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Approaches to Corruption in Drug Management

December 2009

The complexity, heavy regulations and opacity of health systems combined with the large flows of money involved provide opportunities for fraud and corruption at all points of the pharmaceutical chain, from the registration, selection, procurement, distribution to the promotion of medicines. There is a broad consensus and much anecdotal evidence that corruption in drug management affects the price, availability and quality of drugs, undermining safe and affordable access to essential medicine in many developing countries. This is likely to have a long term impact on health and economic outcomes, especially in developing countries affected by the AIDS pandemic. Approaches to address corruption risks in drug management include the enforcement of strong and harmonised drug regulations, the promotion of open, transparent and competitive procurement processes, the establishment of effective and participatory monitoring mechanisms, and vigorous prosecution of health related corruption. Cutting across most promising anti-corruption interventions is the need to promote transparency at all stages of the drug supply chain system, especially with regard to the quality, availability and prices of medicines. Launched in 2008, the Medicine Transparency Alliance (MeTA) is a multi-stakeholder initiative working at national and international levels to address these challenges.

(Available on request)

Donors' Contributions to Anti-Corruption in the Education Sector

December 2009

This query was treated as an urgent query and confirms that there is no quick way to get accurate estimates of donors' spending on anti-corruption in the education sector based on available data. In the absence of reliable figures, the answer suggests possible alternatives to collect the required data, which would involve allocating more time and resources to the research process. Given the current existing aid data reporting systems (such as the OECD Creditor Reporting System (CRS) or Aid Information Management Systems) as well as major methodological challenges involved in tracking aid spending, it is almost impossible to clearly identify donor funding for anti-corruption in general and for a specific sector in particular. As a result, there is no reliable way to provide an accurate estimate of donors' contribution to anti-corruption in the education sector based on available data. Technically challenging, coming up with robust figures in this area would also require in-depth, time and resource intensive research that can not be conducted within the framework of a U4 helpdesk query.

Gender and Corruption in Humanitarian Assistance

December 2009

There is little research capturing the gender dimension of corruption in humanitarian assistance. However, as women represent the higher proportion of the population in need of assistance worldwide, they are likely to be disproportionately affected by the impact of corruption on the quality and quality of humanitarian assistance. Corruption in humanitarian aid occurs at all stages of the programme cycle, from the targeting and registration process, to the distribution of relief aid, procurement, and financial management and programme evaluations. Women are more specifically affected by gender specific forms of corruption such as sexual exploitation and abuse. In the short term, corruption compromises women's access to basic services such as food, shelter, family planning, health and education. This has long lasting physiological, psychological and social consequences, compromising women's opportunities and prospects of social and economic empowerment. Strategies to mainstream gender and anti-corruption in humanitarian assistance programmes include promoting transparency and access to information as well as women participation in beneficiary feedback and monitoring mechanisms, introducing effective complaint mechanisms and raising aid workers' ethical standards through the provision of training, guidance and codes of conduct.

(Available on request).

Low salaries, the Culture of Per Diems and Corruption

November 2009

Low government wages in developing countries result in a decline of public sector efficiency and productivity and create incentives and opportunities for corruption and misuse of public resources. However, most studies also agree that increasing salaries without effective monitoring systems as well as enforcement of sanctions is unlikely to have an impact on corruption. Underpaid staff develops a wide range of coping strategies to top up incomes. One of the most frequent consists of concentrating on activities that benefit from donor funded per diems and allowances. In addition to great potential for abuse, such practices have a number of undesirable side effects such as distorting the incentive structure of public servants, encouraging specific forms of corruption and brain drain.

Corruption and Anti-Corruption in Bosnia-Herzegovina (BiH)

November 2009

The post war context in BiH remains characterised by a complex institutional structure, deeply entrenched ethnic and political divisions, and a general lack of transparency and accountability. Against this background, both petty and grand forms of corruption are present in the country, affecting all sectors of society, including the judiciary, tax and custom administration, public utilities, procurement and privatisation schemes as well as all major political processes. Under such circumstances, international aid is not believed to be free of corruption. The close connections between the ruling elite and criminal networks represent a further area of great concern in the country. Although an anti-corruption legal and institutional framework has been put in place in recent years, mainly as a result of international pressure, there are neither signs of progress nor of a firm political commitment against corruption. Such context makes the definition an anti-corruption agenda for the international community extremely challenging.

Anti-Corruption Training Courses

October 2009

This answer compiles a list of selected anti-corruption courses and programmes provided by various universities and organisations.

(Available on request)

Corruption and the International Financial System

September 2009

Corrupt regimes use the international financial system in two major ways, both to divert national wealth for their own benefit and to conceal the proceeds of corruption and illicit gains. Without access to the international financial system, they wouldn't have the means and incentives to loot state's assets on such a scale. To hide stolen money, corrupt leaders use similar money laundering techniques and subterfuges as those used by tax evaders, terrorist and organised crime groups. These include unscrupulous wire transfers, the use of a complex web of shell corporations and trusts in bank secrecy jurisdictions, as well as a wide range of elaborate legal and financial schemes devised to route illicit flows into the mainstream banking system and conceal the true ownership of the funds. The looting of state's assets and laundering of the proceeds of corruption would not be possible without the complicity of a complex network of professionals such as bankers, lawyers, import-export agents, accountants and other financial intermediaries that exploit the highly secretive and under-regulated global financial structure to protect their clients' interests.

Coordination Mechanisms of Anti-Corruption Institutions

September 2009

The success of Anti-Corruption Commissions (ACCs) strongly relies on the effectiveness and cooperation of many other complementary institutions such as the prosecutor, the ombudsman, the auditor general and the courts whose contribution and interaction play a crucial role. Yet, experience worldwide indicates that in most countries, cross-agency coordination remains weak or inexistent. Law enforcement agencies are often not well connected and integrated, due to their wide diversity, overlapping mandates, competing agendas, various levels of independence from political interference and a general institutional lack of clarity. Channels for ensuring effective inter-agency cooperation often involve setting up a new coordinating body or unit. Country experience from Uganda, South Africa, Bulgaria, Georgia or New South Wales indicate that this coordinating agency should have sufficient authority, resources, capacity and political backing to perform its mandate and compel line ministries.

Impact of Law Enforcement Interventions on Corruption

August 2009

Effective law enforcement is essential to ensure the credibility of anti-corruption efforts and break the cycle of impunity. In the early days of anti-corruption work, many donor interventions have focused on law enforcement strategies, by establishing and strengthening investigative agencies, independent prosecutors, specialised anti-corruption courts and anti-corruption agencies (ACAs) charged with the task of investigating and prosecuting corruption cases. While such a strategy seems promising in specific contexts, such as those affected by high levels of organised crime, there is little empirical evidence available that demonstrates the actual long term impact of a punitive approach on corruption levels and anticorruption reforms. Moreover, experience with specialised law enforcement institutions worldwide indicates that a set of conditions have to be met for them to effectively fulfil their mandate, including the existence of a strong government commitment against corruption, a supportive legal and institutional framework, and sufficient state capacity and stability, all conditions that are often missing in developing countries.

Tracking the Progress of Grand Corruption Cases: Best Practices and Indicators

August 2009

Effective prosecution is essential to deter grand corruption which has devastating impact on countries. Grand corruption cases are often controversial, complex and high profile. Because of their politically sensitive nature, the investigation and prosecution of such cases require considerable resources and careful planning. Given the powerful position of the players involved, more incentives are present for corruption to enter into the prosecution process. At the same time, integrity of the prosecution process is also important so that prosecution of grand corruption does not become a tactical tool against political opponents. Given the large scope of the topic, this expert answer focuses on progress monitoring and indicators in the domestic context and does not deal with international processes.

Overview of Corruption and Anti-Corruption in the Philippines

August 2009

Corruption is a significant obstacle to good governance in the Philippines. A review of recent literature suggests that all levels of corruption, from petty bribery to grand corruption, patronage and state capture, exist in the Philippines at a considerable scale and scope. Significant efforts have been made to combat corruption, which include putting in place legal and institutional frameworks, as well as efforts by civil society organisations and the media. Donor agencies are also actively involved in building capacity to curb corruption in the Philippines. The success of these initiatives, however, is far from guaranteed and many observers believe that structural obstacles such as entrenched cronyism continue to undermine anti-corruption efforts.

Gender, Corruption and Health

July 2009

Access to health care is fundamental to quality of life. It is essential to inclusive human development and it is also a fundamental human right enshrined in the UN Covenant on Economic, Social and Cultural Rights. The health sector is particularly exposed to corruption due to multiple information asymmetries, the complexity of health systems and the large size of public funds involved. Corruption in the sector takes many forms and ranges from undue influence on health policies, to embezzlement of funds, to the solicitation of bribes and under-the-counter payments at the point of service delivery. The consequences of expensive, ill-tailored, inaccessible or unsafe health products and services hit women particularly hard. This is because they often have higher and differentiated needs for health services, but also because they bear the brunt of poor services as primary providers of homecare and are less empowered to demand accountability and assert entitlements.

Corruption Challenges at Sub-national Level in Indonesia

June 2009

Since the fall of General Suharto's regime, Indonesia has embarked on a comprehensive and unprecedented process of decentralisation, devolving almost overnight enormous responsibilities to regional, provincial and local governments. In spite of considerable achievements, the Indonesian decentralisation process continues to face major challenges of state capture by the local elites, a deeply entrenched patronage system and widespread petty and bureaucratic corruption. The emergence of stronger civil society and a free media constitute promising trends that, combined with further reforms aimed at promoting transparency, community participation as well as reinforcing upwards and downward accountability mechanisms, could ensure that decentralisation fully yields the intended benefits.

Gender, Corruption and Education

June 2009

There are few governance indicators that systematically capture the gender dimension of corruption in education. However, there is a growing consensus that corruption undermines the quality and quantity of public services, and reduces the resources available for the poor and the women, ultimately exacerbating social and gender disparities. Corruption hits disadvantaged groups – including women – harder, as they rely more on the public system, have less resources to make informal payments to access education services and seek legal protection. Women are also more vulnerable to specific forms of corruption such as sexual extortion in exchange for schooling, good grades and other school privileges. There is no empirical evidence available on the long term impact of corruption on gender disparities in the education sector. However, there is a general consensus that such practices have long term consequences on women's education outcomes, psychological and physical health as well as gender equity.

Good Practice in Addressing Corruption in Water Resource Management Projects

June 2009

Specific characteristics of water resource management (WRM) make this sector especially vulnerable to corruption. All major forms of corruption are prevalent in the WRM sector, including grand corruption, high risk procurement, state and regulatory capture and the mismanagement of public resources. Measures to address corruption risks in WRM projects include addressing the sector's diffuse governance system, strengthening institutional arrangements as well as monitoring and oversight mechanisms, and cleaning up procurement processes with the support of awareness raising and capacity building interventions. Transparency and participation are guiding principles for all water governance

interventions, with the view to promoting citizen participation through open access to regulatory decisions, information disclosure, public hearing, and the introduction of effective complaint mechanisms and whistleblowing protection.

Good Practice in Whistleblowing Protection Legislation (WPL)

June 2009

Whistleblower protection is growingly recognised as a key factor to promote a culture of public accountability and integrity. An increasing number of countries is adopting Whistleblowing Protection Legislation (WPL). Good practice WPL includes adopting comprehensive free standing laws that have a broad scope and coverage, provide adequate alternative channels of reporting both internally and externally, protect as far as possible the whistleblower's confidentiality and provide for legal remedies and compensation. As WPL is still in its infancy, little is known yet on its impact and the conditions of effective implementation.

State of Research on Gender and Corruption

June 2009

Corruption may affect progress towards gender equality and women's empowerment by limiting women's capacities to claim their rights. Evidence is inconclusive on whether women are more or less prone to corruption than men. A review of recent literature indicates that a more important dimension is corruption's disproportionate impact on women. This appears to be particularly the case in fragile state settings. Research shows that good practice to mitigate the effects of corruption on women include improved female participation in oversight processes and accountability systems.

Overview of corruption in Burma (Myanmar)

June 2009

After more than four decades of military rule, political violence and systematic repression of democratic opposition, the country's political and economic environment has continued to deteriorate in recent years. Myanmar faces major challenges of endemic corruption, consistently ranking at the bottom of TI'S Corruption Perceptions Index (CPI). Little is known on the specific forms and patterns of corruption in the country, but the scale of the informal and illicit economy suggests strong links between the ruling elite and organised crime activities, such as drugs and human trafficking, and illegal logging. In the absence of sound democratic institutions and an effective system of checks and balances, the legal and institutional frameworks against corruption appear rudimentary and likely to be misused by the junta for political reasons. Money laundering is the only area where the country appears to have made some progress in recent years.

The African Peer Review Mechanism (APRM)

June 2009

The African Peer Review Mechanism (APRM) was set up by the African Union as a voluntary governance self-monitoring system within the framework of the New Partnership for Africa's Development (NEPAD). Originating from and 'owned' by African countries, it provides an opportunity for civil society participation and public dialogue on governance issues. The review process includes country self-assessments based on a questionnaire, expert review teams, and on-site visits by expert review teams who consult with government, private sector and civil society representatives. The process also involves active plenary discussions, revision and publication of country reports and action plans. In spite of early evidence of positive impact, the APRM still faces major challenges of human, financial, technical and political nature. Major weaknesses include the lack of an effective follow up mechanism to monitor the implementation of recommendations and the limited level of civil society participation.

The Role of Supreme Audit Institutions in Combating Corruption

May 2009

Supreme Audit Institutions (SAIs) oversee the management of public finances. Broadly, they operate within one of three established institutional models (Westminster, Judicial or Board). Traditionally, the role of SAIs has been seen as promoting public sector transparency and accountability within a wider climate of good governance. Many commentators therefore assign the role of SAIs in fighting corruption to be primarily an indirect one, centring on deterrence and prevention. However, it is important to note that some SAIs have taken a more active role in combating corruption.

Successful approaches include identifying and publicising areas of corruption risk, working closely with other institutions, and publicising the recommendations of audit reports more widely. While there are examples of good practice in all these approaches, there is no research that directly addresses how these techniques might be best applied across the three institutional models or how technical co-operation can help to promote their use.

The Political Economy of Public Procurement Reform

May 2009

As procurement reform has been traditionally seen as a technical and administrative process, there are very few studies focusing on its political economy dimension. With regard to procurement, political economy issues have been implicitly addressed as part of studies looking at public sector or governance reform more broadly. Yet, as procurement reform often meets major resistance from vested interests within society there is a growing recognition of the need to understand and address the underlying factors that may undermine political will for reform and more systematically analyse the effects of political incentives on the feasibility and sustainability of such reforms.

Overview of Corruption in Tanzania

May 2009

Both past and current presidents of Tanzania have made strong commitments to fight corruption. Since the publication of the 1996 Warioba report assessing the state of corruption in Tanzania, the country has established a comprehensive body of regulations, laws and oversight institutions aimed at preventing, investigating and sanctioning corrupt practices. These include establishment of the Prevention of Corruption Bureau, a Good Governance Coordination Unit, and the Ethics Inspectorate Department. Although the public perceive corruption to have declined in recent years, possibly as a result of these efforts, both petty and grand forms of corruption continue to be present in political and administrative systems. Recent corruption scandals led to the resignation of the prime minister in early 2008. Enforcement remains limited, with anti-corruption institutions suffering from lack of staff, resources and coordination.

Developing a Code of Conduct for NGOs

April 2009

With the growing prominence of the non profit sector, NGO accountability has become an emerging issue of concern in recent years. NGO accountability covers issues such as organisational management, project implementation, financial management, participation and information disclosure that can be addressed in a Code of Conduct. In addition to setting core values and guiding principles, NGOs (non governmental organizations) codes of conduct typically provide for establishing strong oversight boards that are independent from management, complaints procedures towards external and internal audiences, conflict of interest policies, whistle blower protection policies, etc. Many organisations face major challenges of implementing and maintaining the code. As non-binding and rather generic instruments, codes of conduct often remain ineffective since they do not include clear mechanisms for their implementation and compliance checks.

Measuring International Trends in Corruption

April 2009

Measuring trends over time – whether at the national or international level - remains one of the most critical challenges facing corruption research. Due to cost and logistical constraints, governance indicators are often either limited in their geographic or time-period coverage, which makes it difficult to track change. Current corruption indicators gather the various stakeholders' views of levels of corruption in a given country or assess the state of the anti-corruption legal and institutional frameworks in place. Tracking international trends would involve either repeating worldwide surveys on a regular basis using aggregated indicators or generating comparable country level data, with major resource implications to ensure global coverage.

The State of Research on Corruption in the Netherlands Antilles

April 2009

Little is known about the levels and patterns of corruption in the Netherlands Antilles. Beyond anecdotal evidence of the prevalence of corruption, there is little data and research available on the islands' state of governance and corruption. The territory has only recently been added to those countries assessed by the World Bank Institute's World Governance Indicators. The few other studies available have mainly focused on issues related to its activities as an international financial centre. To address this knowledge gap, there is a need to measure levels of corruption and/or conduct an in-depth diagnostic of the state of governance in the Netherlands Antilles. Such research should be conducted with a view to mapping corruption risks, identifying critical issues of public governance as well as priority areas for reform.

Overview of Corruption in Cambodia

April 2009

After decades of civil war and political violence, corruption has pervaded almost every sectors of Cambodian public life, with a system of patronage well entrenched in society. Both petty and grand forms of corruption are widespread. Law enforcement agencies are perceived as the most corrupt and inefficient sectors, lacking the independence, resources and capacity to effectively investigate and prosecute corruption cases. Weak systems of checks and balance, ineffective accountability mechanisms and scarce opportunities for public participation further contribute to the deteriorating situation. The enactment of the long awaited anti-corruption law has been pending for years.

The Implementation of Integrated Financial Management Systems (IFMIS)

March 2009

Emerging information and communication technology (ICT) can play an important role in fighting corruption in public finance systems by promoting greater comprehensiveness and transparency of information across government institutions. As a result, the introduction of Integrated Financial Management Systems (IFMIS) has been promoted as a core component of public financial reforms in many developing countries. Yet, experience shows that IFMIS projects tend to stall in developing countries, as they face major institutional, political, technical and operational challenges. Case studies of more successful countries indicate that factors supporting successful implementation include clear commitment of the relevant authorities to financial reform objectives, ICT readiness, sound project design, a phased approach to implementation, project management capability, as well as adequate resources and human resource capacity allocated to the project.

Examples of Anti-corruption Training Sessions

March 2009

A number of anti-corruption training providers have developed teaching tools such as role playing, case studies, case solving or presentation of experiences, that could be used within the framework of an awareness raising session. A key lesson emerging from the experience of conducting anti-corruption training is that there are no ready-made awareness raising techniques that can be applied everywhere, irrespective of local context. Anti-corruption awareness raising activities need to be tailored to the needs, knowledge and capacities of the target audience as well as to the specific circumstances of each country.

South-south Anti-corruption Cooperation Mechanisms

February 2009

South-South cooperation (SSC) in the field of anti-corruption is an emerging trend, yet there is little information available on the nature and effectiveness of the various mechanisms in place. SSC has been initially integrated within the framework of regional and sub-regional economic communities. Similarly, in the field of anti-corruption, regional inter-governmental groupings have provided initial frameworks to promote South-South learning and collaboration opportunities. Regional anti-corruption conventions and instruments have opened promising avenues for SSC. Recent years have also seen the emergence of a number of regional networks of anti-corruption bodies and initiatives, established to promote multilateral SSC on corruption related issues. There are also examples of SSC occurring on a bilateral basis, outside of the regional mechanisms in place, when some countries or institutions that have developed a special expertise in areas relevant to anti-corruption.

Overview of Corruption In Uganda

February 2009

Since the National Resistance Movement (NRM) came to power in 1986, Uganda has undertaken an ambitious set of economic and political reforms. These reforms have led to the establishment of a solid legal, administrative and institutional framework to fight corruption. In spite of initial success widely heralded by the international community, corruption remains widespread at all level of society and the country faces major implementation challenges. Recent political developments tend to demonstrate a lack of political backing for anti-corruption efforts. Combined with understaffed and underfinanced anti-corruption bodies, the state faces considerable challenges in its ability to effectively enforce the legislative framework against corruption.

Examples of Anti-corruption Training Sessions

February 2009

Participatory approaches privileging problem solving/action oriented training methods have been mainly developed within the framework of anti-corruption training and education, which constitute a core element of any sustainable anti-corruption strategy. A number of anti-corruption training providers have developed teaching tools such as role playing, case studies, case solving or presentation of own experience, that could be used within the framework of an awareness raising session. A key lesson emerging from the experience of conducting anti-corruption training is that there are no ready made awareness raising techniques that can be applied everywhere, irrespective of the local context. Anti-corruption awareness raising activities need to be tailored to the needs, knowledge and capacities of the target audience as well as to the specific circumstances of each country.

Overview of Corruption and Anti-corruption Efforts in India

January 2009

The fight against corruption has been declared a high priority by Prime Minister ManMohan Singh. However, corruption remains widespread in the country and there have been many instances of political and bureaucratic corruption, public funds embezzlement, fraudulent procurement practices, and judicial corruption. The government has put in place a well developed legal and institutional framework, with institutions including the Central Bureau of Investigation, the Office of the Comptroller and the Auditor General, and the Central Vigilance Commission. The Supreme Court, in particular, has taken a firm stance against corruption in recent years and made several important rulings. Another achievement has been the enactment of the Right to Information (RTI) Act in 2005, which grants citizens access to government information and a mechanism to control public spending. In spite of progress, however, law enforcement remains weak and reforms have a long way to go.