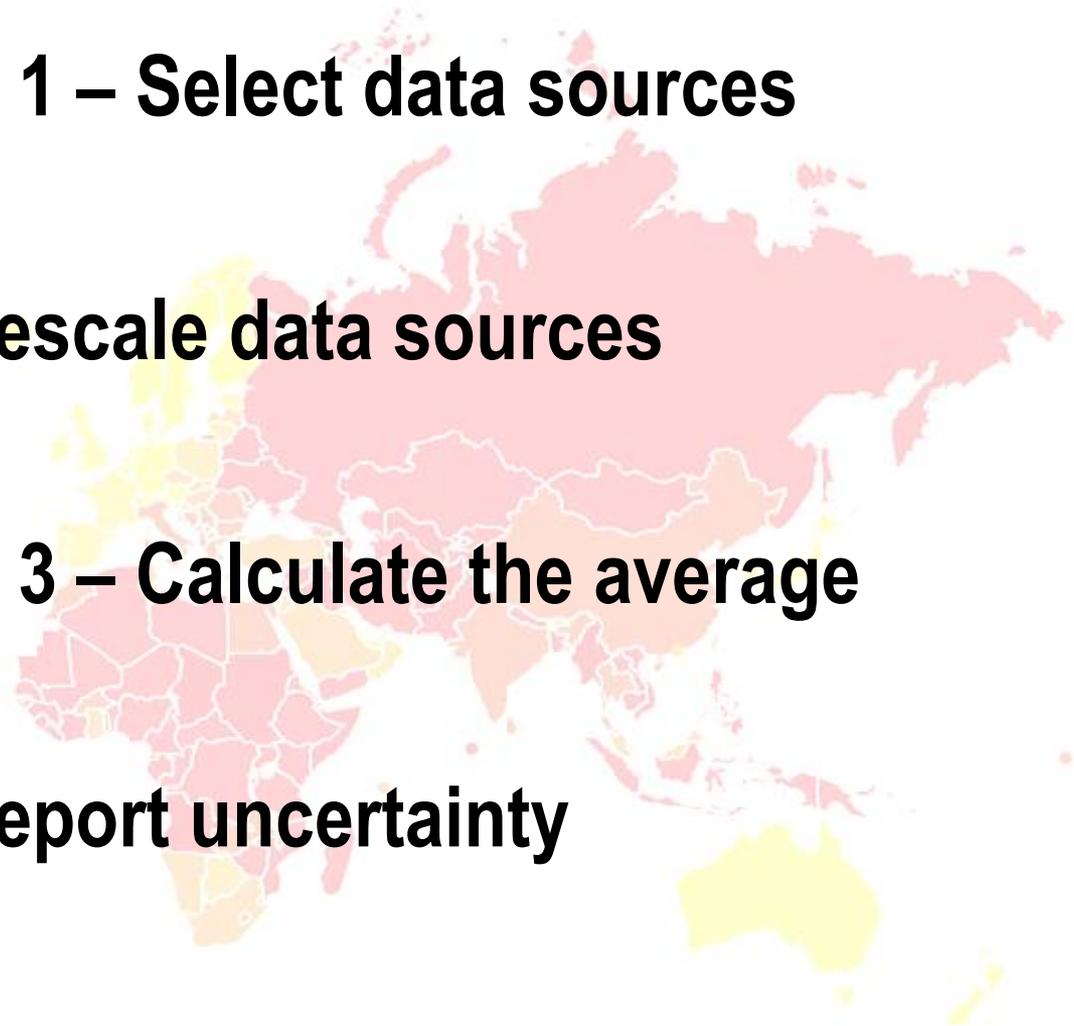
STEP 2 – Rescale data sources

STEP 3 – Calculate the average

STEP 4 – Report uncertainty



■ 1.0 - 1.3
■ 0 - 0.9
No Data



STEP 1 – SELECT DATA SOURCES

What makes a valid data source:

- A) Measures perceptions of corruption in the public sector**
- B) Reliable data from a credible institution**
- C) Cross-country comparability**
- D) Quantitative granularity**
- E) Comparison over time**

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HIGHLY CORRUPT

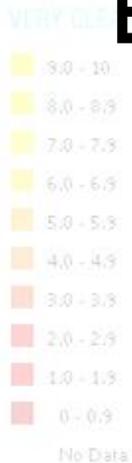
STEP 2 – RESCALE DATA SOURCES

A) Reverse your data (if necessary)

- Low number = Highly corrupt
- High number = Very clean

B) Standardise data to CPI scale (0-100)

- Set average equal to 45
- Fix the spread of data to have a max 100, min 0
(standard deviation 20)



STEP 3 – CALCULATE THE AVERAGE

At least three scores for each country

Simple average of scores

Each source counts equally (no weighting)

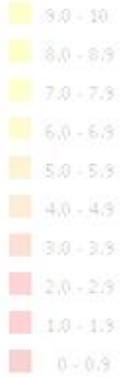


STEP 4 – REPORT UNCERTAINTY

To capture the uncertainty in the score

- **Calculate a measure for the spread of the source data**
- **Using the rescaled scores from each data source for each country/territory**
- **Report the standard error**
- **Calculate a 90% confidence interval**

VERY CLEAN



No Data

HIGHLY CORRUPT

INTERPRETING THE RESULTS

Score: Between 0 – 100, where 0 means highly corrupt and 100 means very clean.

Cannot be compared with 2011 score: **A change in score from 2011 does not reflect a change in perceptions of corruption between the CPI 2011 and CPI 2012.**

Rank: Out of 176 countries globally (can also use regional rank), a relative measure of perceived corruption.

A change in rank from the CPI 2011 to CPI 2012 could be driven by:

- change in country coverage from 2011 to 2012
- change in perceptions of other countries scored in 2011 and 2012
- changes in perceived corruption in that country

Therefore any change in rank position from 2011 to 2012 should be interpreted with great caution given the range of influencing factors listed above.

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HIGHLY CORRUPT

INTERPRETING THE RESULTS

Uncertainty:

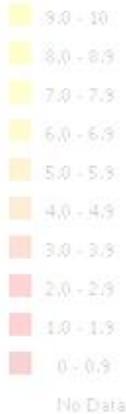
Number of sources: Between 3 (minimum) and 13 (total number of sources)

min/max: Captures the range of scores given to that country from all data sources

Standard error: Calculation of the distribution of the source data, taking into account both the range in values of each source and also the number of sources available for that country

90% confidence interval: Captures the uncertainty in the CPI score, by providing a range of scores that we have 90% confidence the CPI score falls between

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