



*Statement of Transparency International USA
On the Nomination of Ambassador Robert Zoellick
As President of the World Bank*

Washington, DC, June 12, 2007: The nomination of Ambassador Robert Zoellick as president of the World Bank comes at a critical juncture. The Bank is at a crossroad with different views on how to best achieve its critical mission of alleviating poverty and how to address the challenge presented by corruption. Jim Wolfensohn and Paul Wolfowitz gained acceptance for the principle that corruption is the major impediment to development and the Bank cannot alleviate poverty without fighting corruption.

While the Bank has taken steps to improve accountability for its funds and in the countries where it operates, it still has a considerable distance to travel in institutionalizing a serious attack on corruption and many disparate views within the Board, staff, and management over the most productive and appropriate approach. While the next president will have to reconcile these differences, he will have to make clear from the outset that the Bank's success in alleviating poverty depends on moving the anti-corruption agenda forward.

News coverage since his nomination indicates Ambassador Zoellick intends to build on the Bank's anti-corruption reforms. This is a welcome signal and consistent with his record as United States Trade Representative. In this capacity, he presided over the conclusion of numerous trade agreements that included actionable requirements for anti-bribery legislation, whistleblower protection, and legal and regulatory transparency, particularly in the expenditure of public funds. These requirements are among the most important building blocks of an effective program against corruption.

If approved as president by the World Bank board, Ambassador Zoellick will have an important opportunity to make further progress in a global context. The Bank needs vigorous implementation of the governance and anticorruption strategy approved by its board earlier this year. Ambassador Zoellick has a track record of building consensus and producing results, skills that will be of great value at the Bank.

Real progress will require the new president to secure support for adequate financial and human resources, positive incentives, and clear timelines and benchmarks for anti-corruption programs. He will have to deepen engagement with citizens in the countries where the Bank operates, insist on borrower and Bank transparency, and even halt loans when evidence of corruption emerges. He will need to focus on prevention but retain a credible threat of consequences provided by a strong and independent investigations unit. Throughout, he must ensure that the poor receive the assistance they need even in challenging circumstances.

Ambassador Zoellick's track record raises hope that billions living in poverty and those in donor countries who care about their welfare will have a champion and ally in the Bank. Fulfilling this hope will depend on his ensuring that fighting corruption remains an integral part of the Bank's broader development agenda. We are encouraged by his record and his outreach to diverse stakeholders and offer our cooperation in meeting the challenges ahead.