

PREVENTING CORRUPTION IN HUMANITARIAN OPERATIONS
HANDBOOK OF GOOD PRACTICES

SECTION III

CORRUPTION THROUGH THE PROGRAMME CYCLE





TABLE OF CONTENTS

INTRODUCTION	117
CASE STUDY: PLUGGING THE LEAKS IN FOOD AID THROUGH BETTER M&E	118
NEEDS ASSESSMENT / RESOURCE ALLOCATION	119
BIASED PROJECT LOCATION OR RESOURCE ALLOCATION	119
INFLATED OR DISTORTED NEEDS, COSTS OR BENEFICIARY NUMBERS	121
PARTNERS AND LOCAL INTERMEDIARIES	123
MANIPULATED SELECTION OF LOCAL PARTNER AGENCIES	123
INEFFECTUAL PARTNER MONITORING	125
BIASED LOCAL RELIEF COMMITTEES	127
BLOCKING OR DIVERSION OF AID BY 'GATEKEEPERS'	129
TARGETING AND REGISTERING BENEFICIARIES	131
BIAS IN TARGETING CRITERIA	131
CORRUPT EXCLUSION OR INCLUSION OF BENEFICIARIES	133
MULTIPLE OR 'GHOST' REGISTRATIONS	135
DISTRIBUTION AND POST-DISTRIBUTION	137
MODIFICATION OF ENTITLEMENT SIZE OR COMPOSITION	137
DIVERSION OF RESOURCES DURING DISTRIBUTION	139
POST-DISTRIBUTION TAXING OR EXPROPRIATION	141
PROGRAMME MONITORING AND EVALUATION	143
FALSE, EXAGGERATED OR INCOMPLETE REPORTS	143
NON-REPORTING OF CORRUPTION	145
COMMODITIES	147
FOOD AID	147
GIFTS IN KIND	149



SECTION III CORRUPTION THROUGH THE PROGRAMME CYCLE

Corruption in humanitarian operations isn't limited to programme support functions: numerous types of corrupt practices, particularly non-financial corruption, can also affect programme activities at the heart of humanitarian responses. So even if an agency has strong anti-corruption policies in place (Section I) and rigorous systems to prevent corruption in programme support functions (Section II), vigilance is still essential on the ground, where emergency humanitarian assistance is delivered.

Programme activities such as needs assessment, targeting and registration, distribution, and even monitoring and evaluation may be distorted due to cronyism, coercion and intimidation, or for personal, political, social or corporate gain. Goods and services may be diverted to non-target groups at field level or expropriated post-distribution. High-value food and non-food items (such as medicines) or processes (such as registration for resettlement) present special temptation. One of the most egregious forms of corruption, the extortion of sexual favours in return for access to relief resources, affects the targeting, registration and distribution of aid.

This section traces the possible course of corruption through the programme cycle, and suggests measures to block it at every stage. The accompanying reference materials explore in further detail how such measures can be implemented, and there are links to the related underlying policies and practices from Sections I and II. For example, corruption risks in programme activities should be anticipated during emergency preparedness (including an assessment of local power dynamics and embedded corrupt networks) and appropriate safeguards adopted.

Without increased transparency in operations, rigorous on-site monitoring and evaluation (including the empowerment of beneficiaries to monitor programme quality and equity) and the promotion and development of trained staff committed to preventing corruption, even the best-designed corruption mitigation measures won't be effective. These, in turn, must be reinforced by confidential complaint mechanisms and inter-agency sharing of information and joint responses during all stages of programme delivery.

CASE STUDY

PLUGGING THE LEAKS IN FOOD AID THROUGH BETTER M&E

Corruption in the delivery of food aid can arise from many sources, but as the Indian Government and World Vision both learned, understanding local power structures and carrying out careful monitoring can minimise it, whatever its origins.

In a Food for Work scheme run by India in 2001–2 to help the most vulnerable people survive a severe drought in Andhra Pradesh, decision-making about recipients, payment and works identification was decentralised to community level – a move intended to optimise service delivery. But no account was taken of entrenched local elites, who severely distorted the process. Most employment opportunities went to village chiefs and projects were awarded to unscrupulous contractors to implement (many of whom paid bribes). These contractors acquired government rice for the scheme at a low cost; they then paid workers the cash equivalent instead of their rice allowance, based on the subsidised price, and sold the rice on the open market at great profit. They also used labour-displacing machinery, cheaply hired, leaving them free to sell the rice acquired for payment. Falsified roll-calls and paperwork covered their tracks.

Complaints made to the local media and police prompted the authorities to designate officials to accompany the rice during transportation and prevent its diversion. But the officials were too busy with existing workloads, so this monitoring never took place. A subsequent evaluation of the project recognised the importance of M&E, but stressed that robust anti-corruption checks must be built into programme design. It also acknowledged the need to understand local power structures and involve independent local organisations in project implementation.

The value of detailed monitoring also emerged from World Vision investigations into food distribution projects in Liberia. In February 2007 the agency received an anonymous tip that lower level local employees in key positions were diverting food deliveries, building supplies for personal gain. It immediately launched an investigation, sending internal auditors to its field sites to uncover the nature and extent of the violations. It gave detailed documentation for further investigations by the project funder, USAID.

World Vision then acted swiftly to prevent future occurrences, including increased field oversight of programmes; improved background check procedures for hiring staff, and special training to increase the ability of local staff to detect and deter fraud. It also enhanced its round-the-clock integrity hotline, enabling employees worldwide to call confidentially if they suspect suspicious activity. Such combined measures create a formidable barrier to food diversion.



BIASED PROJECT LOCATION OR RESOURCE ALLOCATION

A. Corruption risks

Local elites may use pressure or bribery to influence where assessments or programmes are carried out, or which social groups are included or excluded. Elites or staff may favour an area according to its political, religious, ethnic, tribal or clan affiliation; select areas or beneficiaries on the basis of media coverage; or require membership of a local community organisation for eligibility. Assessment recommendations can favour or preclude interventions in areas where the assessor has a personal interest or bias. National, regional or local authorities may influence programme shape, size or location by coercion, e.g. by threatening restrictions or existing programme closure.

B. Watch out for

- Members of the assessment team pushing hard for a particular region or group
- Interviewees identifying others to talk to who always reinforce their views, i.e. people carefully placed to paint a distorted picture
- Assessors or interviewees resisting your efforts to consult with other sources
- Your agency being denied or having only limited access to certain populations

C. Prevention measures

- **Familiarise yourself with the local power structure**
As part of emergency preparedness, assess the area's political, economic, religious, ethnic, tribal or clan influences, so you can detect efforts to bias decisions and other **corruption risks**. Find out the population's socio-economic condition before the crisis, as baseline information to assess the emergency impact.
- **Select a varied and balanced assessment team**
Use both local and external team members, to balance local knowledge, language skills and possible biases or preconceptions with external skills and perspective. Ensure gender balance. Train the team in looking for and avoiding corruption risks; honesty and transparency in data collection; and gender and cultural sensitivity. Ensure no one faces **conflicts of interest** or social pressure.
- **Choose the right area and section of the population to assess**
Use secondary information to identify areas and populations directly affected, indirectly affected and not affected (for comparison). Assessment reports should explain the choice of areas. Use an appropriate combination of random and purposive sampling, to increase accuracy and reduce the risk of corruption. Visit more locations and talk to fewer people in each, rather than vice-versa, and cross-check or triangulate information with various sources. Distribute approved reports **transparently** to all stakeholders, including the community, so they can comment on any irregularities.
- **Ensure participation of the local population**
Hold meetings and interviews with the **local population** (not just leaders) to learn where they think aid is most needed and to help you choose where to visit for assessment. Let local people including women and minorities help decide assessment criteria. Verify this information, especially concerning the more vulnerable groups. Inform local people about the assessment time and purpose, and publicise the results, seeking feedback on their accuracy.

- **Coordinate with other agencies**

Liaise with other agencies (e.g. through the UN cluster system or through specially created multi-stakeholder groups, also involving community members) to help reduce the duplication or manipulation of assessment areas. If possible, carry out joint assessments. Pre-agree methods, criteria and aims, to avoid patchwork data that's hard to aggregate. Agencies and donors should share all assessment results, to avoid double-funding.

You'll need

- Clear, set formats, terminology and standards for assessment reports, so key relationships across data and information can be quickly noted.
- Context-specific assessment methodologies (emergency, post-emergency, etc.).

Challenges

- The need to distinguish between emergency needs and chronic, long-term pre-existing needs (which can be distorted to attract emergency aid).

Reference materials

Blewitt, Richard, et al.: *The Village Tract Assessment in Myanmar, July 2008: lessons and implications*, Humanitarian Exchange Magazine, Issue 41, HPN, ODI, 2008.

Bradbury, Mark, et al.: *Measuring humanitarian needs: Needs assessment and resource allocation in Southern Sudan and Somalia*, HPG Background Paper, ODI, 2003.

Byrne, Catriona (Ed.): *Assessment*, in "Participation by Crisis-Affected Populations in Humanitarian Action: A Handbook for Practitioners", chapter 3, ALNAP, ODI, London 2003.

HAP International: *Benchmark 3: Beneficiary participation and informed consent*, in "The Guide to the HAP Standard: Humanitarian Accountability and Quality Management", p. 64–71, Oxfam, Oxford 2008.

IASC: *Needs Assessment*, 2009.

Listen First: *Introduction*, MANGO & Concern Worldwide, n.d.

ECB: *Identify the changes people want to see*, in "The Good Enough Guide: Impact Measurement and Accountability in Emergencies", p. 17–19, Oxfam, Oxford 2007.

UNHCR: *The UNHCR Tool for Participatory Assessment in Operations*, 2006.



NEEDS ASSESSMENT / RESOURCE ALLOCATION

INFLATED OR DISTORTED NEEDS, COSTS OR BENEFICIARY NUMBERS

A. Corruption risks

Needs, costs or beneficiary numbers can be distorted by staff or local elites to generate **surplus resources** for corrupt diversion. They can also be over-estimated through an agency's desire to be seen to respond quickly or to generate funds for other expenses, e.g. project overhead costs. If an agency's capacity is not well known to donors, it can propose a response far beyond its means, to enhance its profile or corruptly divert funds. Local elites may bribe or otherwise influence an assessment team member to exaggerate the number of people in a camp or an area, or local leaders or communities may hide assets or information to make their situation seem worse than it is, to attract more resources which can then be diverted.

B. Watch out for

- Unit needs or costs that significantly exceed Sphere minimum standards
- Beneficiary numbers close to or exceeding the total population
- The reluctance of local elites to allow independent verification of needs assessments

C. Prevention measures

• Compare historical and current contexts

Establish a baseline from a variety of primary and secondary data sources so you can judge assessments against the pre-crisis situation and query unlikely results. Form the historical context using existing knowledge (from local and government officials, other agencies, the media, academics), then fill the gaps with field assessment data, to show the post-emergency context. Reports must distinguish facts from judgements.

• Involve other organisations to ensure agency objectivity

It's crucial to involve donors or independent specialists, so assessment and analysis aren't left to implementing agencies who may have a vested interest in the results (if seeking funding or prestige). Consider joint agency assessments. Assessment teams should be separate from those who prepare funding proposals, to reduce the risk of exaggerated damage or importance of the proposed intervention. Donors should insist that programme **evaluation** covers the quality of the assessment process, the accuracy of its results and programme consistency with those results.

• Involve the local population

Consult the community (not just its leaders) to assess its vulnerability and capacity to meet its own needs. Be sure to include women and minority groups, and to identify different levels of vulnerability not just across the community but within households. Ensure you have enough female interviewers, who speak the local language (in some contexts, women talk more easily to women). Ensure that the types of goods and services identified as needed are culturally and economically appropriate for the particular emergency, especially if they are donated **goods in kind**. Share your findings with those affected so they can comment on and verify them.

• Check data for consistency between multiple sources

Triangulate your data to minimise bias or distortion. Try to confirm assessment findings by verifying information from at least three different sources or methodologies, which are as

diverse as possible. Deploy mixed teams so several opinions can be shared, inconsistencies discussed and the best interpretation selected. Use common sense: does the information add up? If there are contradictions, find new sources of information to clarify the situation.

- **Make assessment a continual process**

Carry out several stages of assessment: situational, initial and in-depth. As emergencies evolve rapidly, keep assessing the situation to prevent the diversion or receipt of aid no longer needed or going to the wrong place. Monitor the external environment, as well as your programme, so you can update assessment results.

You'll need

- Assessment teams that include local and external members, are gender-balanced and free from **conflicts of interest** or local pressure.
- To coordinate and share analysis with other agencies, to identify gaps or duplication.
- Programme evaluations that include the quality of the assessment process.

Challenges

- Primary and secondary data sources which are hard to reconcile and give an unclear picture of need when aggregated.
- Traditions of community food-sharing which must be taken into account when assessing needs in order to allow sufficient rations for targeted households.
- Special difficulties in assessing the needs of internally displaced persons (IDPs), refugees and returnees on the move.
- Rapidly changing situations, needs and sources of vulnerability.
- Possible bias by interpreters.

Reference materials

Bradbury, Mark, et al.: *Measuring humanitarian needs: Needs assessment and resource allocation in Southern Sudan and Somalia*, HPG Background Paper, ODI, 2003.

Byrne, Catriona (Ed.): *Assessment and Design*, in "Participation by Crisis-Affected Populations in Humanitarian Action: A Handbook for Practitioners", chapter 3 and 4, ALNAP, ODI, London 2003.

GFDRR: *Damage and Loss Assessment*, The World Bank, Washington, DC n.d.

HAP: *Tearfund North Kenya Programme: Increasing levels of participation – the role of the Beneficiary Reference Groups*, Tearfund, n.d.

Kibreab, Gaim 2004, *Pulling the Wool over the Eyes of Strangers: Refugee Deceit and Trickery in Institutionalized Settings*, *Journal of Refugee Studies*, vol.17, no. 1, p.1-26, Oxford 2004.

Tsunami Evaluation Coalition: *The role of needs assessment in the tsunami response: Executive summary*, ALNAP, ODI, London 2006.



PARTNERS AND LOCAL INTERMEDIARIES

MANIPULATED SELECTION OF LOCAL PARTNER AGENCIES

A. Corruption risks

Partner or sub-grantee agency staff may collude with or be bribed by agency staff to be selected. Potential partners may bribe agency staff to put a favourable gloss on their assessment (making them more likely to be chosen for funding), or to allocate more funding than they otherwise would. Agency staff can demand kickbacks or bribes for recommending or selecting partners, or choose partners according to bias or personal connections, rather than through objective evaluation. Agency staff may even invent bogus NGOs or 'ghost' partners in order to secure funding (for diversion or to boost personal and programme status).

B. Watch out for

- Potential partners who don't have physical offices or clear governance structures
- Partners with staff who appear to come from the same family
- The potential influence of family, friends, clan or ethnic relations in partner selection
- Partners unable to give references for previous work
- Pressure to choose partners without adequate assessment

C. Prevention measures

- **Use clear, pre-existing criteria for partner selection**
Before the selection process, set firm criteria, in accordance with your organisational culture. Establish priorities; be clear about what type of partner would strengthen your capacity, with what type of organisational culture and values. Check their capacity to meet specific internal and external policy requirements, e.g. progress and financial reporting; procurement procedures. Remember that your partners can affect your own image and reputation.
- **Build up real knowledge of prospective partners**
As part of emergency preparedness and **risk analysis**, use your criteria to assess potential partners' mandates, experience, capacities (material and staff resources) and governance. Visit their premises and check how long they've been working and their audits and annual reports. Assess their understanding of a partnership, and their expectations of its term and purpose; roles and responsibilities; accountability and information-sharing. Check their reputation for integrity, their independence and their links with local power structures, economic interests and political parties. Ask for references and contact multiple information sources; don't rely on partner self-assessment.
- **Involve more than one person at every stage of partner selection**
Form a team free from **conflicts of interest** to shortlist and interview all prospective partners, according to standard procedures. Use the same questions and evaluation for each, and re-emphasise your goals and approach so they're clear about your standards of zero tolerance towards corruption. The choice of partner should never be dependent on one person's decisions. Encourage prospective partners to report agency staff demanding kickbacks, and give them a complaints **mechanism** to do so.
- **Include partner selection in emergency procedures**
Have **special emergency procedures**, including for partner selection in rapid-onset emergencies. Set criteria and a time-frame beyond which they may not be continued without clear written justification and senior management approval.

- **Invest in partner relationships**
Be clear to donors that you need time and resources to build effective partner relationships and to develop partner capacity where needed (as well as assess existing partners for corruption risks).

You'll need

- Staff trained in assessing partner capacity and understanding local power structures.
- Enough time for thorough vetting of potential partners (including their previous donor relationships and other local partners).
- A standardised partner agreement including a **code of conduct** and covering corruption and use of resources.

Challenges

- A limited number of possible partner organisations in the emergency area, reducing your ability to be selective.
- Competition for partners from other humanitarian agencies.
- Pressure to choose partners rapidly.
- Differing expectations of partnership: stress that it's not just a contractual flow of money.

Reference materials

AA International: *Financial Management Framework*, n.d.

Byrne, Catriona (Ed.): *Implementation: Establishing contract and partnership agreements*, in "Participation by Crisis-Affected Populations in Humanitarian Action: A Handbook for Practitioners", chapter 5, p. 181–189, ALNAP, ODI, London 2003.

Inter-Agency Network for Education in Emergencies (INEE): *INEE Good Practice Guide: Partner Assessment and Selection*, n.d.

InterAction: *Partnership Self-Assessment Checklist*, Washington n.d.

Marguerite Casey Foundation: *Marguerite Casey Foundation Capacity Assessment Tool*, n.d.

Tennyson, Ros: *The Partnering Toolkit*, IBLF, Global Alliance for Improved Nutrition (GAIN), 2003



PARTNERS AND LOCAL INTERMEDIARIES

INEFFECTUAL PARTNER MONITORING

A. Corruption risks

Agencies may inadvertently or consciously use partners to 'outsource' corrupt acts they believe necessary to speed implementation. Local partners, agents or contractors may bribe authorities to expedite procedures without officially informing the agency ('facilitation payments'). Local partners may corruptly divert resources, or exploit poor financial controls to use funds from one donor to support another project or cover overheads. Needs assessments may be inflated by a partner wanting to manage a large programme, or because of bias towards particular areas or groups. A partner may obtain funding for the same activity from two agencies (double funding), or may double-fund overheads by allocating the same overhead expenditure to two or more projects. A partner may bribe agency staff to ignore pre-agreed conditions (e.g. avoiding controls, to allow the diversion of funds).

B. Watch out for

- Partners unwilling to be fully **transparent** about activities, staff and experience
- Sudden and unexplained increases in partner assets or staff lifestyles
- Partners resisting in-depth monitoring by agency staff or programme evaluators
- Partners defensive towards constructive criticism
- Unexplained fees or payments by partners to third parties
- Partner activities with expenses that are higher than market prices

C. Prevention measures

- **Commit sufficient staff and resources to managing the relationship**
Dedicate sufficient time and resources to the partnership, and invest in partner capacity-building. Identify who will liaise in both organisations; periodically evaluate the relationship and what improvements could be made. Ensure the right skills and experience in staff working with partners, including knowledge of local culture and sensitivities.
- **Include clear terms of reference (tasks, duties and responsibilities) and M&E in your partnership agreement**
Assess your partner's strengths and weaknesses, and implement controls and monitoring accordingly. Monitor and evaluate their work against specific roles and responsibilities outlined in a legal agreement. Require that partners inform **beneficiary** communities of their entitlements. Set specific monitoring arrangements (e.g. at distributions) and reporting requirements (e.g. financial, progress) and ensure they're adhered to. Negotiate **audit** rights into your contracts or grant agreements.
- **Explain your policy on corrupt behaviour**
At the start of the partnership, explain your agency **values**, **code of conduct** and policy towards corruption, including facilitation payments. Specify all conduct unacceptable to both parties and define sanctions, such as partnership termination, and when they will be imposed. Require in writing requests for changes in partnership terms.
- **Coordinate with other agencies working with your partner**
Meet with all a partner's donors and commission a joint audit, to reduce duplication and double funding. Use common reporting requirements, to help coordination. Communicate any corrupt partner behaviour to other agencies, to prevent the 'recycling' of corrupt partners.

You'll need

- Sufficient resources and staff skills for effective (but not overbearing) partner capacity-building and monitoring.
- Clear terms for the termination of the partnership.
- To check regularly for changes to your partner's governance structure.
- To manage advance payments and ensure they're allocated to specific project requirements.

Challenges

- Resentment or alienation in a weak partnership, which can cause corruption.
- Legal difficulties in terminating a partnership if corruption cannot be proven.
- Constraints to terminating a partnership even if corruption is demonstrated but there are no alternative local organisations available.

Reference materials

AA: *Building Accountability* (video) and *Background note*, 2008. (unpublished document)

AA International: ALPS: *Accountability Learning and Planning System*, Johannesburg 2006.

Blagescu, Monica and Young, John: *Partnerships and Accountability: Current thinking and approaches among agencies supporting Civil Society Organisations*, Working Paper 255, ODI, London 2005.

Byrne, Catriona (Ed.): *Monitoring: Implementation of the monitoring process*, in "Participation by Crisis-Affected Populations in Humanitarian Action: A Handbook for Practitioners", chapter 6, p. 200–206, ALNAP, ODI, London 2003.

Catholic Relief Services (CRS): *CRS Partnership Reflection Tool*, n.d. (unpublished document)

Inter-Agency Network for Education (INEE): *INEE Good Practice Guide: Partner Assessment and Selection*, n.d.

Marguerite Casey Foundation: *Marguerite Casey Foundation Capacity Assessment Tool*, n.d.

Tennyson, Ros: *The Partnering Toolbook*, IBLF, GAIN, 2003.



PARTNERS AND LOCAL INTERMEDIARIES

BIASED LOCAL RELIEF COMMITTEES

A. Corruption risks

Local relief or camp committees or volunteer groups often play an important role in planning and implementing humanitarian aid projects. Their decisions and actions are key to equitable programmes free from corruption and bias. Whether elected or appointed, committees may represent only the strongest sections of the community – either through being from a majority or a powerful elite. Minorities or the most vulnerable (including women) may be excluded from taking decisions and receiving aid. A biased committee may divert aid from those who most need it towards their families, friends, ethnic or regional group, or those able to pay (financially or sexually).

B. Watch out for

- Committees composed only of established local leaders or public authorities
- Committees with members of only one particular group
- Members who attend committee meetings intermittently
- Unexplained substantial improvements in volunteer or committee member lifestyles
- Committees resistant to monitoring and evaluation
- Reports of **SEA** or **extortion** of staff or beneficiaries

C. Prevention measures

- **Understand local power structures**
As part of your **risk analysis** prior to or in the initial phase of a crisis, learn about the political, economic, social, religious, ethnic and clan structures in target communities, so that committees and volunteers can be as free from conflict of interest as possible. Require that all committee decisions are publicised transparently and that people know their entitlements, so they can speak out or complain privately if they feel a committee isn't representing them fairly.
- **Don't give committees or volunteers total discretionary power**
Ensure that committee or volunteer work is adequately **monitored and evaluated**. Make random, surprise visits to observe committees or volunteers in action. Explain their roles and responsibilities to the community and set up an independent **complaints mechanism** (i.e. not through the committee or volunteer structure).
- **Ensure women and minorities are represented and have a voice**
Try to ensure strong female representation on a committee, and that women and minorities are not just present, but that they have a say in decision making. Ensure meetings are effectively chaired, so no one party or person dominates, and that decisions are objective, reflecting the views and needs of all. Hold private interviews if necessary, to check that this is the case.
- **Be explicit about payments or rewards for committee members**
Depending on context, either establish and publicise a nominal payment for committee members or publicly state that committee members should not be paid – including by beneficiaries. Make sure everyone understands and agrees to this, so that committee members don't feel entitled to skim off unofficial 'payment' in relief goods which they feel they've earned. Publicly acknowledge members' contribution, to inspire loyalty to your agency and make them feel valued.

- **Train committee members in anti-corruption measures**
Provide specific training for committee members in their roles and responsibilities, including what's acceptable and what's corrupt behaviour, preventing corruption and how to report suspected cases. Translate your agency **values** and **code of conduct** into the local language and ensure committee members read or hear them. Make the committee responsible for preventing corruption. Clarify that if they allow it, the community will lose resources and the programme may even be terminated.

You'll need

- Sufficient time and staff skills to build a good working relationship with local committees.
- The ability to be culturally sensitive and to accommodate local customs.
- Buy-in from senior community members.
- A confidential complaints mechanism for the community to use if a committee is perceived as corrupt.

Challenges

- The full impact of cultural differences. Be aware of your own culture and how it influences you.
- Frequent resistance against the involvement of women and minorities.

Reference materials

Bailey, Sarah: *Perceptions of corruption in humanitarian assistance among Internally Displaced Persons in Northern Uganda*, HPG, TI, ODI, London 2008.

Elhawary, Samir with Aheeyar, M.M.M.: *Aid recipient perceptions of corruption in humanitarian assistance: a Sri Lanka case study*, HPG Working Paper, HPG, TI, ODI, London 2008.

Savage, Kevin, et al.: *Corruption perceptions and risks in humanitarian assistance: a Liberia case study*, HPG Background Paper, HPG, ODI, London 2007.

Savage, Kevin, et al.: *Corruption perceptions and risks in humanitarian assistance: an Afghanistan case study*, HPG Working Paper, HPG, Integrity Watch Afghanistan (IWA), ODI, London 2007.



PARTNERS AND LOCAL INTERMEDIARIES

BLOCKING OF AID BY 'GATEKEEPERS'

A. Corruption risks

'Gatekeepers' are local government officials, elites, traditional leaders, volunteers or militias who control access to resources or beneficiaries, and who can block, divert or skew aid. They may divert aid before it reaches a community (with or without staff collusion), for sale or redistribution elsewhere in order to win political favour. They may demand payment (sexual or financial) for receipt of aid, regardless of entitlements, or volunteers may distribute under-weight portions of aid and sell the surplus. These problems are particularly challenging in situations of armed conflict.

B. Watch out for

- Roadblocks by militias or local authorities
- Local leaders denying agency officials access to beneficiaries
- Reports of **sexual exploitation** in return for relief goods and services
- Reports of **extortion, coercion and intimidation** of local staff
- Reports of unofficial **post-distribution 'taxation' of aid** resources from beneficiaries
- Large quantities of relief goods for sale in local markets
- **Unexplained receipts** for payments to third parties

C. Prevention measures

- **Assess the local context for corruption risks**
As part of emergency preparedness, undertake a comprehensive **risk analysis** of the local political economy and power structures, to help you pre-empt corruption risks. Who has decision-making power, who influences their decisions, what criteria do they take into account? Use various sources, including local **civil society organisations**.
- **Engage local elites in fighting corruption**
Enlist the support of as many appropriate powerful local players as possible, so potential aid diverters are co-opted into helping ensure fair distribution. Look for local anti-corruption champions, but don't ally the agency with any one group. Show that a transparent, corruption-free environment based on trust is in everyone's interests, and solicit advice in ensuring aid is not diverted. Be clear that there's no remuneration for involvement: build commitment by rewarding participation with public appreciation.
- **Ensure beneficiary participation throughout your programme cycle**
Beneficiaries know the local context best, so their participation in programme design and implementation helps you take into account local power structures and corruption risks. Ensure beneficiaries can speak in confidence (e.g. in private interviews) without fear of reprisal from local elites, and that minorities are heard. Provide culturally appropriate, safe **complaints mechanisms** so beneficiaries can report aid blockages.
- **Have clear policies for staff to follow**
Train staff in how to respond to coercion and intimidation, to blockage by local elites or authorities, and to requests for **payments for access** to beneficiaries. Establish procedures for reporting such incidents, and inform donors if they occur repeatedly.

- **Work with other agencies to prevent aid diversion**

Inter-agency coordination can help reduce corruption risks systematically across a whole emergency response. Share local knowledge and work together to enlist the support of gatekeepers for a corruption-free programme. Formulate and publicise a joint response to efforts to block humanitarian aid.

You'll need

- Strong local contacts and staff well-trained in sensitive cross-cultural communication and negotiating skills.
- Always to preserve neutrality in dealing with militia.

Challenges

- Beneficiaries' reluctance to report intimidating local elites for corruption.
- Redistribution of aid by elites according to local notions of fairness. Ensure beneficiaries know the total amount of resources a community should receive, so they can check none was diverted for private gain.

Reference materials

Bray, John: *Facing up to Corruption: a Practical Business Guide*, Simmons & Simmons, London 2006.

Byrne, Catriona (Ed.): *Participation by Crisis-Affected Populations in Humanitarian Action: A Handbook for Practitioners*, ALNAP, ODI, London 2003.

Errath, Birgit: *Business against corruption: Case stories and examples*, UN Global Compact, 2006.

UN Global Compact: *Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery*, n.d.



TARGETING AND REGISTERING BENEFICIARIES

BIAS IN TARGETING CRITERIA

A. Corruption risks

Aid that does not get to the real emergency victims but is diverted to other groups is effectively wasted. Staff may be bribed or offered kickbacks to set targeting criteria that favour or exclude people from a particular group or location, rather than targeting those most in need. Staff may be biased or have **conflicts of interest** (e.g. social, political or commercial) that influence their choice of targeting criteria. They may set criteria as a result of collusion with external actors to divert aid, or they may deliberately set criteria that are very complex, making it harder for beneficiaries to hold an organisation accountable and increasing the opportunities for corruption.

B. Watch out for

- Criteria that are too general, vague, narrow or complex
- Criteria that would favour or exclude particular regions or groups
- Criteria that are not physically verifiable
- Local leaders pushing for or against particular criteria
- Resistance to your agency verifying criteria provided by others, e.g. the government

C. Prevention measures

- **Use both geographic and administrative criteria**
Have clear, strict pre-determined administrative criteria if your agency is setting them itself (e.g. in a rapid-onset emergency). Ensure they're understood in the community, as objectively verifiable as possible and applied transparently. Don't have too many or too complex criteria; focus on essential needs and their attributes. The more precise and quantifiable the criteria, the more objectively verifiable they are. Don't accept government criteria without verifying their suitability with other sources.
- **Involve the community and civil society groups as much as possible**
Community groups know best what constitutes vulnerability in their own context and who in the community has been most affected. Consult **beneficiaries** when developing targeting criteria and plan for a gradual increase in community participation as an emergency unfolds. (Where possible, establish multi-stakeholder groups bringing together community members, civil society groups and other agencies.) Decide criteria at community meetings, then cross-check targeting decisions through field visits and household surveys. Always publicise widely the subsequent beneficiary lists so the community can raise any questions.
- **Include women and marginalised groups in defining selection criteria**
Ensure marginalised groups help decide criteria, so they aren't excluded from assistance. Women often have very different ideas from men about vulnerability and suitable targeting criteria. Ensure they're adequately represented at any community meetings and that you have female staff that women can talk to if they wish to ask questions or report **intimidation and extortion**.
- **Coordinate with other agencies in setting or negotiating criteria**
Coordinate with other humanitarian agencies working in the same emergency to cross-check your criteria. Where agencies are given pre-determined criteria and/or beneficiary lists by the government or by the contracting UN agency, try to negotiate and build into

your agency contract the right to review and modify criteria and lists on a regular (annual or six-monthly) basis. Negotiations will be most effective if all agencies contracting with the same UN agency or working in the same region present a coordinated joint position.

- **Use M&E to check the validity of targeting criteria and processes**
Monitor and evaluate your programme to determine the appropriateness of your targeting criteria (have the groups in greatest need been identified and reached? Are objectives being achieved?). Keep verifying your targeting process, to improve accuracy and filter out any bias in initial targeting. Cross-check information on whether the right quantity and type of aid is reaching intended beneficiaries in time, and investigate shortfalls for possible corruption. Carry out periodic surveys of beneficiaries' perceptions of corruption in targeting and registration, including extortion and **SEA**.

You'll need

- To ensure targeting criteria are specific to the type of emergency and the type of humanitarian response planned.
- A criteria-setting team widely representative of different sections of the affected community, as well as government and your agency.
- To invest adequate resources for targeting (essential for programme impact and accountability).
- To communicate widely the aim of establishing targeting criteria, to prevent power groups from dominating and to enable minorities to speak.

Challenges

- Offsetting cleavages (ethnic, caste, new immigrants), corrupt leaders or unequal power balances, if the community does the targeting.
- Working with criteria pre-determined by the government and not as objective as those your agency would have developed.

Reference materials

AID: *Targeting Aid*, 2009.

FAO: *Targeting Practices*, in "Targeting for Nutrition Improvement: Resources for Advancing Nutritional Well-Being", chapter 2, Rome 2001.

HAP International: *Benchmark 3: Beneficiary participation and informed consent*, in "The Guide to the HAP Standard: Humanitarian Accountability and Quality Management", p. 64–71, Oxfam, Oxford 2008.

Jaspars, Susanne and Maxwell, Daniel: *Targeting in Complex Emergencies: Somalia Country Case Study*, FIC (part of a larger study commissioned by the WFP), 2008.

Maxwell, Daniel and Burns, John: *Targeting in Complex Emergencies: South Sudan Country Case Study*, FIC, Medford 2008.

The Sphere Project: *Targeting*, 2009.

WFP: *Targeting in Emergencies*, 2006.



TARGETING AND REGISTERING BENEFICIARIES

CORRUPT EXCLUSION OR INCLUSION OF BENEFICIARIES

A. Corruption risks

Staff, local elites or committee members may demand bribes, kickbacks, political support or **sexual payment** (from legitimate beneficiaries or those not eligible) for inclusion on a registration list. They may inflate the number of people in a household in exchange for money or sex, or threaten to reduce it if these are withheld. Elites may manipulate recipient lists to exclude certain groups or areas; maintain people as visibly needy in order to attract resources; or put themselves, family and friends first on registration lists. People unaffected by crisis may come into the area seeking aid – especially at border areas. Camp leaders may bring external people to register, sell registration cards or demand residents' money in return for 'representing' them to agencies. People can falsely claim vulnerability (with or without staff collusion), bribe officials to be registered when they don't meet criteria, borrow children to inflate family entitlements, or buy or forge registration cards.

B. Watch out for

- Registration or ration cards without means of identifying the beneficiary
- Manually corrected registration lists
- Families claiming more dependents than listed
- Beneficiaries who appear well-dressed and fed
- People exaggerating their needs in order to be included or receive more
- Eligibility lists from government or local authorities, unverified by other sources
- Community leaders demanding payment for 'representing' people to aid agencies
- Expanded registration lists during elections (i.e. vote-buying by local politicians)

C. Prevention measures

- **Apply clear, pre-established targeting criteria**
Decide methods for screening out non-targeted people carefully (avoid excluding those in need or creating security risks to staff). Ask refugees or IDPs about their supposed place of origin. Check clothes and dialects; engage help from local people and authorities. If in doubt, register people and confirm eligibility during future verification activities.
- **Understand local power structures and networks of influence**
As part of emergency preparedness or early in a response, assess local social, economic, political, religious, ethnic or clan structures. Identify elites and leaders as part of your **risk analysis**. Consult local **civil society organisations** to help find the right leaders to work with, such as traditional elders.
- **Involve beneficiaries** in designing, implementing and monitoring registration
Consult the community when planning registration (including women and minorities). Ensure people understand registration criteria and that the inclusion of ineligible people causes the exclusion of those genuinely in need; ask for help in preventing fraud. Make the registration process and criteria public, and set up a **confidential complaint mechanism**.
- **Communicate constantly and clearly that registration is free**
Display prominently that registration is free of charge and voluntary to those eligible. Use meetings, posters, leaflets or drama in local languages to ensure people understand their entitlements. Explain your zero-tolerance policy on **SEA**, and that beneficiaries should report any extortion (financial or sexual) in return for registration.

- **Register at times when people are most likely to be present**
Publicise registration times widely, so people can be present and needn't resort to buying fake or stolen registration cards. Design the site to allow a one-way flow of people; ensure it can't be penetrated and keep numbers attending at any one time as low as possible.
- **Ensure all registration records have a validation status**
Verify registration records by comparing data collected independently and by different methods. 'Fix' populations with pre-registration identification measures, and check fixing devices carefully for tampering. Verify the physical presence of each family member.
- **Carry out regular field monitoring**
Don't give full discretion to local leaders or volunteers in determining eligibility and registering recipients. Make periodic site visits to assess the process and use independent evaluators to determine whether inclusion or exclusion errors result from corruption.

You'll need

- To train and incentivise staff in preventing corruption during registration.
- Distinctive registration books which can't be acquired locally.
- To update registration lists regularly (for births/deaths, arrivals/departures).
- Procedures to include absent targeted beneficiaries, e.g. the sick.

Challenges

- Difficulties in bypassing local leaders and elites considered biased.
- **Redistribution of aid by recipients** to include non-targeted people.
- Having to explain why some people can't receive aid.
- Potential conflict in the community if some people are left out.
- People's reluctance to report demands for payment, for fear they'll be struck off the registration list if they confess to having paid to get on it.
- Acute corruption risks when aid benefits are very high (e.g. refugee resettlement in third countries).
- Mobile populations, e.g. nomadic people, with special registration needs.

Reference materials

AID: *Targeting Aid*, 2009.

Bailey, Sarah: *Perceptions of corruption in humanitarian assistance among Internally Displaced Persons in Northern Uganda*, HPG/TI, ODI, London 2008.

Byrne, Catriona (Ed.): *Participation by Crisis-Affected Populations in Humanitarian Action: a Handbook for Practitioners*, ALNAP, ODI, London 2003.

Elhawary, Samir: *Aid recipient perceptions of corruption in humanitarian assistance: a Sri Lanka case study*, HPG Working Paper, HPG/TI, ODI, London 2008.

HAP International: *Benchmark 3: Beneficiary participation and informed consent*, in "The Guide to the HAP Standard: Humanitarian Accountability and Quality Management", p. 64–71, Oxfam, Oxford 2008.

UNHCR: *Policy and Procedural Guidelines: Addressing Resettlement Fraud Perpetrated by Refugees*, 2008.

UNHCR: *Population estimation and legislation*, in "UNHCR Handbook for Emergencies, Third Edition: Section Three – Operations", chapter 10, 2007.



TARGETING AND REGISTERING BENEFICIARIES

MULTIPLE OR 'GHOST' REGISTRATIONS

A. Corruption risks

People may register several times (as themselves or under different identities), with or without staff collusion. Households may divide themselves, or borrow children to inflate family size, in order to receive more assistance. Registered beneficiaries may pose as new arrivals, use fixing devices (e.g. wristbands) more than once, or register at more than one centre or with other agencies working in the area. Beneficiaries may move on, leaving or selling registration documents to people already registered. Deaths can go unreported so people can keep claiming the deceased's entitlements or sell their registration documents. Corrupt staff or elites may register non-existent 'ghost' families, so they can collect and divert their aid entitlements or push out legitimate claimants.

B. Watch out for

- Corrected or apparently falsified registration lists
- Altered or fake registration or ration cards
- Fake identity documents
- Beneficiaries with identical characteristics (age, family size, origin, etc.)
- Too many absent beneficiaries who can't physically register themselves
- The multiple appearance of similar names (check with local leaders if these are different people: many names can be repeated in a community), or similar signatures
- Registration lists that are all thumbprints and no signatures

C. Prevention measures

- **Use your eyes**
Nothing substitutes for regular on-site visual checking. For sites that are hard to access physically, consider using video for **monitoring** (ensure video footage is carefully reviewed).
- **Ensure that standard personal and place names are used**
Where these aren't standardised, a person or family may inadvertently be recorded more than once. Sort names alphabetically to locate duplicate records with spelling variations or filter different parts of records (e.g. age, ethnicity, sex), and check for possible duplication resulting from non-standard spelling. Introduce standard spellings (especially when more than one alphabet is involved).
- **Check whether a record already exists**
At registration, always check if there's already a record for an individual or family. Afterwards, filter data by different parts (name, family size, address, place of origin or biometric details). Mark duplicate entries and visit the family concerned to resolve the duplication (photos are useful). Take care not to delete genuine records that may appear to be duplicates.
- **'Fix' the population in as short a time as possible**
Use fixing methods such as ink, wristbands, photos, fingerprints or biometrics to define and temporarily freeze the size of the group from which detailed information will later be collected. Fixing must be done rapidly (within a day) to avoid multiple or bogus registrations – but make sure people understand what's happening.

- **Verify registration documents at distribution**
During registration, ensure staff can speak the language and check registration documents. Verification should be regular and frequent, including house-to-house visits, random cross-checks of other records (e.g. medical records), interviews with people suspected of multiple registration, comparison with records from other areas to check for duplicate registrations, and roll-calls or card validation before distributions. Update your information as the population changes with births, deaths and movement. Try to include some visual record such as photographs, biometric indicators, etc., to supplement written registration cards.
- **Cross-check your registration lists with other agencies**
Sharing registration lists among agencies is essential to avoiding multiple registrations. **Coordinate with other agencies** working in the same geographic area to ensure that beneficiaries are not registering with other programmes.
- **Carry out a careful deregistration process**
Be clear that people need to deregister if there's a death or they're moving on. Update your records (but don't delete the entry). Incentivise people to report deaths, e.g. pay burial fees in return for the deceased's registration documents (be sure to invalidate these).

You'll need

- Staff fluent in local languages and with knowledge of local population characteristics.
- Time and resources to verify beneficiaries' status and eligibility, and to cross-check for duplication.
- Reliable 'fixing' techniques.
- Registration cards that can't easily be forged or altered.
- Staff trained to 'fix' registered beneficiaries and supplied with the necessary equipment.

Challenges

- High population mobility making it hard to track registered beneficiaries.
- Changes in the situation causing adjustments in targeting that allow registered people to re-register.

Reference materials

Bailey, Sarah: *Perceptions of corruption in humanitarian assistance among Internally Displaced Persons in Northern Uganda*, HPG, TI, ODI, London 2008.

Elhawary, Samir: *Aid recipient perceptions of corruption in humanitarian assistance: a Sri Lanka case study*, HPG Working Paper, HPG, TI, ODI, London 2008.

NRG: *Registration and Profiling*, in "Camp Management Toolkit", chapter 9, p. 275-310, Oslo 2008.

UNHCR: *Population estimation and legislation*, in "UNHCR Handbook for Emergencies, Third Edition: Section Three – Operations", chapter 10, 2007.



DISTRIBUTION AND POST-DISTRIBUTION

MODIFICATION OF ENTITLEMENT SIZE OR COMPOSITION

A. Corruption risks

People in charge of the storage or distribution of relief goods may reduce the size of entitlements or change their composition by removing items (particularly of high value), which are later sold. **Food** may be skimmed off at distributions where rations are measured in a standard-volume cup, for later sale (e.g. levelling the cup with the back of a hand instead of a straight edge, pushing food out and leaving a surplus after distribution). High-value food or non-food items, e.g. medicine, may be removed from packages. Collusion may occur so a distributor gives a recipient more than the standard entitlement and later collects his share. Distributors may show bias, giving larger or smaller rations to certain beneficiaries. Collusion may involve staff falsifying records. Bags, cans or packages may arrive underweight from the warehouse or the transporter, reducing ration sizes. People may claim for **cash entitlements** that don't correspond to their need or the losses they actually suffered.

B. Watch out for

- Large quantities of relief goods on sale in local markets or stores
- The rounding-up of ration allocation numbers
- Puncture holes in bags or cans; packages that look tampered with
- Cartons missing from standard pallets
- Distribution records that have been altered or could have been rewritten
- Substantial discrepancies between cash transfer entitlements as calculated in the needs assessment, and disbursements

C. Prevention measures

- **Inform the community of distribution details and their entitlements**
Tell **beneficiaries** transparently and directly (not via leaders) what each is entitled to receive, how much, when and how. Communicate distribution timing, process, ration size and composition in the local language through community meetings, signboards, leaflets, speaker vans, posters, drama and radio announcements, to ensure that people are aware of their entitlements. Encourage beneficiaries to use your confidential **complaints mechanism** if entitlements aren't received as announced.
- **Let beneficiaries see and monitor the distribution process**
Ensure male and female participation at all stages of distribution. Beneficiaries should sign only for rations actually received: never let them sign beforehand. Check carefully when someone collects on behalf of the elderly or sick. Verify each recipient's identity and record the amount and type of rations distributed to each, e.g. by signature or fingerprint. Consider distribution by 'grouping' (allowing groups of beneficiaries to distribute among themselves) – but be sure that individuals know how much they should receive and that you mix social groups up to reduce bias.
- **Have written agreements with distribution site teams**
Specify contractual obligations and penalties, including repayment of the value of losses for corrupt diversion of goods. If distribution site personnel are caught diverting goods, impose **sanctions**, which will also act as a deterrent and show that your agency is serious about its responsibilities to beneficiaries.

- **Provide nominal payment to community distribution teams**
Consider providing extra rations or payment in kind, to prevent distribution teams diverting goods. Discuss and agree to this publicly so that team members and beneficiaries know exactly how much and for what work distributors are paid. Explain that genuine surpluses must be returned to the agency for distribution to others in need, not kept by distributors or the community.
- **Provide standardised containers to measure out food rations**
Provide uniform measuring scoops/cans/buckets and train people to use them properly. Avoid flexible containers as the sides can be squeezed to reduce the ration. Punch horizontal slits into the containers at the fill line to prevent over-scooping. Use scales rather than scoops if ration sizes change frequently; if scales are too time-consuming, pre-package rations at your warehouse (pre-budget for this, with donors if necessary).
- **Make regular visits to distribution sites**
Monitor and evaluate distributions regularly. Make random, surprise site visits to verify that rations handed out match original entitlements. Visit local markets and stores to see whether relief goods are being sold privately. Carry out 'food basket verification', i.e. random checking of rations received by one in every five or 10 beneficiaries, and examine food sacks and oil cartons thoroughly to ensure they're completely empty post-distribution. Rotate M&E teams to reduce the potential for collusion with field staff.

You'll need

- Sufficient staff and travel resources for regular on-site monitoring.
- To ensure separation of duties between registration, distribution and monitoring staff.
- To brief beneficiaries who are helping in the distribution, ahead of distribution day; be transparent about their payment or reward so the community knows.
- A well-defined distribution system (including security measures), that's clearly understood by both staff and beneficiaries.
- Complete and timely **transparency** with beneficiaries; if allocations change owing to shortages give beneficiaries reasons for changes.

Challenges

- Beneficiaries reluctant to report irregularities for fear of retaliation by distributors.
- Difficulties accessing remote or insecure sites for monitoring and evaluation.
- Threats to staff security, e.g. from local militia or armed forces.

Reference materials

NRC: *Food Distribution and Non-Food Items*, in "Camp Management Toolkit", chapter 13, p. 388–416, Oslo 2008.

UNHCR: *Food Aid and Nutrition*, in "Handbook for the Protection of Internally Displaced Persons", Action Sheet 18, p. 310–315, 2007.

UNHCR: *Commodity Distribution: A Practical Guide for Field Staff*, 1997.



DISTRIBUTION AND POST-DISTRIBUTION

DIVERSION OF RESOURCES DURING DISTRIBUTION

A. Corruption risks

Local militia, military or public officials may forcefully divert food (on the road or from a warehouse). Aid may be stolen, diverted or delayed to meet the preferences of local elites or to **extort** money or favours (including **sexual**), or agency staff may demand kickbacks from beneficiaries. Theft may occur during the transfer of goods from storage or during the distribution process, with collusion from staff or bribes to turn a blind eye. Those involved in distribution may divert assistance for private gain, and powerful individuals within the community may take larger shares than they're entitled to. Local politicians may exert influence over which groups receive relief. **Surpluses** may be 'ordered' and sold by community or camp leaders.

B. Watch out for

- Relief goods on sale in large quantities in local markets or stores
- Frequent requests by local leaders for larger allocations than identified in the needs assessment
- Particular beneficiaries or groups claiming higher rations than others
- Identical attendance lists for every distribution ('perfect' attendance records)
- Frequent corrections of the distribution ledger
- Similar or identical signatures or fingerprints for receipt of rations
- Distributors demanding a share of rations in return for their service
- Monitors or evaluators always being taken to the same sites

C. Prevention measures

- **Use thorough supply chain management policies**
Have comprehensive policies and procedures, trained staff and a system of checks to track resources at all times and prevent theft during the **transport**, storage or distribution of goods. Carry out thorough '**gatekeeper**' and **risk analyses** to help anticipate and prevent the diversion of goods.
- **Design distribution sites carefully**
Ensure targeting is followed by delivery mechanisms that guarantee aid reaches those who need it. At distribution, ensure clear space between people waiting and stocks of commodities. Make sure sites are safe (security is vital), close to people's homes (but also accessible from your storage site) and easily accessed by all groups of beneficiaries (especially women and the vulnerable). Time distributions to suit beneficiaries, and consider distributing directly to female heads of household.
- **Oblige sites to report irregularities**
Distribution site staff must report any irregularities in the quality or quantity of relief items received. **Investigate** all problems as soon as possible, verifying informants' testimony and taking measures to protect and reward them. Carry out multiple inventories of goods stored in secondary warehouses at the distribution site. Check by number, weight and volume to ensure there are no unjustified discrepancies between the goods received, stored and distributed.
- **Have written agreements with appropriate community representatives, if possible**
Specify distribution teams' obligation to distribute goods according to agency targeting

criteria and entitlements. Be clear that sanctions will be imposed if corruption occurs, including the repayment of the value of losses. These are a deterrent and show your agency's concern for its responsibilities to beneficiaries.

- **Provide nominal payment to community distribution teams**
Consider providing extra rations or payment in kind, to prevent distribution teams diverting goods. Discuss and agree to this publicly so that team members and beneficiaries know exactly how much and for what work distributors are paid. Explain that genuine surpluses must be returned to the agency for distribution to others in need, not kept by distributors or the community.
- **Check during M&E whether full entitlements were received**
Build distribution checks into all **monitoring and evaluation** reports. External monitors should carry out spot-checks to compare allocation samples in transit and at distributions, to prevent collusion between transporters and distribution personnel. Ration receipts or attendance lists should also be examined. Ask beneficiaries specifically whether the amounts of goods received matched their entitlements (including work team members in food-for-work and cash-for-work programmes). Establish confidential **complaints mechanisms**, e.g. one-on-one interviews, so people feel free to report what they've received. Ensure that managers read M&E reports and make field visits for first-hand observation.

You'll need

- Time and resources for multiple inventories and cross-checks.
- Plenty of female evaluators, as many women beneficiaries feel more comfortable speaking to women than men.
- To vary distribution times and locations, to minimise security risks.

Challenges

- Distribution teams and communities not understanding why surplus goods must be returned to the agency.
- Difficulties accessing remote or insecure sites for monitoring and evaluation.
- Difficulties in certain communities in facilitating women's participation.
- Security threats, e.g. militia attacks, ambushes.

Reference materials

CDA Collaborative Learning Project: *Listening Project: Field Visit Report, Asia, Indonesia, November 2005*, Cambridge 2006.

Jaspars, Susanne and Maxwell, Daniel: *Targeting in Complex Emergencies: Somalia Country Case Study, FIC* (part of a larger study commissioned by the WFP), 2008.

NRC: *Food Distribution and Non-Food Items*, in "Camp Management Toolkit", chapter 13, p. 388–416, Oslo 2008.

UNHCR: *Commodity Distribution: A Practical Guide for Field Staff*, 1997.



DISTRIBUTION AND POST-DISTRIBUTION

POST-DISTRIBUTION TAXING OR EXPROPRIATION

A. Corruption risks

Attack, looting, pillage or theft of relief goods may occur with the collusion of authorities with power over the relief process. Local authorities or leaders, or militia or military forces may **force** beneficiaries to sell or give relief items to them. Goods may be redistributed according to local customs, or local elites or authorities may demand 'taxation' of a certain percentage of relief goods once beneficiaries have received them. Women and minorities may be especially vulnerable.

B. Watch out for

- Beneficiaries continuing to be malnourished or lacking relief goods after distribution
- Relief goods in the possession of local militias or elites
- Reports on the local grapevine of post-distribution corruption

C. Prevention measures

- **Find out what's likely to happen after distribution**
Consult beneficiaries to assess the likely pattern of events after distribution. Hold meetings as well as private interviews, and ensure the inclusion of women and minorities. Understand post-distribution patterns and if necessary adjust how aid is delivered so it reaches the most needy people and doesn't make beneficiaries vulnerable. Consider host communities, e.g. if you deliver food rations in a camp but the host community has very little, this can provoke post-distribution expropriation.
- **Involve beneficiaries in designing the distribution process**
Work with the community to ensure distribution is designed so targeted beneficiaries can derive benefit from aid received. Ensure minorities are heard and that the community inputs on how to distribute goods in a way that doesn't make beneficiaries targets or increase their vulnerability.
- **Work with local leaders to ensure redistribution is equitable and not corrupt**
Check the reputation for integrity of **relief committees**, camp leaders or volunteers. Ensure any redistribution of aid by beneficiaries or their leaders to include other needy but non-targeted people accords with local perceptions of vulnerability. Provide information **transparently** on entitlement for the whole community, as well as for individuals, so people can check whether aid has been diverted and hold their leaders to account.
- **Give beneficiaries means of reporting if their relief goods are taken**
Establish a confidential **complaints mechanism** so people can report if redistribution is taking place in a corrupt manner (for personal gain rather than social justice). Ensure people feel free to report corrupt redistributions, e.g. via one-on-one interviews.
- **Check during M&E whether post-distribution expropriation occurred**
Build distribution checks into all monitoring and evaluation reports, and enquire specifically whether post-distribution expropriation occurred. If so, was it simply in order to include needy but non-targeted households, or was it to enrich leaders? Verify your findings through further interviews of a sample of the target population, and amend the aid distribution process accordingly. Rotate M&E teams between sites, to prevent cover-ups or collusion with staff.

You'll need

- Time and staff resources at the programme planning stage to develop a thorough understanding of what's likely to happen to goods post-distribution.
- Time and staff resources for post-distribution monitoring and evaluation.
- To understand how the type of assistance delivered influences corruption risks and aid recipient vulnerability, e.g. through its value and marketability.

Challenges

- Making the difficult distinction between the legitimate sharing of relief goods between needy but untargeted households, and corrupt or forced diversion.

Reference materials

NRC: *Food Distribution and Non-Food Items*, in "Camp Management Toolkit", chapter 13, p. 388–416, Oslo 2008.

Maxwell, Daniel and Burns, John: *Targeting in Complex Emergencies: South Sudan Country Case Study*, FIC, Medford 2008.

UNHCR and WFP: *Joint Assessment Mission (JAM): Guidelines*, 2nd ed., Geneva, Rome 2008.

UNHCR: *Post-distribution monitoring*, 2008.

WFP: *Emergency Field Operations Pocketbook*, Rome 2002.



PROGRAMME MONITORING AND EVALUATION

FALSE, EXAGGERATED OR INCOMPLETE REPORTS

A. Corruption risks

Comprehensive M&E are critical for minimising corruption risks, but can themselves be prone to corruption. Reports may be falsified to prevent head office or donors from realising aid is being abused. M&E may suffer from favourably biased or exaggerated reporting by project managers wanting to bolster their careers or attract more resources. Community leaders may manipulate evaluations to attract further aid (e.g. deliberately creating displaced groups or maintaining visibly needy groups). Field staff with a grudge against supervisors may mislead M&E teams. Monitoring and internal evaluation staff may lack independence or be biased. If the staff implementing a project are responsible for monitoring it, it's unlikely the M&E system will pick up corruption.

B. Watch out for

- Reports that are unduly consistent or that always indicate that benchmarks or targets have been reached or exceeded
- Reports inexplicably more positive than previous reports on the same site
- Excessive praise by communities of your projects and programmes
- Inconsistency between narrative and financial reports
- The same 'sample' sites always being monitored and/or evaluated

C. Prevention measures

- **Rotate monitoring staff**
Separate internal monitoring staff from programme implementation staff. Rotate all monitoring staff so they don't develop personal interests or links with local programme staff or communities. All monitoring reports should be discussed by the country office management team. Ensure managers check monitoring reports during site visits, and intensify monitoring for sites that receive suspicious reports.
- **Involve a spectrum of stakeholders in M&E**
Involve stakeholders in the M&E design process, and carry out M&E involving all sectors of the community (especially women and minorities), local officials, carefully vetted local **civil society organisations** and a range of field staff from all levels. Ensure **beneficiaries** know their entitlements and what the targeting, registration and distribution processes should have been, so they can monitor whether the right people received the right allocations in a timely, accessible way. Provide confidential means for beneficiaries and staff to report their findings. Have plenty of female monitors (as some women beneficiaries will talk more easily to women than men). Encourage liaison between finance and programme teams (e.g. provide M&E reports to auditors to help them go beyond the paper trail).
- **Disseminate reports widely so stakeholders can object if not accurate**
Decide during programme design how best to disseminate evaluation findings **transparently** (to staff, beneficiaries, donors and other agencies). Give a concise summary of key conclusions and recommendations, so stakeholders can raise objections if reports aren't accurate. Provide report summaries in local languages, so beneficiaries can comment on their accuracy and any differences can be resolved before a report is finalised.

- **Always verify or cross-check information**
Allow time and budget for cross-checking M&E findings. Use multiple information sources, different tools for data collection and varied skills within the team. Watch for possible biases; ensure certain projects or sites aren't kept from monitors and that minority groups are included in data collection. Check information with other agencies working in the same region.
- **Follow up on suspicious reports**
Follow up reports that you suspect are biased or exaggerated. Check whether they're typical of the programme type, staff responsible or emergency context. Make surprise site visits to verify report conclusions, and ensure management acts on M&E findings.

You'll need

- Simple monitoring forms and templates setting out key factors to monitor.
- A set of basic evaluation standards for programmes, which all evaluations should assess.
- To ensure field staff understand the importance of evaluations, and cooperate fully.
- Feedback mechanisms for stakeholders to comment on M&E reports.
- Sufficient resources to follow up on suspicious reports (and spot-check others).
- Objective, verifiable indicators of project success, e.g. indicator tracking tables.

Challenges

- Staff or stakeholders with vested interests misinforming monitors and evaluators.
- Resistance from management or donors to allocating sufficient resources to M&E.
- The tendency to let M&E reports gather dust: ensure they're read and acted on.
- Challenges around the rotation of staff: inconsistency, loss of institutional knowledge, and new staff who may be easier to manipulate.

Reference materials

AA Sri Lanka: *Community Review*, Colombo n.d.

AID: *Monitoring and Evaluation (M&E)*, 2009.

Byrne, Catriona (Ed.): *Monitoring and Evaluation in "Participation by Crisis-Affected Populations in Humanitarian Action: A Handbook for Practitioners"*, chapter 6, p. 193-209, and chapter 7, p. 211-227, ALNAP, ODI, London 2003.

FitzGibbon, Atallah: *How to Monitor and Evaluate Emergency Operations*, IR – Handbook May 2007, IR Worldwide, Birmingham 2008.

HAP International: *Benchmark 6: Continuous improvement*, in *The Guide to the HAP Standard: Humanitarian Accountability and Quality Management*, Oxford 2008.

ProVention Consortium: *What is monitoring & evaluation?*, IRFC, n.d.

Qualité COMPAS (Quality COMPAS): *Criteria and Tools for the Management and Piloting of Humanitarian Assistance*, 2007.

The Sphere Project: *Common Standard 5: Monitoring and Common Standard 6: Evaluation*, in *"Sphere Humanitarian Charter and Minimum Standards in Disaster Response"*, 2004.



PROGRAMME MONITORING AND EVALUATION

NON-REPORTING OF CORRUPTION

A. Corruption risks

Monitoring and evaluation (M&E) personnel may be bribed or offer bribes to overlook any corruption they uncover, or they may have personal **biases** (e.g. ethnic) or **conflicts of interest** that prevent them from reporting corruption. Corrupt staff may keep a project (or parts of a project) from monitors or evaluators, in order to hide evidence of wrong-doing. M&E staff may be **intimidated** or threatened by the perpetrators of corrupt practices to overlook corruption.

B. Watch out for

- Reports 'too good to be true': consistently glowing reports that never mention implementation problems
- Delayed or no action by the managers responsible on reported issues from M&E

C. Prevention measures

- **Invest sufficient resources in field monitoring**
Make sure that monitors and evaluators can spend enough time at programme sites to detect possible corrupt practices. All monitoring reports and evaluations should be read by a manager and discussed by country office management. Reports that seem to gloss over possible corruption should be verified by follow-up field visits. Close managerial monitoring of field activities is essential: managers should select and visit programmes for themselves.
- **Assess evaluation quality (meta-evaluation)**
Use two evaluators, working independently with a form or checklist, to assess the quality of evaluations and whether they meet your evaluation standards. Include assessments of the selection of evaluators, the terms of reference, evaluation methods, scrutiny of the intervention and quality of the report. Dig behind suspiciously favourable reports and tighten M&E reporting accordingly.
- **Ensure beneficiaries participate fully in M&E**
Participatory M&E enhances community commitment to a programme, making the avoidance of honest reporting more difficult. It should take place at all stages of M&E: planning and design, gathering and analysing data, identifying conclusions and recommendations, and disseminating results. Ensure M&E reports reflect the perspectives of women, men and children from all aid recipient groups, and that everyone can speak out if reports don't reflect reality. Provide **complaints mechanism** for beneficiaries; complaints should inform M&E reports (without compromising confidentiality).
- **Provide a safe mechanism for whistle-blowing**
Provide a safe and accessible mechanism for M&E staff to alert agency management if they've been intimidated into overlooking corruption, or for other staff to use if they feel that corruption has not been reported.
- **Monitor and evaluate programme anti-corruption systems**
Brief field monitors and evaluators in corruption issues and train them to probe specifically into corruption risks, incidence and prevention measures. Clarify that this corresponds to core **agency values** and is important to your mission. M&E teams should check whether anti-corruption systems are being regularly verified, and encourage **transparency** at all times, e.g. if staff have to pay a bribe at a roadblock to enable critical supplies of food or medicines to pass, they should report it.

You'll need

- To invest adequately in M&E (crucial to programme quality and preventing corruption). Sufficient resources and staff capacity must be available.
- Easy-to-use, clear forms for M&E reports. Assess the effectiveness of your reporting system at suitable intervals.

Challenges

- Reluctance by monitors to blow the whistle on colleagues.
- The constant need to seek and offset bias in monitors and evaluators, e.g. via balanced team selection.

Reference materials

ALNAP: *Assessing the Quality of Humanitarian Evaluations: The ALNAP Quality Proforma 2005 (v. 02/03/05)*, 2005.

CDA: *Listening Project Issue Paper. Presence: "Why Being here Matters"*, Cambridge, MA 2008.

Davies, Rick and Dart, Jess: *The 'Most Significant Change' (MSC) Technique: A Guide to Its Use*, 2005.

Qualité COMPAS (Quality COMPAS): *Criteria and Tools for the Management and Piloting of Humanitarian Assistance*, 2007.

WV Development Resources Team: *LEAP – Learning through Evaluation with Accountability & Planning: World Vision's approach to Design, Monitoring and Evaluation*, 2005.



COMMODITIES

FOOD AID

A. Corruption risks

The large volumes and high values involved make emergency food aid highly susceptible to corruption; bulk foods are hard to identify if diverted corruptly. Throughout the supply chain, staff or partners may divert food for personal use or sale. Poor quality or adulterated food may be delivered by corrupt suppliers, or smaller amounts than contracted for may be supplied.

Inventory documents may be falsified and food smuggled out of warehouses or siphoned off during repackaging or **transportation**. Local militia or public officials may divert food, forcefully or with staff collusion. Food may be diverted during targeting or registration, through inflation of population figures or via the extortion of money, favours or **sex**. Distributors may reduce entitlements, skim food off for later sale, give more than the standard ration and later collect their share, or show **bias** to certain recipients. **Surpluses** may be 'ordered' and sold by community leaders. **Post-distribution**, local elites may demand a certain percentage of rations (especially from women and minorities).

B. Watch out for

- Packages that appear to have been tampered with (e.g. puncture holes, rips)
- Manually prepared distribution containers, made bigger or smaller than they should be
- Large quantities of relief food on sale in local markets or stores
- Distribution records that have been altered or could have been rewritten
- Beneficiaries continuing to be malnourished after distribution
- Relief food items in the possession of local militias or elites

C. Prevention measures

- **Have strict procurement policies, implemented by specialist staff**
Follow strict **prequalification** and bid procedures when **selecting suppliers**; monitor the implementation of contracts to ensure deliveries are not undersized or adulterated. Have **pre-supply agreements**, reducing the need for warehouses filled with food on standby.
- **Ensure secure, safe storage and transport of food items**
Assess social, political and economic influences, to predict possible aid diversions. Receive food shipments in secure warehousing. Use formal procedures for arrival and dispatch (physical and visual examinations by weight, volume and numbers, cross-checked with paperwork). Make staff and local volunteers handling food sign a **code of conduct**. Label packages as donated and free-of-charge, carry out regular inventories and certify any loss or damage. Use only trusted transporters (contractually liable for their cargo).
- **Carry out needs assessment and targeting based on community participation**
Involve the community (including women and minorities) in comprehensive **needs assessment, targeting and registration**. Ensure you're reaching intended recipients only and that you publish information transparently. Coordinate with other agencies to avoid duplication (or gaps). Verify registration documents at distribution.
- **Design and monitor distribution carefully, in collaboration with recipients**
Identify secure distribution sites, easily accessed by recipients. Have signed agreements with staff and partners that food won't be traded or sold. Encourage use of your **complaint mechanism** if entitlements aren't received; **investigate** all missing goods. Consult the community over likely **post-distribution** events; tailor food delivery accordingly.

- **Use standardised containers to measure out food rations**
Provide uniform measuring containers and train people to use them properly. Avoid flexible containers which can be squeezed to reduce the ration. Punch horizontal slits at the fill line to prevent over-scooping. If ration sizes change frequently, use scales or pre-package rations.
- **Monitor and evaluate your entire supply chain regularly**
Include spot-checks of storage, transport and distribution in all M&E reports. Make surprise site visits during transit and distributions, examine ration receipts or attendance lists, and verify with recipients that rations received match entitlements. Carry out 'food basket verification' and ensure containers are completely empty post-distribution.

You'll need

- Comprehensive, secure storage and distribution networks.
- Specific staff training on food aid distribution, and a food operations manual.
- An efficient commodity tracking system (e.g. humanitarian logistics software).
- Staff and resources for regular on-site M&E (including post-distribution).
- Separation of duties between registration, distribution and monitoring staff.
- To fully understand the local context and power balances.

Challenges

- Beneficiaries reluctant to report irregularities for fear of retaliation.
- Difficulties accessing remote or insecure sites for M&E.
- Making the difficult distinction between the legitimate post-distribution sharing of food between needy but untargeted households, and corrupt or forced diversion.
- Inappropriate donated food items, creating the urge to sell them.

Reference materials

Jaspars, Susanne and Maxwell, Daniel: *Targeting in Complex Emergencies: Somalia Country Case Study*, FIC, WFP, 2008.

Maxwell, Daniel and Burns, John: *Targeting in Complex Emergencies: South Sudan Country Case Study*, FIC, WFP, 2008.

Maxwell, Daniel, et al.: *Emergency food security interventions*, Good Practice Review, No. 10, HPN, ODI, London 2008.

NRC: *Food Distribution and Non-Food Items*, in "Camp Management Toolkit", chapter 13, p. 388-416, Oslo 2008.

Taylor, Anna et al.: *Targeting Food Aid in Emergencies*, Emergency Nutrition Network (ENN) Special Supplement Series, No. 1, Oxford 2004.

The Sphere Project: *Minimum Standards in Food Security, Nutrition and Food Aid*, in "Humanitarian Charter and Minimum Standards in Disaster Response", chapter 3, p. 103-202, Geneva 2004.

UNHCR: *Food Aid and Nutrition*, in "Handbook for the Protection of Internally Displaced Persons", Action Sheet 18, p. 310-315, 2007.

WFP: *Monitoring and Reporting*, in "Emergency Field Operations Pocketbook", chapter 5, p. 123-138, Rome 2002.

Zicherman, Nona: "It is difficult to escape what is linked to survival": sexual exploitation and food distribution in Burundi, *Humanitarian Exchange Magazine*, issue 35, HPN, 2009.



COMMODITIES

GIFTS IN KIND

A. Corruption risks

Although gifts in kind (GIK) – goods donated for use in relief operations (predominantly non-food items) – face many of the same corruption risks as purchased items in storage, transportation and distribution, they also have special problems. Agencies receiving GIK donations have less control over product quantities and quality, making it harder to **keep track** of goods received and creating additional risks. Staff and partners may divert gifts in kind for personal use or sale. The fact that an agency hasn't had to pay for items may seem an invitation to some staff or partners to help themselves. GIK items may be culturally or economically inappropriate for the particular emergency, leading to their misuse or sale. Products may be bartered, traded or sold by staff, partners or beneficiaries. Agency staff may charge partners or beneficiaries inappropriately for GIK products; some countries give GIK donors a tax incentive for their donations, on the condition that the receiving organisation must distribute the products free of charge; nominal handling fees may be charged to partner organisations, but these may only cover distribution costs and mustn't reflect the product value. Such fees may be inflated or skimmed off by staff.

B. Watch out for

- Large quantities of donated products for sale in local stores or markets
- Staff living above their means
- Unrecorded or insecure transport and storage of products
- Staff appearing at a warehouse at inappropriate times
- More products being requested than seems appropriate
- High quantities of a single product sent to one community
- Inadequate distribution records in relation to receipt records
- Fees being charged to distributing partners that are higher than distribution costs

C. Prevention measures

- **Communicate your GIK policy clearly to all partners and staff**
Have a specific written policy and operations manual on GIK, and ensure these are covered in staff inductions and training. Be clear that just because an agency hasn't had to purchase these relief items, it doesn't mean it's acceptable to divert or sell them. Sign up to **sector standards** on GIK, including appropriate financial practices for recording GIK in your organisation's accounts, and have signed agreements with staff and partners that products won't be bartered, traded or sold.
- **Use only highly trained staff for the storage and distribution of goods**
Ensure your **supply chain** is managed by trained logisticians, expert in receiving, dispatching, tracking and storing goods. Carry out regular inventories of GIK received, and use only trusted **transporters** selected through a careful **procurement** process. Ensure **distribution** points are designed by experienced staff to guarantee security, an orderly flow of beneficiaries and adequate protection of stores of GIK awaiting distribution.
- **Ensure beneficiaries understand that items are free of charge**
Explain to the community that they're to receive these items free of charge. Use posters or leaflets at the distribution site to reinforce that products are not to be bartered, traded or sold by distributors. Keep records signed by recipients, detailing items and quantities received.

- **Make sure GIK goods are suitable to their context**
Ensure that all donated items are appropriate to each specific emergency context and location, based on a thorough needs assessment. People will be more tempted to sell unsuitable goods or trade them for more useful items.
- **Ensure M&E and management oversight of GIK distributions**
Managers should request regular reports from distribution sites and ensure frequent **audits** are carried out on records of donation against records of distribution. Audits should also go beyond the paper trail to find out what beneficiaries actually received and whether it was useful. Monitor and evaluate the distribution of GIK just as you would for items purchased by your agency.

You'll need

- Detailed written policies and a GIK operations manual.
- Secure storage and distribution networks.
- Time and resources for multiple inventories and cross-checks.
- An efficient commodity tracking system (e.g. humanitarian logistics software) giving an overview of the whole pipeline.
- Training on GIK items and their distribution.

Challenges

- Raising funds for the storage and distribution of gifts in kind.
- Difficulties in record-keeping for donated products: the items received may be of a different type or quantity from those expected.
- Donated products not entirely appropriate for a particular relief setting, creating the urge to sell them.

Reference materials

Association of Evangelical Relief and Development Organizations (AERDO): [AERDO Interagency GIK Standards](#), 1999.

Gifts In Kind International: [Gifts In Kind International's Security Procedures for Monitoring Donated Products](#), n.d.

Gifts In Kind International: [Terms & Conditions for Receiving Donated Products from Gifts In Kind International](#), n.d.

World Emergency Relief: [Frequently Asked Questions \(FAQ\): About Gifts-In-Kind \(GIK\)](#), 2008.

World Vision: [GIK manual](#), n.d. (unpublished document)