

**GOVERNANCE REVIEW
of the
INTERNATIONAL CRICKET COUNCIL**

**SUBMISSION ON BEHALF OF
TRANSPARENCY INTERNATIONAL**

TRANSPARENCY INTERNATIONAL AUSTRALIA
TRANSPARENCY INTERNATIONAL BANGLADESH
TRANSPARENCY INTERNATIONAL GERMANY
TRANSPARENCY INTERNATIONAL INDIA
TRANSPARENCY INTERNATIONAL IRELAND
TRANSPARENCY INTERNATIONAL KENYA
TRANSPARENCY INTERNATIONAL NETHERLANDS
TRANSPARENCY INTERNATIONAL NEW ZEALAND
TRANSPARENCY INTERNATIONAL PAKISTAN
TRANSPARENCY INTERNATIONAL SRI LANKA
TRANSPARENCY INTERNATIONAL TRINIDAD & TOBAGO
TRANSPARENCY INTERNATIONAL UK

DECEMBER 2011

ICC GOVERNANCE REVIEW

Submission by Transparency International

Summary

The nature of cricket and corruption have both changed in the past decade. Transparency International (TI) welcomes the launch of ICC's Governance Review, as it is a timely opportunity to review the corruption risks facing the game of cricket, and strengthen the game's institutional response.

TI believes that:

- Urgent action is needed to understand and address the changing nature of the corruption risks that face the game of cricket in the 21st century;
- The ICC needs to widen the focus of its response to encompass the larger corruption challenges facing the game;
- This will require the ICC to take more responsibility for standard-setting applicable to the cricket boards of member countries;
- The ICC itself needs to be more accountable and transparent;
- The ICC should seek to follow international best practice in the sphere of governance, including transparency and anti-corruption measures. This best practice may be found in other sporting bodies, governments, non-profit organisations or business.

TI makes 20 specific recommendations, to be found below in Section 10. TI would welcome the ICC's response to these recommendations and a dialogue on how they might be taken forward.

1. Introduction

1. Transparency International (TI) is a global anti-corruption organisation. This submission to the International Cricket Council (ICC)'s Governance Review makes 20 recommendations about how ICC can safeguard the integrity and reputation of the game of cricket by improving governance and responding to new corruption challenges.
2. TI believes that good governance is necessary in order to prevent corruption, which TI defines as the abuse of entrusted power for private gain. In the past 18 years TI has discussed with many groups – governmental, business, non-profit and sporting - the importance of developing strong anti-corruption and anti-bribery codes and practices. Its approach is one of consultation and collaboration.

3. In politics, administration and business, money and power have the potential to corrupt the purest of values and the best of intentions. This is also the case for sport. In the past two decades, cricket has expanded its popularity and influence, attracting both power and money. This has given new opportunities, but has also heightened existing risks and presented new challenges that threaten cricket's integrity and reputation.
4. TI welcomes and acknowledges the attention that the ICC has paid to corruption and ethical standards over the past decade. Criminal investigations in several countries during the late 1990s, for example in India and South Africa, helped to shine a spotlight on corruption associated with gambling. The ICC's response to the challenges revealed at that time led to significant reforms that changed procedures and behaviour.
5. TI particularly welcomes ICC's 'zero tolerance' policy and its willingness to take firm and decisive action on cases of corruption associated with gambling.
6. As the ICC has recognised, through the Condon report of 2001 and subsequently, poor governance and corruption not only damage the image of the game, its federations and representatives, but compromise the positive influence that sport has, especially on young people, in spreading the values of good sportsmanship and integrity.
7. Sport allows billions of people – be they professional athletes, supporters or amateurs playing for pleasure and health – to learn the value of fair play and the importance of rules, and to develop respect for others. Sport has enormous influence in shaping social values and attitudes because it provides role models, particularly for young people.
8. When global sporting organisations such as ICC take steps to build integrity, they therefore do more than prevent corruption within their own sports and organisations: the positive impact of their example reverberates globally. This is a unique responsibility that comes with sports governance today.

2. New challenges for the ICC

9. A decade after the Condon Report, cricket has changed substantially. More countries have joined the ICC; there is more money available from television rights; new forms of the game have been introduced; different countries have become dominant both financially and in terms of spectator numbers; and private initiatives have generated the profile, financial support and pulling-power for spectators and players previously seen only within ICC-organised matches and competitions.
10. This has created many new challenges for the game itself, particularly in relation to corruption. The response can no longer be limited to good

governance within the ICC or seeking to prevent players from engaging in corrupt activities. It is no exaggeration to say that the entire structure of the game needs a governance review in order to ensure the integrity and success of cricket as a sport in the 21st century.

11. There is a distinction between first, the ICC's own governance and secondly, its ability to ensure that adequate governance standards are maintained by individual member countries/National Federations. It is the latter that is the key challenge. The ICC, as cricket's global governing body, must take responsibility for setting standards, and monitoring adherence to those standards, throughout the game.

12. In this context, TI's submission to this Review covers the following areas:

- The ICC's own governance
- The governance of cricket in ICC member countries
- The role of transparency
- Anti-corruption initiatives
- Corruption threats facing players and officials
- The emergence of "franchising" and private major tournaments.

3. Anti-Corruption developments since 2001

13. Since 2001, there have been significant developments in the global understanding and awareness of the impacts of corruption as well as the national and international legal frameworks for tackling the problem. In particular, the 2003 United Nations Convention against Corruption (UNCAC), which virtually all ICC member countries have ratified, provides a legally binding global instrument for preventing and reducing corruption.

14. New and/or improved anti-corruption laws and regulations have been in place, though enforcement remains a challenge. Separate anti-corruption agencies/commissions have been set up, although not always sufficiently empowered, independent and effective. There have been new anti-bribery laws in several countries, bringing them into compliance with the UNCAC and 1997 OECD Anti-Bribery Convention that require members to criminalise bribery of foreign public officials. A recent example is the 2010 UK Bribery Act.

15. Apart from providing a new legal landscape within which the ICC operates, these developments also provide opportunities for the ICC to benefit from good practice in other areas. It has also meant that there is much greater professional expertise to draw on, which can be found among lawyers, accountants, consultants and civil society anti-corruption experts. One of the effects of stronger bribery legislation and enforcement has been that international companies have markedly improved their anti-corruption policies and procedures; they are typically applied throughout a company's global operations.

4. Forms of corruption potentially affecting cricket

16. Corruption that threatens cricket's integrity and reputation can take many forms. For example, UNCAC includes articles on several forms of corruption and preventative mechanisms, including:

- Bribery
- Illicit enrichment
- Embezzlement
- Trading in influence
- Public procurement
- Money laundering and bank secrecy
- Whistleblower protection
- Codes of conduct for public officials
- Public reporting
- Private sector regulation
- Participation of society
- Abuse of functions
- Concealment
- Participation as an accomplice.

17. It is important to understand and acknowledge the types of corruption that cricket may face, in order to be able to design appropriate responses. Among the specific corruption challenges facing cricket are:

- Bribery
- Conflicts of interest
- Trading in influence
- Cronyism and nepotism
- Opaque decision-making and a lack of accountability.

18. In addition to the overall governance of international and domestic cricket, there will be specific high-risk areas for corruption in cricket. There are likely to be particular challenges associated with:

- Match-fixing, spot-fixing and other activities associated with gambling
- Sale of television rights
- Venue or hosting rights
- Sponsorship
- Hospitality and gifts
- Remuneration, bonuses and all other kinds of benefits and payments to officials
- Ticket sales and distribution
- Procurement
- Agents and intermediaries.

19. However, it is noteworthy that to date the ICC's anti-corruption efforts have been focused primarily on preventing players from being corrupted, and only secondarily on creating greater accountability within the ICC.

5. Governance of the ICC

20. The ICC should follow international good practice in terms of its governance. This requires a culture of transparency and accountability. It also requires a recognition that corruption within cricket goes further than bribery, or the corruption of players. It can also involve the game's administrators and officials, in relation to how they run and manage their own organisations and their impact on the game as a whole.

21. The ICC should therefore seek to benchmark itself against other international organisations, both in sport and other spheres. A revision of the ICC's own governance should therefore include at least the following approaches, policies and procedures:

- A clear tone from the top, which makes it clear that zero tolerance for corruption extends to the way in which the game is administered and managed at both international and domestic level. If those at the top of the game are thought by players to be corrupt, the message received by players is that zero tolerance is not to be taken seriously;
- A code of ethical conduct, including specific references to anti-bribery & corruption, that is designed to take into account the full range of corruption risks including conflicts of interest, cronyism and trading in influence;
- A full, frank and independent assessment of the corruption risks facing the game;
- The creation of registers of interests and safeguards against conflicts of interest;
- The creation of a register of all agents/intermediaries;
- Enhanced due diligence on all agents and intermediaries;
- Due diligence on all members of syndicates/franchises who own/manage teams in competitions to be sanctioned by ICC and/or National Federations;
- The incorporation of anti-corruption procedures into procurement procedures;
- Introduction of all other policies and procedures that are relevant to the risk review or are typically present in best-practice anti-corruption systems, for example registers of gifts and hospitality;
- Whistleblowing procedures that are confidential, accessible to all the game's stakeholders, and widely-publicised;
- Adequate resources for anti-corruption investigation and enforcement by the ICC and member countries;
- A review of the ICC's internal procedures for dealing with corruption cases, including the desirability of establishing an independent anti-corruption tribunal, to ensure that the ICC follows international best practice, to ensure that it can hold individuals and organisations to

account, accompanied by tough sanctions for those who infringe the rules.

- A system of monitoring, review and assurance.

22. Overall, the anti-corruption system should be designed to address the specific risks facing cricket that are highlighted in a comprehensive risk review.

6. Transparency and accountability of the ICC

23. Transparency is a first line of defence against corruption. By operating transparently, organisations communicate their values and policies to the people they represent and to the public, and show their values have been translated into action. Transparent organisations set a tone of openness, accessibility and accountability for others to follow, building confidence among stakeholders that they are treated and engaged in an equitable and responsible manner. Not only do open policies and processes enhance an organisation's reputation, they also deter corruption.

24. It is unclear to an external audience as to what extent the procedures and mechanisms outlined above are in place at the ICC. The anti-corruption section of the organisation's website is very light on detail.

25. Greater transparency is a pre-requisite for safeguarding ICC's own integrity, and thereby the integrity of the game as a whole. Examples of areas in which the ICC could be more transparent are: publishing all policies and procedures with regard to corruption and publishing the minutes/decisions of Board and Committee meetings. Both of these are done throughout the world by, for example, leading companies (in the case of policies and procedures) and governmental and intergovernmental bodies (in the case of minutes).

26. Furthermore, ICC's accountability at present is essentially to itself. Yet, to a great extent, the spirit of cricket is embodied in amateur players and fans around the world. This is a large and diverse stakeholder group that cares about the way in which the game is played, and its prospects for the future. However, such stakeholders have no voice in ICC's governance. TI recommends that ICC should encourage national boards/Federations to create avenues which allow individual supporters of the game throughout the world to convey their views and opinions to these bodies and to the ICC, and commit to taking them into account when making significant decisions.

27. TI notes that one common mechanism for achieving greater accountability is to increase the independence of boards and committees, for example by achieving a balance of representation between non-independent and independent non-executive directors.

28. Overall, ICC's governance structures are notable for their lack of accountability and independence. This is a common feature of sporting bodies, which generally do not have shareholders. However, there has been an increasing trend in organisations of all types over the past decade – including companies, non-profit organisations and international bodies – towards accountability. TI recommends that greater accountability and independence be introduced into ICC's governance structures.

7. Governance and transparency of national cricket governing bodies/federations

29. The governance and transparency of member countries' own national and other cricket governing bodies is of variable quality.

30. The ICC should require, as a condition of membership, that domestic boards have in place codes of conduct and procedures that reflect the global best practice that TI recommends ICC itself puts into place. This would include:

- Tone from the top and ethical leadership
- Code of ethical conduct covering all relevant areas including conflicts of interest
- Risk assessment
- Best-practice policies and procedures and their independent monitoring and review
- Creation of an Anti-corruption Tribunal at domestic level to hold individuals and organisations to account, if existing anti-corruption mechanisms are inadequate.

31. All of the above would need to be underpinned by greater transparency and independence, with the ICC having oversight of each domestic board's adherence to these requirements. The ICC should be able to review whether domestic boards are adhering to these codes of conduct and procedures, and should have strong sanctions, including financial sanctions, available to it if member countries' boards or federations are judged to have infringed the rules. For example, ICC should be empowered to exclude a member nation from competing in international matches if fails to adopt and enforce an approved Anti-Corruption Code in its own jurisdiction.

32. This will undoubtedly represent a significant change in the governance of world cricket, and inertia or vested interests may cause there to be opposition. However, TI considers it vital that if a message of zero tolerance for corruption is going to be taken seriously, the managers, administrators and leaders of the game operate to the highest standards of ethics and integrity.

8. Combatting the threats to players and officials

33. To date, much of the focus of ICC's anti-corruption activity has been in this area. There is no doubt that ICC has made significant efforts to combat corruption among players, although the persistent rumours of widespread abuses by players inevitably lead to questions about whether the ICC has done enough.
34. Although it may have been logical to combine anti-corruption and security into a single unit in 2001, the ICC now needs to review this arrangement. The time has come for a dedicated anti-corruption unit that seeks to emulate the type of risk analysis, avoidance mechanisms and training that are typically found in leading businesses.
35. Little is publicly known about the precise procedures that the ICC uses for raising awareness as well as sensitising, mentoring and training players and match officials and other officials. There may be good reasons to keep aspects of this confidential. However, the ICC should publish some detail that allows its stakeholders to form some view about the training – for example, the proportion of domestic and international cricketers who have been trained, the length and frequency of training sessions, the qualifications of those delivering the training, feedback from the participants, etc.
36. Moreover, the area of anti-corruption training has become increasingly sophisticated over the past decade. TI recommends that the ICC and domestic boards should review their anti-corruption training and mentoring procedures to ensure that they are state of the art and aligned with best practice.
37. It is also important to note that training players to resist or reject a bribe is only part of a process that should also involve on-going training in how to avoid getting into a situation in which a bribe may be offered. From the information published by the ICC, it is unclear what type of anti-corruption training is offered. For example, it is unclear whether at the end of a player's career there is training in areas such as handling conflicts of interest when contributing to the media.

9. The role of private organisations

38. A clear trend in recent years has been the increasing practice through which "private" promoters stage tournaments and encourage ownership of teams by franchises (the popular Indian Premier League is an example of this).
39. This might bring individuals into decision-making or influential positions within the game whose experience and expertise has been gained in very different spheres.

40. The ICC must ensure that there is proper scrutiny of such individuals and that appropriate measures are put into place by national cricket boards with regard to the ownership structures, financial arrangements and tournament design in order to safeguard the integrity and reputation of the game.
41. Private sponsors and the competitions must be subject to oversight of the relevant domestic board or national cricket federation so that all tournaments fall under the purview of the ICC, which can if necessary delegate some supervisory authority to the national federation of the host nation.

10. Summary and recommendations

42. The nature of cricket and corruption have both changed in the past decade. TI welcomes the launch of ICC's Governance Review, as it is a timely opportunity to review the corruption risks facing the game of cricket, and the game's institutional response.
43. Based on its global experience of addressing corruption, TI believes that:
- Urgent action is needed to understand and address the changing nature of the corruption risks that face the game of cricket in the 21st century;
 - The ICC needs to widen the focus of its response to encompass the larger corruption challenges facing the game;
 - This will require the ICC to take more responsibility for standard-setting applicable to the cricket boards of member countries;
 - The ICC itself needs to be more accountable and transparent;
 - The ICC should seek to follow international best practice in the sphere of governance, including transparency and anti-corruption measures. This best practice may be found in other sporting bodies, governments, non-profit organisations or business.

Transparency International's specific recommendations are:

INTERNATIONAL

- RECOMMENDATION 1: The ICC should widen its focus from corruption among players to encompass other forms of corruption that threaten the integrity of the game such as trading of influence and cronyism.
- RECOMMENDATION 2: The ICC should conduct an independent risk assessment of the corruption risks facing cricket at the national and international levels, and what impacts these risks may have on the integrity and reputation of the game.

- RECOMMENDATION 3: The ICC should commission a review of anti-corruption best practice in other sectors and benchmark itself against other international organisations, both in sport and other spheres.
- RECOMMENDATION 4: Based on the above risk assessment and benchmarking, the ICC should introduce best-practice policies and procedures in all areas that are appropriate to mitigate the risks to integrity.
- RECOMMENDATION 5: The ICC should acknowledge its role in the global governance of cricket and take responsibility for setting out governance standards for member countries and significant matches, competitions or leagues played under the auspices of private promoters.
- RECOMMENDATION 6: The ICC should create a mechanism that allows individual supporters of the game throughout the world to convey their views and opinions to their respective national boards or Federations, and thence to the ICC, as appropriate, who could take these into account when making significant decisions.
- RECOMMENDATION 7: The ICC should review its internal procedures for dealing with corruption cases, including the desirability of establishing an independent anti-corruption tribunal, to ensure that it follows international best practice.
- RECOMMENDATION 8: The ICC should review the arrangement whereby corruption and security have been combined into a single unit within the council. Adequate resources for anti-corruption investigation and enforcement should be made available. National boards or Federations should also have more resources for investigation and enforcement.
- RECOMMENDATION 9: The ICC should review its whistleblowing procedures to ensure that they are confidential, provide appropriate protection, are available to all the game's stakeholders, and are widely publicised.
- RECOMMENDATION 10: The ICC should be more transparent about the type, quality and response to the anti-corruption training it offers to players and officials.
- RECOMMENDATION 11: The ICC should greatly increase the information available on its website about its approach to governance and corruption, and the progress it is making. All policies and procedures should be available for review unless there is a legitimate reason for confidentiality.
- RECOMMENDATION 12: The ICC should introduce greater accountability into its governance structures, and in particular in its board and key committees.

- **RECOMMENDATION 13:** The ICC and national boards should review their anti-corruption training and mentoring procedures to ensure that they are state of the art and aligned with best practice.

DOMESTIC

- **RECOMMENDATION 14:** The ICC should require national boards or Federations to have in place codes of conduct, policies and procedures that reflect ICC's own global best practice approach. The ICC should also have capacity building programmes to assist bodies who need support to improve their standards within agreed time-frames.
- **RECOMMENDATION 15:** There should be greater transparency of national boards, and greater accountability to stakeholder groups including amateur and professional players and supporters, for example through greater disclosure of information, including policies and decisions, by national boards.
- **RECOMMENDATION 16:** Member countries should consider creating anti-corruption tribunals at domestic levels to hold individuals and organisations to account, if existing anti-corruption mechanisms are inadequate.
- **RECOMMENDATION 17:** The ICC should have effective mechanisms to review whether domestic boards are adhering to anti-corruption codes and procedures, and should have strong sanctions, including financial sanctions or suspensions, available to it if member countries' boards or federations are judged to have infringed the rules.

PRIVATE ORGANISATIONS

- **RECOMMENDATION 18:** The ICC should ensure that there is proper scrutiny, and due diligence undertaken, of private promoters and their associates.
- **RECOMMENDATION 19:** Appropriate measures should be put into place with regard to the ownership structures, financial arrangements and tournament design of high-profile private competitions or leagues to safeguard the integrity and reputation of the game.
- **RECOMMENDATION 20:** Private promoters and associated competitions must be subject to oversight of the relevant national board so that all tournaments fall under the purview of ICC, which can if necessary delegate some supervisory authority to the national board of the host nation.

Annex:

This submission is made on behalf of the Transparency International movement by:

Transparency International Australia
Transparency International Bangladesh
Transparency International Germany
Transparency International India
Transparency International Ireland
Transparency International Kenya
Transparency International Netherlands
Transparency International New Zealand
Transparency International Pakistan
Transparency International Sri Lanka
Transparency International Trinidad & Tobago
Transparency International UK

Transparency International, TI (www.transparency.org) is the global civil society organisation leading the fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, we raise awareness of the damaging effects of corruption and work with partners in government, business and civil society to develop and implement effective measures to tackle it.

Transparency International Bangladesh, TIB (www.ti-bangladesh.org), the accredited national chapter in Bangladesh of TI, began its activities in 1996 with a vision of Bangladesh where government, politics, business, civil society and lives of the common people would be free from corruption. TIB's mission is to raise and strengthen research-driven voice and intensify demand for accountability to strengthen institutions, laws and practices and establish an efficient and transparent system of governance, politics and business. TIB has established a network of Committees of Concerned Citizens (CCCs) all over the country - a social movement driven by volunteers, mostly young people – college and university students - organised as YES – Youth Engagement and Support who challenge the notion that corruption could be a way of life.