

**Group of 10 Non-Governmental Organizations Urge Congress to
Include Critical Anti-Corruption Measures in Future
Coronavirus Response Packages**

April 9, 2020

The Honorable Mitch McConnell
Majority Leader, U.S. Senate
17 Russell Senate Office Building
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader, U.S. Senate
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker, U.S. House of Representatives
1236 Longworth House Office Building
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader, U.S. House of Representatives
2468 Rayburn House Office Building
Washington, DC 20515

**RE: Support for the Inclusion of Four Anti-Corruption Initiatives in Coronavirus
Response Package (H.R.3843/S.3026, H.R.3441, H.R.4140, and H.R.4361)**

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy,

We, the undersigned non-governmental organizations, write to express our support for four bipartisan, budget neutral, anti-corruption initiatives that would help reduce the threat of corruption and graft in the wake of the coronavirus crisis. These measures are critical to ensuring corrupt and criminal actors are unable to leverage this global pandemic for their own malign interests.

We have seen time and again how the corrupt are able to line their pockets in times of social and political unrest. Approximately \$455 billion of the \$7.35 trillion spent on healthcare around the world each year is lost to fraud and corruption.¹ During the 2014 Ebola outbreak, the International Red Cross estimated over \$6 million of assistance was lost to corruption.² As hospitals struggle to cope with the coronavirus and face rising shortages in staffing, beds, ventilators, and other equipment, the risk of bribery becomes a major concern. Immediate U.S. action could apply the lessons of prior crises and protect millions of lives.

For the U.S. to confront this threat domestically and abroad, we must resource and streamline U.S. efforts to strengthen the rule of law (H.R. 3843/S. 3026), end impunity for foreign corrupt officials (H.R. 4140), expose the names and misdeeds of kleptocrats around the world (H.R. 3441), and shine a light on ill-gotten gains hidden in the United States (H.R. 4361). Taken together, the inclusion of these bills in future coronavirus response packages would represent a decisive step to root out the corruption that threatens to undermine the U.S. government's response to the coronavirus. As a demonstration of the wide appeal and alignment with the values of human rights, democracy, and the rule of law, all of the aforementioned bills are supported by the bicameral and bipartisan U.S. Helsinki Commission.

As a result of what we have learned from multiple global investigations, we are deeply concerned by the gaps in international efforts to combat corruption. Most essentially, the Countering Russian and Other Overseas Kleptocracy (CROOK) Act (H.R. 3843/S. 3026) would establish an Anti-Corruption Action Fund to provide surge support to countries attempting to fight graft who may face new challenges as the coronavirus crisis accelerates. It would also establish an anti-corruption interagency working group and anti-corruption points of contact at every U.S. Embassy worldwide. This legislation rightfully attempts to provide agencies and U.S. diplomatic forces with the investigative, prosecutorial, and judicial tools they need to bolster cross-jurisdictional collaboration to address these gaps.

To curtail the increased potential for bribery, the package should also include the Foreign Extortion Prevention Act (H.R. 4140), which would expand current federal bribery law to cover any foreign official who “corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value” to influence an official act. This measure would deter cross-border bribery schemes involving vital medical equipment or supplies by addressing the ‘demand side’ of corrupt deals, and thereby protect U.S. companies from abuse.

The foreign government officials who benefit from such corruption schemes, often referred to as kleptocrats, depend on their ability to remain anonymous in order to spend their ill-gotten gains

¹ <https://www.ncbi.nlm.nih.gov/books/NBK535646/>

² <https://media.ifrc.org/ifrc/ifrc-statement-fraud-ebola-operations/>

and perpetuate networks of corrupt influence. Most kleptocratic systems in the world exist, in large part, because the beneficiaries of the system remain anonymous. Anonymity gives kleptocrats unencumbered access to global markets -- even during a global pandemic -- and allows them to purchase luxury and scarce goods, buy and sell real estate, and perpetrate further acts of corruption. The Kleptocrat Exposure Act (H.R. 3441) will provide the Secretary of State with the authority to disclose the names of foreign nationals who have been barred from entering the United States as a result of their involvement in human rights abuses, significant acts of corruption, and other malign activity, thus exposing the world's beneficiaries of corruption at a time when transparency is urgently needed.

The U.S. is a global leader in investigating and prosecuting corrupt foreign officials engaged in bribery and embezzlement, and it is important that we remain vigilant in identifying stolen assets after confiscation. Correspondingly, there must be avenues for the victims of kleptocracy to access information on missing or stolen assets. Left unaddressed, these concerns could generate resentment at a time when China and other strategic rivals are attempting to position themselves as anti-corruption leaders and major sponsors of aid and development projects. The Justice for Victims of Kleptocracy Act (H.R. 4361) would put pressure on authoritarian regimes by directing the U.S. Department of Justice to clearly list on a website the total sums that have been stolen by kleptocrats from countries around the world and recovered by the U.S. The bill would also express the sense of Congress that this money should be returned to these countries once legitimate democratic governance structures are in place, sending a powerful message that the U.S. stands for transparency and the rule of law, even in times of turbulence.

It is critical now more than ever to empower U.S. action against corruption in the fight against the coronavirus. The pandemic should not be an opportunity for kleptocrats, corrupt officials, and other bad actors to profit. In order to curtail potential avenues of corruption and prevent some of the world's worst criminals from profiting from this global crisis, a holistic approach must be taken. U.S. government agencies and the intelligence community must work together to unpack the complex schemes used by bad actors to take advantage of this massive public health crisis.

We believe the inclusion of these bills (H.R.3843/S.3026, H.R.3441, H.R.4140, and H.R.4361) in future coronavirus response packages would foster the coordination necessary to help end this global pandemic and ultimately lessen its impact on citizens and the world.

Sincerely,

Accountability Lab
Coalition for Integrity

Freedom House
Global Financial Integrity
Global Witness
Human Rights First
Institute for Policy Studies - Program on Inequality
Jubilee Network USA
Oxfam America
Transparency International - U.S. Office