

**SYMPOSIUM ON ANTI-CORRUPTION MEASURES  
FOR THE CHINESE CONSTRUCTION SECTOR**

**BEIJING – CHINA – APRIL 2004**

Transparency International has materially strengthened its links with the construction sector in China after a successful visit to Beijing by Liao Ran and Neill Stansbury of Transparency International from 12th to 15th April 2004.

A two day anti-corruption symposium for the construction sector was held at Tsinghua University, Beijing on 13-14th April 2004. It was jointly organised by Tsinghua University, Transparency International, and the International Chamber of Commerce. It was attended by over 100 senior officials from various Chinese organisations, including the Vice Minister of Construction, officials from the Ministries of Construction, Railway, Finance, and Water Resources, the Beijing Organising Committee for the 2008 Olympics, and representatives of numerous government departments, construction companies, banks, surety companies and law firms from various regions of China. The purpose of the symposium was to discuss surety bonding, and international best practice in the prevention of corruption in the construction sector. On the second day of the symposium, Transparency International led a full day workshop during which officials were instructed in methods of identifying and preventing corruption in the construction sector. Methods of prevention discussed included corporate ethical codes, professional ethical codes for individuals, enhanced due diligence, integrity pacts, independent assessors, and blacklisting.

The anti-corruption symposium attracted considerable press interest in China, and was reported on in both the “China Daily” newspaper and on a major national television channel.

On 15th April, representatives of Transparency International and Tsinghua University’s Anti-Corruption and Governance Research Centre had meetings to discuss anti-corruption measures with the Vice Minister of Supervision, senior officials from the Supervision Institute of China, and the Beijing Organising Committee for the 2008 Olympics.

From discussions held during the symposium and meetings, it was made absolutely clear to Transparency International that the Chinese Government regards the prevention of corruption in the construction sector as a matter of the highest priority. In particular, the aim of the Beijing Olympic Organising Committee is to make the US\$16 billion construction project the most corruption-free Olympic construction project ever. Procedures being put into effect in relation to the construction of the Olympic facilities include requirements that tenders should be advertised, that contractors should be selected by competitive tendering, that tenders should be presented sealed and be publicly opened, that tender assessments should be carried out by panels of independent experts who provide written reasons for selection, that officials should be governed by ethical codes, and that whistle blowing and complaints hotlines should be established. Project costs are to be audited twice a year, with the results published on the internet. The Audit and Supervision Department has the right to inspect all contractors’ records and interview their staff at any time. The head of a department will be disciplined if there is an integrity failure by a member of the department. Penalties for corruption are extremely severe, and will be enforced.

Despite the above steps, the Chinese officials made it clear that they have no doubts about the enormity of the task facing them. Corruption is a serious problem in China. However, it was also made clear to Transparency International that it is not only corruption by Chinese companies

which is being targeted. Concerns were expressed that some Western contractors and consultants bidding in China were suspected of having appointed agents for the purposes of paying bribes.

Transparency International has agreed with representatives of the Beijing Olympic Organising Committee, the Supervision Institute of China, Shenzhen City and Tsinghua University's Anti-Corruption and Governance Research Centre that it will continue a dialogue on best international anti-corruption practice. This dialogue will be two way. While Transparency International can pass on many ideas to China, it is quite clear that there is also a great deal that can be learnt from China.

Neill Stansbury – Transparency International (UK)  
21.04.04