

GLOBAL CORRUPTION INDEX 2019

Measure
of risks
For 199 countries

In order to provide compliance officers with the appropriate tools, Global Risk Profile has developed a unique measure of worldwide corruption.

The Global Corruption Index (GCI) allows the identification and classification of a party's risk exposure depending on its geographical localization, in compliance with current legal requirements such as the French law "Sapin II". The GCI is based on 28 open source datasets that exclusively originate from internationally recognized entities.

With the objective to allow users to evaluate and compare country results between them, data were standardized and aggregated to a 0-100 scale, where 0 corresponds to the lowest risk and 100 corresponds to the highest risk.

Encompassing as much as 199 countries and territories, the Global Corruption Index stands out for its global approach. Its results display the risk exposure deriving from both the public and private sectors. The GCI also includes issues related to white collar crimes, and more specifically to money-laundering and terrorism financing.

Dynamic and functional, the Global Corruption Index can be adjusted depending on the specific issues or challenges faced by anti-fraud professionals. A flexible and easy to adapt weighting is provided, allowing a focus on more sensitive indicators.

As corruption can't be directly estimated, it is a challenging dimension to measure. In this regard, the GCI relies on various methods for collecting data reflecting the variety of ways available to estimate corruption, to further the objective of providing our clients with estimates as close as possible to real values. These methods notably include both soft data obtained through surveys (of perception, of experience) and hard data collected at the state or supranational level.

6 indicators are considered to calculate the GCI, 4 focused on corruption and the last 2 on white collar crimes:

1. The ratification status of key conventions (OECD, UN)
2. The level of perceived public corruption (Transparency International's Corruption Index, World Bank data, World Justice Project Organisation data)
3. The reported experience of public and private corruption (Transparency International's Global Corruption Barometer, World Bank's Enterprise Survey)
4. A selection of country characteristics closely linked to corruption
5. Membership to FATF and / or related bodies
6. Money laundering and terrorism financing

Country characteristics are meant to capture prevention mechanisms, related effects, causal effects and consequential effects, with the objective of unearthing latent corruption information. This indicator is divided into 4 groups of data:

- Citizen's voice and Transparency
- Government Functioning and Effectiveness
- Judicial Context
- Political Context



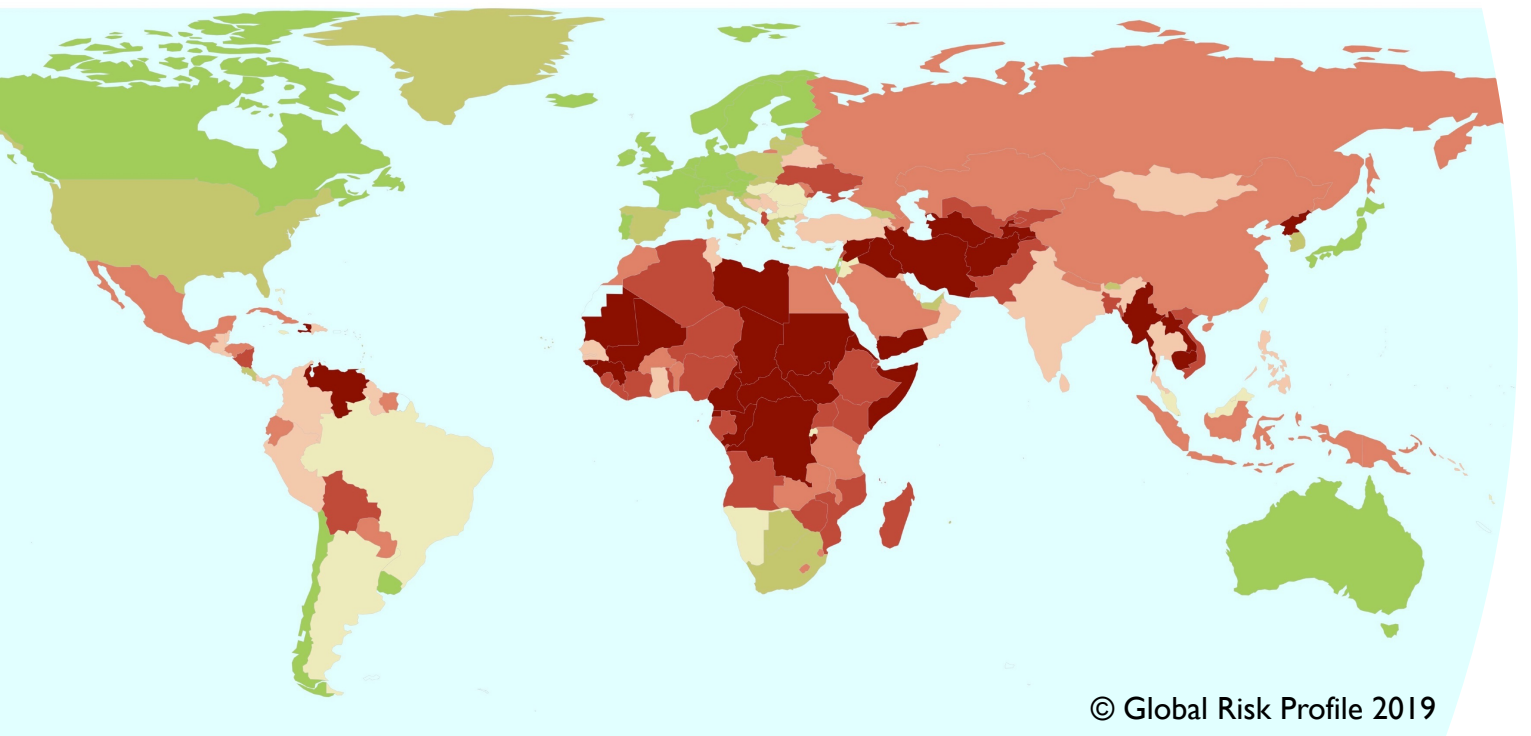
GLOBAL CORRUPTION INDEX 2019
BY GRP

Evaluates **199** countries based on **28** carefully selected datasets that exclusively originate from **9** internationally recognized entities :

- The UN
- The World Bank
- The FATF
- Transparency International
- The OECD
- The World Justice Project Organisation
- The Economist Intelligence Unit (EIU)
- The Basel Institute on Governance
- The International Budget Partnership (IBP)

Risque Faible

Risque Elevé



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Our measure considers **6** different indicators grouped together in order to expose the hidden level of corruption for each country considered:

- Ratification Status of Key Conventions
- Corruption Perception
- Corruption Experience
- Country Characteristics
- Membership to FATF and / or related bodies
- Money laundering and terrorism financing

Ranking Overview

Where are your partners located ?

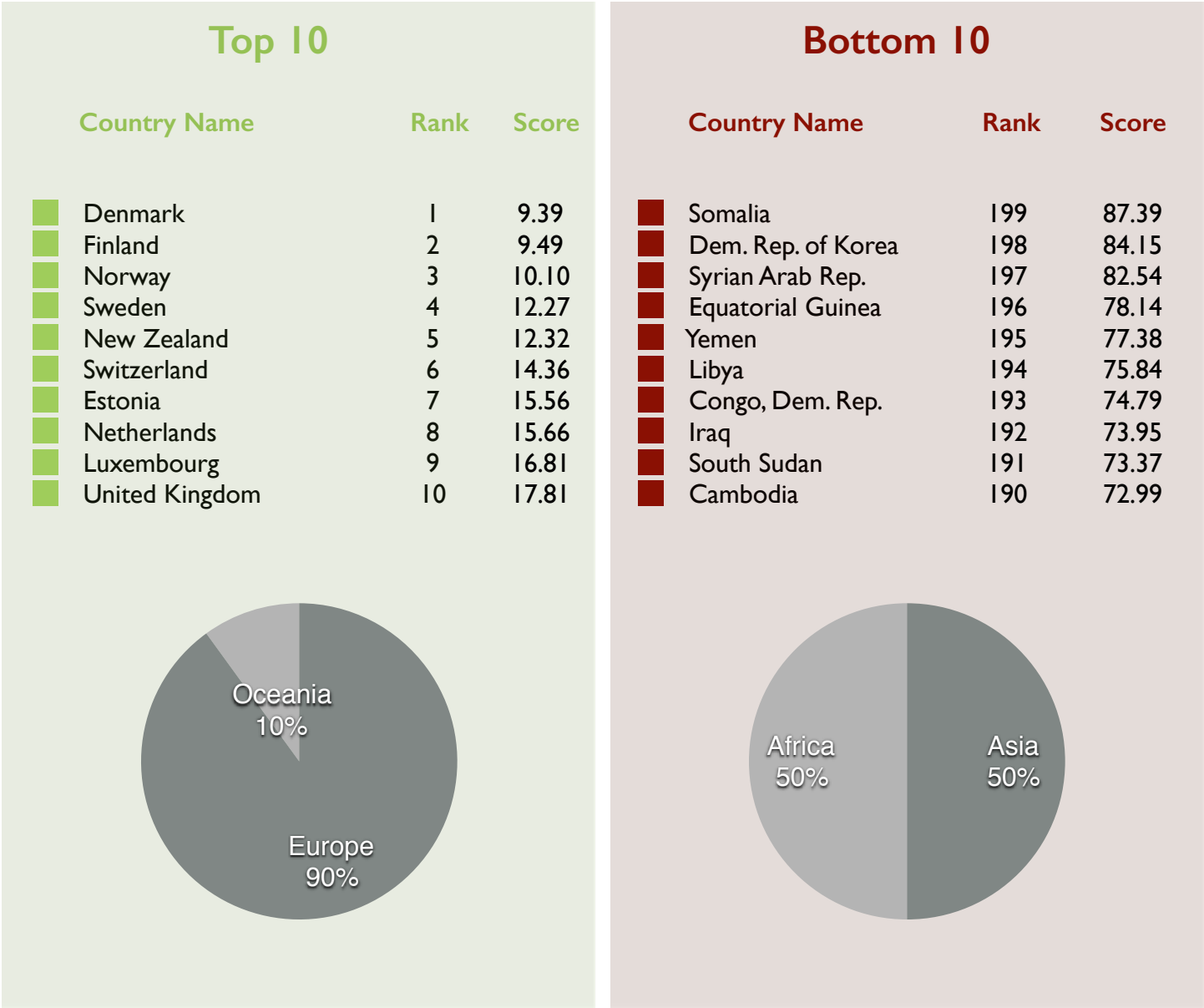
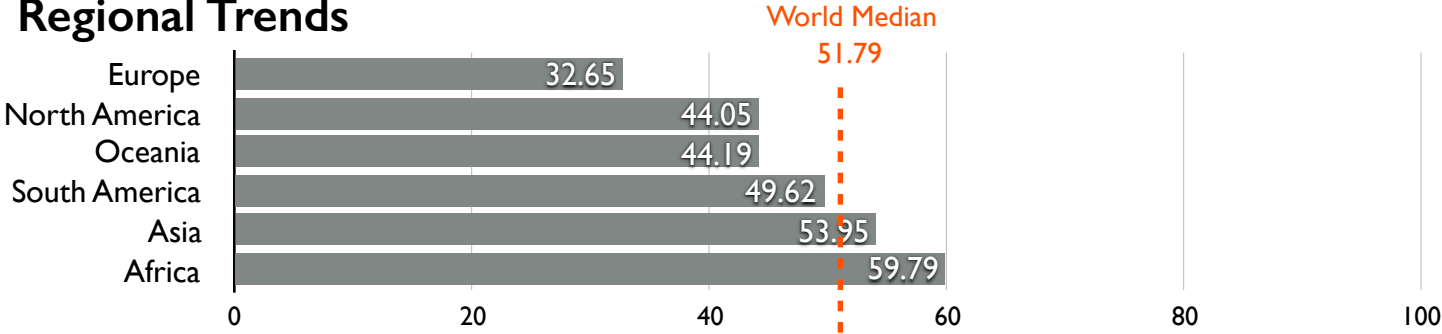


FIGURE I

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Regional Trends



Regional Contrasts

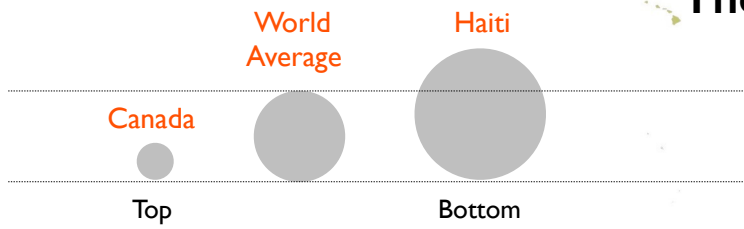
Top and Bottom Scores



North America

Analysis of top and bottom scores indicate that 7 North American countries out of 26 lie within the first quartile (top 25%) of the Corruption Index and two countries (Nicaragua and Haiti) appear among the 25% less performing.

Regional H-spread: 54 ranks



South America

Among the 12 countries considered in South America, two countries, Uruguay and Chile, appear in the Top 25% of the Corruption Index while only one (Venezuela) figures in the bottom 25%.

Regional H-spread: 48 ranks

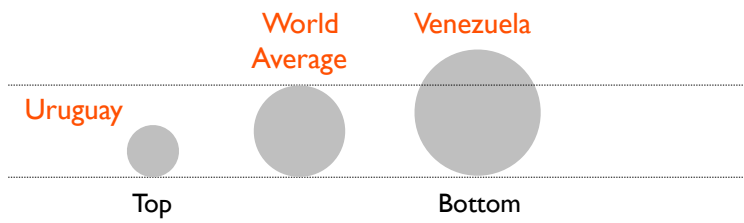
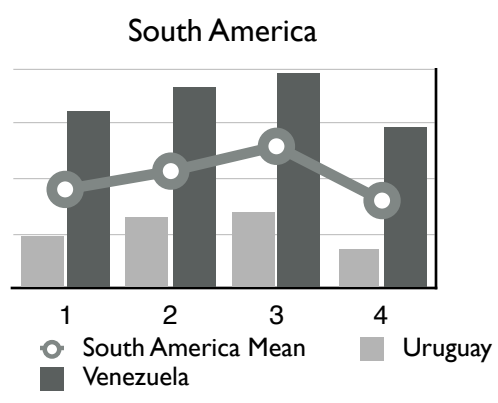
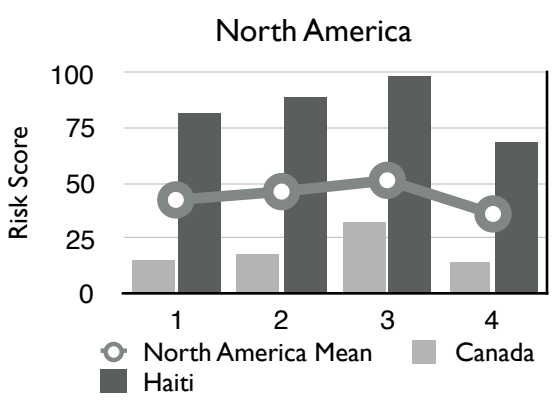


FIGURE 2
Country Characteristics

- 1: Citizen's Voice and Transparency
- 2: Government Functioning and Effectiveness
- 3: Legal Context
- 4: Political Context



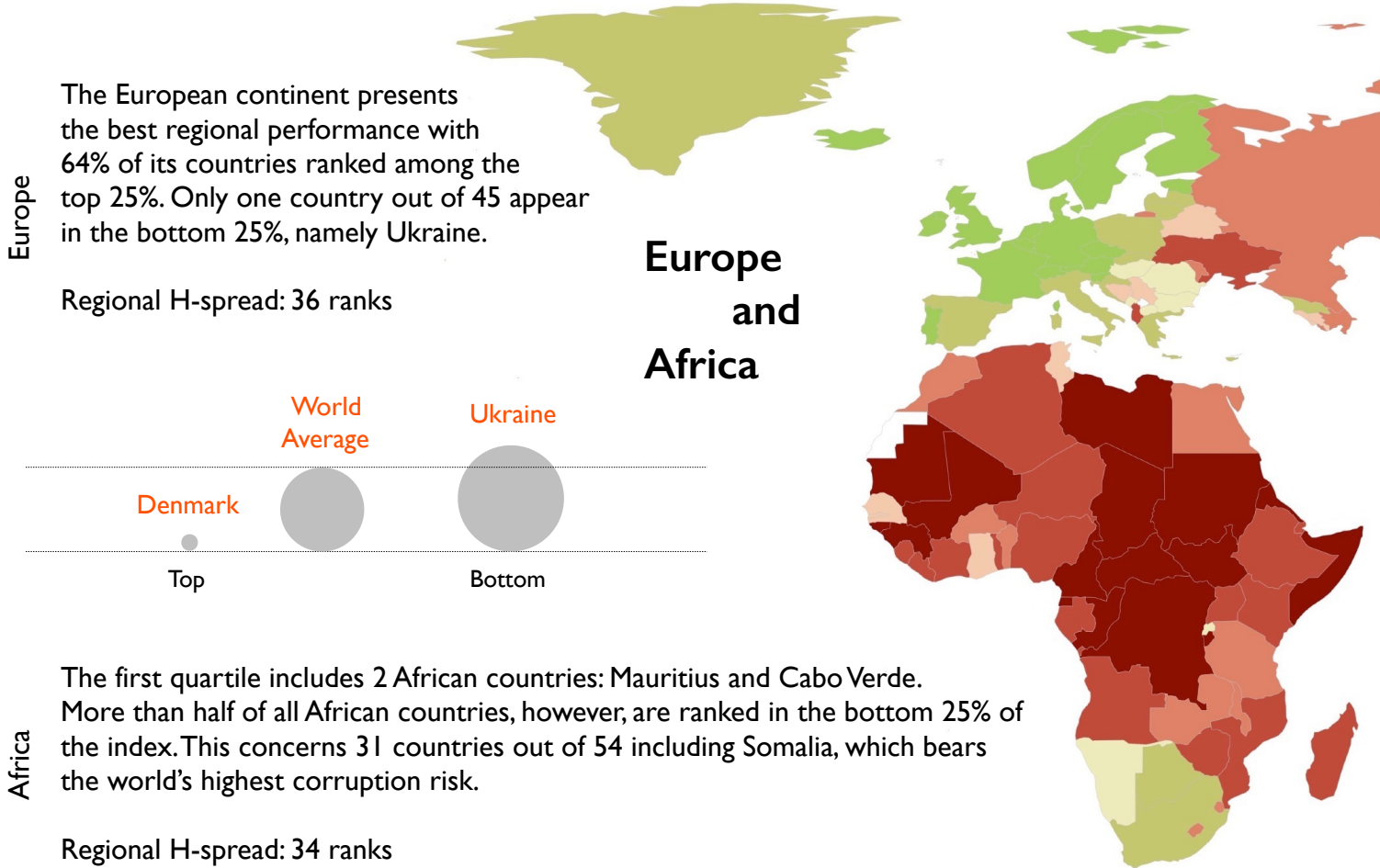
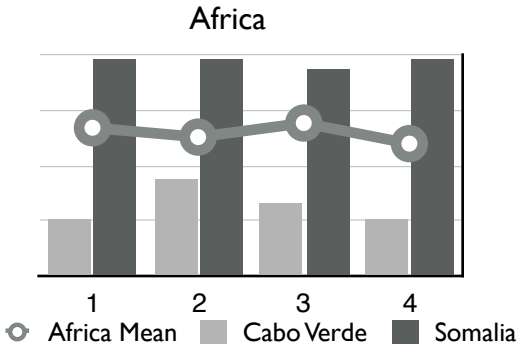
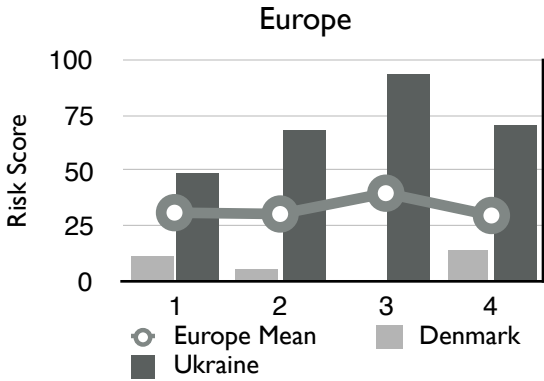


FIGURE 3
Country Characteristics

1: Citizen's Voice and Transparency
2: Government Functioning and Effectiveness

3: Judicial Context
4: Political Context

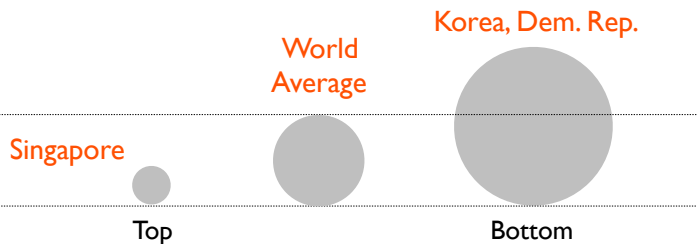
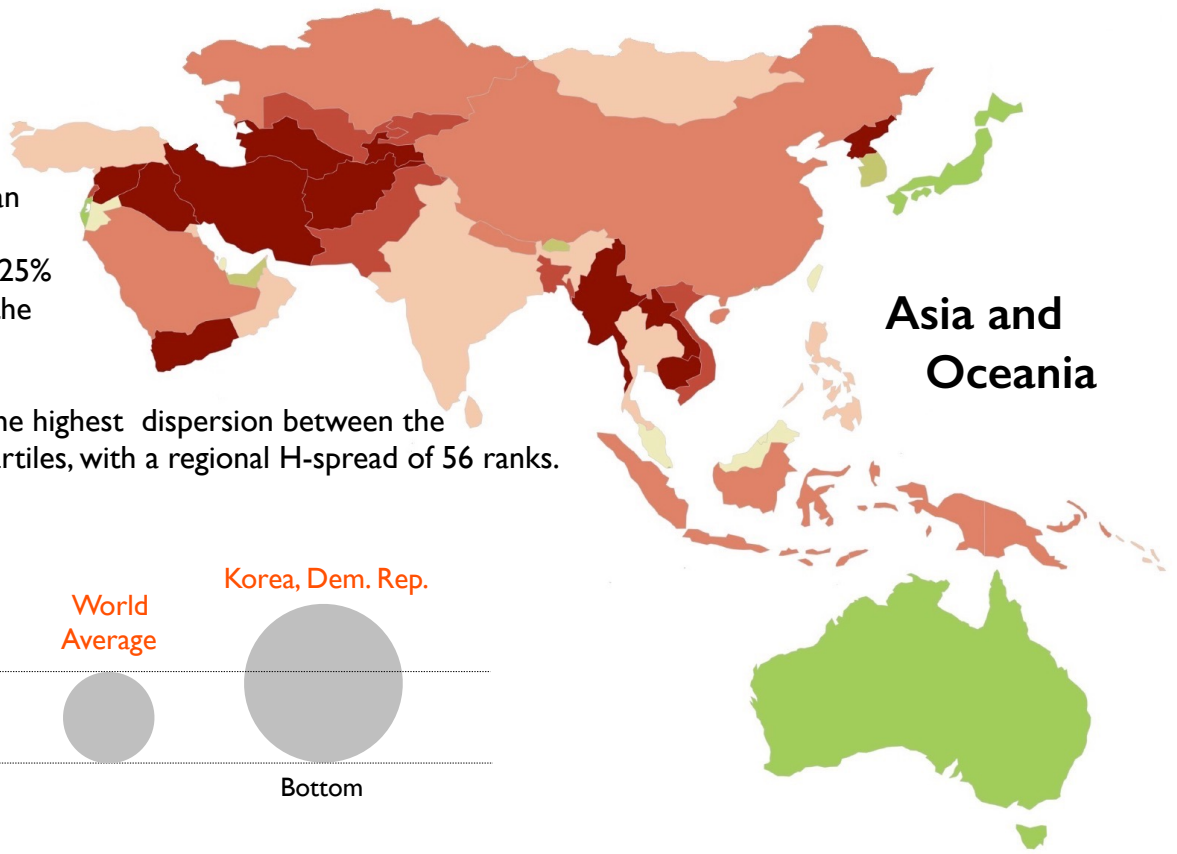


Asia

9 out of 46 Asian countries rank among the top 25% and 17 among the bottom 25%.

Asia presents the highest dispersion between the 1st and 3rd quartiles, with a regional H-spread of 56 ranks.

Asia and Oceania



Oceania

Oceania comprises 16 countries. New Zealand and Australia are the countries listed in the top 25%, and no country figures as extremely risky in terms of corruption (bottom 25%).

Regional H-spread: 40 ranks

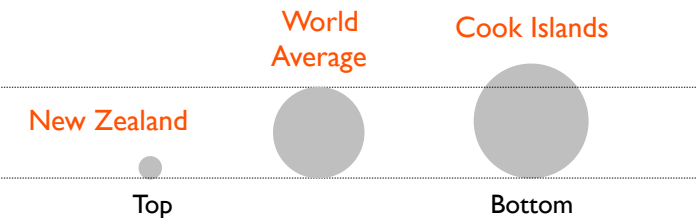
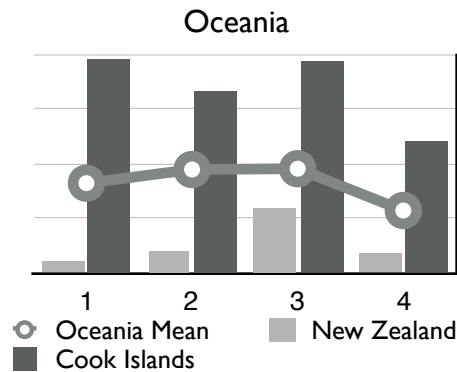
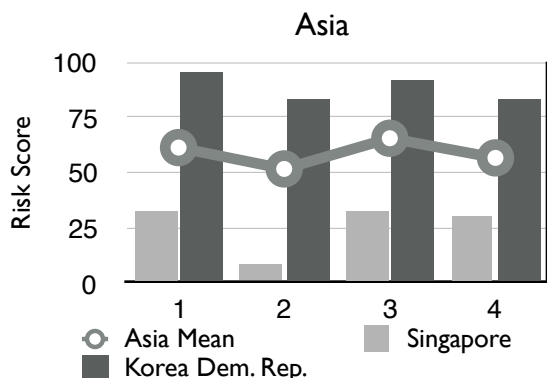


FIGURE 4
Country Characteristics

- 1: Citizen's Voice and Transparency
- 2: Government Functioning and Effectiveness

- 3: Judicial Context
- 4: Political Context



WHY GRP ?

Since 2009, we specialize in third party risk management, with Due Diligence at the core of our activities.

Our services cover a wide range of corporate needs, ranging from integrated compliance solutions to Due Diligence investigations with various coverage and scope, that can be easily integrated into any compliance process.

Our client service is enhanced by our geographic proximity to European companies. Always ready to meet our clients in person, we do our utmost to deliver a quality service.

We apply the highest standards in terms of confidentiality and data protection.

Attentive to our clients' needs, we continuously create and develop new solutions as well as offer customized services.

Many European leading firms have already found in our solutions a safeguard against threat risks and a convenient way to address regulatory requirements.

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