



TRANSPARENCY INTERNATIONAL RELEASES THE CORRUPTION PERCEPTION INDEX 2006

Corruption Perception Index 2006

On November 6, 2006, Transparency International published the results of the Corruption Perception Index 2006, which ranks countries in terms of the degree in which business people and country analysts, both residents and non-residents, perceive corruption to exist in the public and political sectors. This year Georgia received 2.8 points (out of a total ten), ranking 99th among the 163 countries included in the survey.

In 2004, Georgia ranked 2.0 and in 2005—2.3. The 0.8 point improvement over the two year period is a significant increase in Georgia's score, indicating that important steps have been taken by the Georgian government since the Rose Revolution in November 2003. Nonetheless, with a score below 3.0, it is clear that there is still a perception of endemic corruption in the country.

Georgia's CPI score in 2006 is based upon results from six surveys released during 2005 and 2006: the *Country Policy and Institutional Assessment* (2005) by the IDA and IBRD, which assesses transparency, accountability, and corruption in the public sector through: a) the accountability of the executive to oversight institutions and of public employees for their performance, b) access of civil society to information on public affairs, and c) state capture by narrow vested interests; Freedom House's *Nations in Transit* (2006), which gauges the extent corruption is practiced in governments, as perceived by the public and as reported in the media, as well as the implementation of anticorruption initiatives; Merchant International Group's *Grey Area Dynamics* (2006), in which countries are assessed on 10 separate criteria, each of which represents a key factor in the success or failure of business in non-domestic markets, among them corruption; the *Global Competitiveness Report* of the World Economic Forum (2005 and 2006), which draws on a combination of publicly available hard data and the results of the Executive Opinion Survey, a comprehensive annual survey conducted by the World Economic Forum, together with its network of Partner Institutes in the countries covered by the Report; and the World Markets Research Centre's *Risk Ratings* (2006), which assesses the likelihood of encountering corrupt officials, ranging from petty bureaucratic corruption to grand political corruption.

According to Tamuna Karosanidze, Executive Director of TI Georgia, "The Georgian government effectively highlights the positive results of reforms that have already been implemented. However, there is still a problem of informing people in advance about what the government's future priority areas are and how to implement reforms in those sectors. As a result, there is less public participation in and support for current and upcoming initiatives than there should be." Georgia's score increased by 0.8 during the past two years because of the government's recent successful reform initiatives. In order for the Government's anti-corruption campaign to produce sustainable results and for public satisfaction to increase accordingly, efforts should be focused upon informing the public about the government's current activities and involving them in the process.

The TI Corruption Perception Index is a composite survey, reflecting the perceptions of business people and country analysts.

It focuses on corruption in the public sector and defines corruption as the abuse of public office for private gain. The CPI draws on 12 different polls from 9 independent institutions, and gathers data from sources that span the last two years. The CPI 2006 includes surveys from 2005 and 2006. All sources measure the overall extent of corruption, frequency, and size of bribes, in the public and political sectors.