

Transparency International Corrupt Perceptions Index 2014

10 DECEMBER 2014

CATEGORY:
[ARTICLE](#)

The NGO Transparency International has published its annual Corrupt Perceptions Index ('CPI') for 2014, measuring the perceived levels of public sector corruption in 175 countries worldwide. The index, one of the key indicators of worldwide corruption, focuses on perceived corruption because of the difficulties in assessing and comparing illegal activity which remains largely hidden. Each country is given a single score on a scale from 0 (highly corrupt) to 100 (very clean) based on the expert opinion of business people and country experts from institutions such as the World Bank, the African Development Bank and Freedom House. The CPI focuses on bribery of public officials, kickbacks in public procurement, embezzlement of public funds and the effectiveness of public sector anti-corruption efforts. A high score indicates open government where the public can hold leaders to account, while a low score is a sign of prevalent bribery and lack of punishment for corruption.

69% of the countries surveyed scored below 50. The top four countries (perceived as the least corrupt) were Denmark (92), New Zealand (91), Finland (89) and Sweden (87), while the bottom four were Somalia (8), North Korea (8), Sudan (11) and Afghanistan (12). Australia has dropped down the rankings for the second year in a row to number 11 with a score of 80, while Turkey fell by 5 points to a score of 45, and China fell by 4 points to a score of 36. The UK is at number 14 with a score of 78, an improvement by 2 points over its score the previous year.

What this means for you

The CPI is relied on by companies calculating their risk exposure in respect of public sector bribery and corruption, and may influence their decisions about the countries in which they wish to operate. As such, the CPI increases pressure on national governments to combat public and administrative corruption. A comparison of the CPI over different years can indicate whether countries are improving or deteriorating in their efforts to combat public sector corruption. The Transparency International website allows users to compare countries directly, as well as offering analysis by global regions. Because of the limits in the scope of the CPI, businesses wishing to get a full picture of corruption in a particular country should refer to Transparency International's other reports such as the Global Corruption Barometer, Bribe Payers Index, Global Corruption Report, National Integrity System Assessments and Transparency in Corporate Reporting.