I'm Frank Vogl, a co-founder of Transparency International, and I'd like to introduce you to the organization, a bit about its background, its history, its major challenges, its organization, and where we are in Transparency International today.

The last quarter century saw the development of anti-corruption civil society movements, rising media attention on the issue, major increases in academic research on the topic, and hosts of high-level conferences with official declarations.In January 2016, the United Nations Sustainable Development Goals came into effect, with Goal 16 explicitly committing governments to curb corruption. In May 2016, the first international summit dedicated exclusively to anti-corruption was hosted by Prime Minister David Cameron in London, and it concluded with a statement of principles that stated, and I quote, “corruption should be exposed, ensuring that there is nowhere to hide. The corrupt should be pursued and punished, and those who have suffered from corruption fully supported. Corruption should be driven out, wherever it may exist.”

Let's go back to the early 1990s. The rising questioning at that time was about the effectiveness of aid in a post-Cold War era. There was mounting visibility of NGO, non-governmental organization, protests already in the 80s against major institutions such as the World Trade Organization and the World Bank and the International Monetary Fund over environmental issues, over trade issues. And all of this had a great influence on Peter Eigen.

[Eigen] was a lawyer by training, a World Bank career officer, and the resident World Bank Director in East Africa, based in Nairobi. Peter was frustrated that his senior managers at the World Bank headquarters in Washington, D.C. did not want to hear about corruption. He was no less frustrated when he met with his counterparts in Nairobi, representing other international organizations and bilateral aid agencies. All of them took the view [that] dealing with corruption was just too political.

Peter knew that the effectiveness of foreign aid in reducing poverty was being undermined on a wholesale basis in so many countries, notably in Africa, where he had responsibilities because of corruption. He felt something had to be done about this. And so, in 1991 and 1992, he gathered together a small group of like-minded economic development experts and a few business executives to brainstorm what we could do about this problem.

[This gathering] led to the launch of Transparency International, an independent, not-for-profit, non-governmental organization, the first organization of its kind to seek to operate on a global basis with the sole mission of fighting corruption.

The first problem, of course, was, well, where do you base this organization? Peter and I had both worked for the World Bank, and we felt strongly that if we based the organization in Washington, D.C., it would be seen around the world either as an institution too influenced by the World Bank, or as an American organization.

The Berlin Wall had come down. Central and Eastern Europe were in turmoil in the early 90s, trying to figure out how to become democracies. We felt that basing the Transparency

International Secretariat in Berlin was incredibly valuable as making an important statement about the global nature that we wanted to see as our organization, and its anti-authoritarian mission, a pro-democracy mission, an anti-corruption mission.

One of the enthusiasts for launching TI was the then-managing director of one of Germany's major development agencies, the GTZ. Hansjörg Elshorst guaranteed a line of credit to the still-embryonic Transparency International. We then got further modest financial assistance from the Global Coalition for Africa, co-chaired by the then-Dutch Development Minister Jan Pronk, and by the former World Bank president, former U.S. Secretary of Defense, Robert McNamara, who stated at the time that the great mistake he made as president of the World Bank was that he never addressed corruption.

Peter Eigen resigned from the World Bank, and in February 1993, our small group met in The Hague at the invitation of Minister Pronk. There, he signed the Charter of Incorporation, which a lawyer came to the meeting from Berlin carrying the German Charter, because we incorporated under German law. We elected a board of directors, with Peter as chairman, and with former Bangladesh Justice Minister Kamal Hossain, and me as the vice chairs.

The critical support for TI and the character it assumed in its early years were defined by the inaugural conference in Berlin in May 1993. We had space for only 40 people, but word about the conference had already started to spread, and we received a range of surprising requests to attend from prominent and former and current officials like Bob McNamara, like General Obasanjo from Nigeria, like Uganda's Inspector General Ruzindana, and Ecuador's Vice President, Alberto Dahik, [from] senior foreign aid officials from numerous organizations, and from the international media as well.

In preparation for the meeting, British economist and TI co-founder, my colleague Lawrence Coldcroft, developed a paper that sketched the core objectives of TI. We saw TI as a coalition builder at the international and national levels to find constructive ways to curb corruption. TI would develop and promote standards of conduct for governmental and business institutions. It would raise public awareness of the corruption issue, and it would pursue research on corruption.

As very specific objectives, we decided at the outset to try and convince the World Bank that it had to make anti-corruption a top program priority, and we were no less determined to lobby across Europe for an international anti-bribery convention that criminalized the corporate payment of bribes to foreign government officials: a convention modeled on the U.S. Foreign Corrupt Practices Act.

The conference endorsed these objectives, but it went much further in highlighting a host of issues that became key to anti-corruption strategies for the next two decades. These [strategies] ranged from the need to campaign for forceful anti-corruption laws, to convincing business to adopt meaningful codes of conduct, to reforming the approaches of foreign aid agencies.

The formidable press coverage of the conference, and the message that we were determined to end, the message that the taboo in international and bilateral organizations of even publicly discussing corruption should end. That led to a flood of incoming faxes (Yes, the fax machine was our major tool. This was before email). We received these faxes from citizens in many countries who wanted to establish their own national chapters of TI.

The Bangkok Post, for example, ran a prominent headline that read, “World Watchdog Being Set Up to Help Fight Graft.” Similar headlines were in the Financial Times, stories in the Wall Street Journal, the New York Times, and many, many others.

We managed, right at the outset (learning, by the way, from the example of Amnesty International, which was created several years before) that early press coverage could have an enormously dynamic impact on creating a meaningful organization.

The media headlines validated a fundamental assumption that we had made when moving to established TI, against the background of a post-Cold War era, and rising public concerns about corruption.

Our timing was right. The Berlin Wall had fallen, as had the Soviet Union. Apartheid had fallen. Western governments were fundamentally reviewing the goals of foreign aid. Turning away now from just using aid, to a large extent, as a tool against the Soviet Union in the Cold War, to focusing much more on the goal of fighting poverty wherever it existed, and promoting democracy.

In November 1993, the then-Costa Rican president and Nobel Peace Prize winner Oscar Arias Sanchez, came to Berlin to support Transparency International. We were only a few months old. He came to address the Berlin opening of our office (a very small office at the time). He told a mostly German audience, and I quote, “Those that struggle in the name of open and honest government deserve not just our praise, but our active support. Often, leaders of these worthy movements must combat powerful and established elites, and they may seem, at first, like powerless Davids confronting Goliaths. But as events in much of Latin America in recent years have so visibly shown, the power of the people dare not be underestimated for a moment. The Davids can win. And let me stress, their success will be that much more secure if you get behind them.”

We were getting more and more endorsements from wonderful people like Oscar Aris. But at the outset, we had to build an organization. We had the good fortune to recruit, as our first managing director in Berlin, Jeremy Pope, a New Zealander with exceptional human rights credentials, who at the time was the General Counsel at the Commonwealth Secretariat in London. Eigen and Pope swiftly built a network across much of Europe, which was to serve as the basis for TI's future growth.

Pope created what came to be known as the Transparency International Source Book. It provided blueprints of the best anti-corruption practice in many areas of government, with chapters on parliamentary oversight, the roles of the judiciary, the need for a free press, and for

freedom of information laws, the importance of governments to establish general accounting offices, to monitor public sector procurement, and the need for anti-corruption commissions to serve as independent forces for reform and for justice.

The TI Source Book was the first report to clearly develop the concept of national integrity systems, which is now widely used by academics and officials, and is an across-the-board approach where no national agency or institution is exempt from oversight and accountability.

Let me stress that word, accountability. It is one of the great pillars of Transparency International. Wherever we operate in the world, we seek to hold government and business institutions, and other non-governmental institutions, if necessary, to account. It's a core part of our mission.

Work on the Source Book taught all of us that there is no single magic bullet to overcome corruption. Rather, there is no alternative to painstaking grassroots efforts on many fronts to make governmental activities transparent, to make public officials accountable to the people they are meant to serve, and to educate, starting in the schools, to establish ethical values when it comes to all aspects of the work of the public sector.

We define corruption as the abuse of public and trusted power for personal benefit. That definition gradually became the standard short definition in academia, in many governmental agencies, across the non-governmental organizations dealing with this issue. It was an early and important contribution by Transparency International.

We made significant efforts to build greater public understanding of the crimes of corruption across the world, and a major milestone came as we launched what we initially called the TI Corruption Index, and later renamed as the TI Corruption Perceptions Index, the CPI.

We launched it in 1995, just 2 years after we established Transparency International. There had never been such a league table before, ranking countries in terms of how corrupt they were seen to be, seen by businesses, and by the general public.

The idea of the CPI was that of a then-young German academic, Johann Graf Lambsdorff, who had proposed it to Peter Eigen and Jeremy Pope. We agreed to run with it. As Pope said, “the genie was out of the bottle.” I wrote a press release, not really knowing who would pick it up, and we therefore launched the TI Corruption Index.

We were deluged with press calls. The annual index, over time, has become the benchmark across the globe for politicians, media, academics, and investment analysts.

The very first publication of the index produced a lot of anger. Anger by governments.

In the Malaysian Parliament, a minister decried the fact that our CPI study had ranked Malaysia not at the top, but certainly well down amongst those countries perceived to have high corruption. The minister railed against TI, called us a Western American agency sabotaging the good name of developing countries in Malaysia. It was the first time that there had ever been a

discussion in the Parliament of Malaysia about corruption. That was an achievement. It opened a door that had been locked for so long.

Many governments condemned the CPI, and the more they did so, the more the media in those countries could report on corruption for the first time.

In Pakistan, Mrs. Benazir Bhutto was furious in the 1996 election campaign to find that in so many venues where she went to campaign, she would confront huge banners that read, and I quote, “Pakistan, the second most corrupt country in the world.”

We made a splash with the CPI, and have done ever since. Millions of people on social media and elsewhere download the CPI every year.

From the early days, we recognized that corrupt governments must, first and foremost, be challenged on a national basis by local civil society, grassroots organizations. We determined that our movement would consist of national chapters, supported by a Berlin Secretariat.

Each chapter would have a vote in our annual meeting, making it very clear that the chapters ran the organization, not the secretariat.

Our elections are contested. The board of directors seats are contested in these electoral processes. We have term limits, and therefore, for example, Peter Eigen and I both left the leadership of TI in the early 2000s. Both of us have remained very engaged as advisors, playing different roles at different times.

Sitting in Berlin in 1993, the new capital of a new unified Germany, Peter was determined to see anti-corruption organizations develop in the former communist countries. These efforts gathered momentum, when, once again, we were lucky, and we were able to recruit Miklos Marshall, a former deputy mayor of Berlin, the head of Civicus, the International Civil Society Organization.

Miklos joined us and swiftly started helping civil society get off the ground in Central and Eastern Europe and build TI chapters. For a few years, this effort was supported by George Soros' Open Society Foundation.

The legacy of communist oppression was a powerful incentive to many people in their 20s and 30s who wanted to open their societies, ensure that individual freedom was secure, and that everyone could participate freely in the political process. Miklos’ tireless work has contributed to the growth of more than 30 TI national chapters across the region, from Armenia and Albania and Azerbaijan, to Georgia, Hungary and Latvia, to Mongolia, Russia, Ukraine, and across the Balkans.

No achievement by TI compares to that of founding and helping to develop over 110 national chapters across the world today. Each has its own agenda, but each adheres to the core values of the global movement, and each contributes on a consistent basis to strengthening the global organization. Each chapter has its own story of struggle, strengthening the global organization in a way that combines to make it a real multiplier effect and a real force. We work with

independent media, we work with other civil society groups at the local level, the national level, the regional level, and globally.

Each chapter has built records of their own, and they owe much to their own founders. TI, built on the success of the CPI to develop a series of more specialized indicators.

We created a Bribe Payers Index for a few years, trying to measure [and] rank countries in terms of their bribe paying capacity. In other words, those are the multinational corporations that were headquartered in those countries.

We created a TI barometer to assess in greater depth issues of corruption in a range of countries, and with massive, public surveys.

These tools, alongside the annual TI Global Corruption report that we ran for about 20 years, influenced research in many quarters. It influenced the valuations of countries by aid agencies. And most importantly, influence the broad public debate about fighting corruption.

I believe that the influence TI has had on stimulating academic research and media interest across the world on the topic of corruption is arguably one of its major achievements. The CPI has helped greatly to establish TI's influence and profile, which, in turn, enhanced the young organization's ability to raise funds. Foundations and national age agencies were approached for money, and USAID was an early, generous supporter that influenced many other agencies.

Against this background, permit me to focus now on 6 areas, very briefly, where TI has worked so hard and achieved significant results: constructive business engagement, corruption and development assistance, foreign corporate bribery, corruption and security, transnational illicit finance, and finally, corruption and gender.

At the outside, we saw TI as a constructive partner in curbing graft. Not as an investigator, not as a body that would use its campaigning to shame individuals. We recognize that no area of corruption is greater than that of public procurement.

So, we set about setting up what Peter Eigen called Islands of integrity. Integrity pacts, where we would bring together the contracting government, businesses seeking the contracts, and civil society monitoring.

These pacts had a terrific influence. For example, the National Landmark Library in Riga, Latvia, used that system. Many other major contracts in many parts of the world used integrity pacts.

From the outset, we decided to work with corporations, not against them. We tried to create multi-stakeholder fora, and one of those, for example, is the Extractive Transparency Initiative, EITI.

Peter Eigen was the first chairman of EITI. [EITI is] involved in oil, gas and natural resources, mining and extractive industries. There are others today in the fish industry, in the textiles industry, in the construction industry, modeled on EITI.

The EITI idea came from Global Witness and other organizations, and we joined them, and it has been a success. It's one way in which you can work constructively to try and reduce corruption.

We kept pushing on the door of the World Bank. We were rejected at first, despite the fact that Peter and I had been senior officials there. But eventually, in June 1995, James Wolfensohn became president, and he was willing to listen to our pitch. By the spring of 1996, he invited a handful of us together to meet with the 25 lead managers of the World Bank Group for a whole morning's discussion.

At lunch after that discussion, Mr. Wolfensohn said he was sold, and he was now going to sell the executive board of the bank on the idea that, finally, they will discard this idea that corruption is too political for the World Bank, recognizing that unless they dealt with corruption, there would be major problems in the full implementation of World Bank projects and programs.

Let me fast forward, because thanks to Wolfensohn's initiative, in 1997, at a meeting of the finance ministers of the World Bank and the IMF, a declaration was finalized (Wolfenson was such a big supporter here) that called on all bilateral and multilateral aid agencies to recognize the importance of corruption in their programs. At the same time, the International Monetary Fund signed on to make anti-corruption a priority.

We had opened, I thought, Peter thought, the front gates, we hoped, to taking corruption seriously, the thing that Peter had been so concerned about in his early World Bank days, and so frustrated about. It was, I think, a major achievement.

At the very same time, TI worked with the International Chamber of Commerce, worked with the U.S. government, to support an initiative led by Secretary of State Warren Christopher to try to get the OECD to create an anti-bribery convention that mirrored that of the American Foreign Corrupt Practices Act.

We would lobby, we would go to the media, we would complain everywhere we could that it was wrong, for example, that German corporations could deduct their taxes, their bribes, rather, from their own taxes. This was shameful.

Our campaign, along with those of others, led to the passage of the OECD Anti-Bribery Convention, exactly 20 years after the Foreign Corrupt Practices Act of 1978. Now, today, more than 40 countries have endorsed and signed on to the OECD Convention, which criminalizes the payment of bribes by multinational corporations to foreign government officials. That, too, we thought, was an incredibly important decision.

In the late 90s, talking to Scandinavian aid friends and officials, Laurence Cockcroft, in London, convened a meeting at Cambridge University, a retreat, which she very nicely asked me to chair, that brought together outstanding experts in the area of defense.

The weekend meeting concluded that there was so much corruption in arms purchases, in contracts (very complicated contracts, very often) for international arms deals, that the agents

who were the intermediaries on so many arms deals, and the facilitators of bribes, were a major problem if we wanted to reduce corruption in defense. We recognized at that meeting at the same time, that in many respects, this whole area was so difficult to tackle because governments considered defense issues to be national security and then off-limits for the press and civil society.

We also recognize that corruption is so often a major factor in conflict. The result of that meeting was eventually to see the launch, in about 2001, of the TI Defense and Security Department based in London. It has, over the last 24 years, been a major advocate for many, many initiatives, many reports that have made the discussion of corruption and defense and security a mainstream topic in military academies, in universities, and many other places. It is another one of the initiatives taken by TI that I think we can claim has been carried forward by many organizations, sort of catalyzed by TI.

Over the last 20 years, TI has increasingly taken the lead in global action against money laundering. It was our UK chapter, national chapter, that stimulated, convinced David Cameron to hold the summit in 2016 on corruption, and thereafter, there was a major push, starting in the UK, quickly expanding to the European Union, many other countries, and eventually to the United States, to create government regulations to end these secret offshore holding companies that so often were the facilitators of dirty money, of illicit financial flows.

Beneficial ownership, finding out who were the true owners of these holding companies, became a major campaign for TI and for many other organizations, and it is so important to understand that there is always an enormous amount of illicit finance when major crime organizations and major kleptocratic governments are stealing on a massive scale, as indeed they are today.

Let me conclude by mentioning just one other area that I think is so important, and gets so little attention. It refers to sexual corruption.

TI has worked on many, many projects through its national chapters on healthcare and corruption, on education and corruption, on the environment and corruption, housing and corruption. None is harder to deal with than that of sexual corruption. The demand by powerful people, mostly men, for sexual favors rather than for money from very vulnerable women.

We are working hard to build awareness of this. Through the TI barometer, we conducted surveys that revealed just how pervasive this crime is. We are working with many organizations at the UN and others to try to build greater support for efforts to criminalize sexual corruption, to bring it again out of the darkness. Many of our national chapters are very engaged in this issue at this time.

And many of these chapters, on many of the topics that I've just talked about, come together every two years at the International Anti-Corruption Conference organized by TI. This is the largest gathering of anti-corruption activists in the world. Up to 2,000 people come, they

network, they discuss, they form new campaigns, they exchange ideas. The IACC is a terrifically powerful forum for motivating people, as well, to join the fight against corruption.

So let me conclude with just this final comment: organizations are only as powerful, and only as effective, as the determination and the passion of the people who work for them. We are blessed in TI to have a movement of so many chapters run by so many dedicated people.

But let me emphasize, in many countries, these people face the possibility of arrest, or worse. They are heroes. They are courageous.

[Boris] Nemtsov and [Alexei] Navalny were murdered for exposing Kremlin corruption. Jamal Khashoggi was murdered for speaking truth to Saudi Arabian power, and Daphne Caruana Galizia, who investigated crime and corruption at the highest levels of the government in Malta, was blown up in her car.

One of TI's newest national chapters is TI Malta, directed by one of Daphne's sons.

Thank you very much.