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Final Independent project evaluation of the  
**Assessment of Corruption and Crime  
affecting the Business Sector in the  
Western Balkans**

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This evaluation report was prepared by Dr. Tapio Lappi-Seppälä as an independent project evaluator and was supported by the Independent Evaluation Unit (IEU) of the United Nations Office on Drugs and Crime (UNODC). The IEU provides normative tools, guidelines and templates to be used in the evaluation process of projects. Please find the respective tools on the IEU web site: <http://www.unodc.org/unodc/en/evaluation/evaluation.html>

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# ABBREVIATIONS AND ACRONYMS

CLP	Core Learning Partners
EIZ	Ekonomski Institute Zagreb
INSTAT	Institute of Statistics of Albania (INSTAT),
JHA	Justice and Home Affairs
KAS	Kosovo Agency for Statistics
LFM	LogFrameMatrix
MONSTAT	Statistical Office of Montenegro
NIP	National Implementing Partners
NSH	National Stakeholders
NSO	National Statistical Offices
OVI	Objectively Verifiable Indicators
RAI	Regional Anti-corruption Initiative for South-East Europe research institutes
RIO	Representatives from other international organizations
RSO	Statistical central office of Serbia
SOK	Statistical central office of Kosovo
SORS	Statistical Office of the Republic of Serbia
SSO	State Statistical Office of the FYR of Macedonia
TRANSCRIME	Joint Research Centre on Transnational Crime

# EXECUTIVE SUMMARY

Project “Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans” builds on two previous projects in the region. The project ‘Development of Monitoring instruments for judicial and law enforcement institutions in the Western Balkans’ (XEET 53) was set up to bring national and statistical mechanisms closer to international and EU standards. The second project “Assessment of corruption and crime in the Western Balkans” (XEET 93) measured the level of experienced corruption and bribery in Western Balkan countries. The project covered by this evaluation builds partly on the organizational structures of the first two project, but with a focus on the effects of corruption and especially bribery on the business sector. Central aims and objectives of the project include:

- To provide evidence-based factual assessment of corruption and its modalities at the country/area and regional levels, including the collection of comprehensive data analysis and description of business sectors most vulnerable to corruption together with an overview of other forms of crime against business.
- To develop a common methodology to measure corruption in countries in the region.
- To strengthen national capacity to carry out evidence-based assessments of corruption.

The ultimate practical policy objective is to assist in the development and implementation of policies to prevent corruption and crime and thereby also to promote business investment.

A grant was obtained from the European Union to cover 90% of the project cost. This grant enabled a business survey with a sample size of between 1,500 and 2,000 in the seven Western Balkan countries<sup>1</sup> covered. The survey took place between July 2012 and December 2012 with a presentation of the initial results and the publication of the regional report in Brussels in 24 October 2013 followed by press conferences in individual countries to present the results to the media.

## Evaluation findings

### *Relevance*

The aims of the project are designed in a manner that meets the needs of the region and the participating countries (also as potential EU-membership candidates). Information about the prevalence and modalities of bribery in different business sectors, the involvement of public officials in bribery, as well as of bribery between businesses is of crucial value in the

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<sup>1</sup> Albania, Bosnia and Herzegovina, Croatia, Montenegro, Kosovo under UNSCR 1244, the former Yugoslav Republic of Macedonia and Serbia.

development of effective anticorruption policies. Surveys provide an essential and unavoidable instrument to obtain this information.

### *Efficiency*

Arrangements in the meetings and the organizing of the surveys were generally appreciated. The workshops resulted with positive feedback from participants. Methodological support and advice was also experienced by the participants as detailed and accurate enough.

Organizational activities were carried out promptly with only minor delays caused mainly by the field works and data processing with the surveys. These delays were, however, caused more by unexpected organisational difficulties than by overtly optimistic time-table. With this exception all key-activities have been complemented in time, according to the plans, and with good quality.

The United Nations Office on Drugs and Crime (UNODC) has been identified by the parties as an organization that has the skills to carry out such surveys and to produce results that can be used in developing national policies. The European Commission has also recognized their role through their co-funding.

All project reports are of good quality and in an easy-to-read format. They all have been translated to local languages and disseminated in project countries and on the project website.

The total cost of the project 500,000 euros, covering a sample size of 12,700 companies, is low in international standards.

### *Partnerships and co-operation*

The selection of partners was much guided by previous UNODC projects in the region, as well as by the aims to strengthen national capacity for the production of evidence-based assessments of corruption and crime. The organization has functioned well and the existing networks have been effectively utilized.

The involvement of national anti-corruption agencies and national chambers of commerce has raised some concerns. These institutions were actively involved during the preparation and planning phase, however, some comments from different countries imply that effective involvement of national stakeholders still forms a challenge for future projects of this kind.

### *Effectivity*

The information provided by the surveys and the report gives a good basis for policy planning. The aim of providing tools for comprehensive assessment of corruption affecting the business sector in the region has been achieved. As a limitation, one may observe that of the many different forms of corruption the survey was focused only on bribery.

The methodology and the instruments developed meet well the established international standards. They can be judged as appropriate for measuring corruption and crime affecting the business sector. The sample sizes (around 2000 business units/country, with some exceptions) meet well the demands placed on these types of surveys.

The launching events produced a lot of positive media coverage, both in TV and radio and in printed media. One may well assume that this publicity and well disseminated results of the

extent of bribery and corruption contribute to better and stronger awareness of the importance of the development of anti-corruption policies.

### *Impact*

While the final results of this action should display themselves – alongside in increased awareness -- in national actions plans and anti-corruption programs, there is little evidence for the moment of concrete implementation. This, however, is much attributable to the short timescale between the publication of results and the completion of the evaluation. It would also be advisable to monitor in the future, to what extent these results will be utilized in policy planning and action work.

### *Sustainability*

The fact that surveys were conducted and carried out by national implementing partners in almost all countries has strengthened national capacity to carry out surveys of this type also in the future. The development of common methodology carries sustainable effects and allows future regional and national measurements of corruption to be made.

To secure the sustainability and to utilize the results in full, a follow up-survey is highly recommendable. It would also be advisable to include key indicators as part of regular national surveys

## **Lessons learned**

The project has produced an international model and a survey instrument, suitable for wider replication. Methodology has proven to be a success and able to produce the aimed results.

The organization has been able to solve several challenging issues, common to all comparative surveys. All countries expressed their satisfaction to the organizational arrangements and the partnerships created. The fact that the project has been built on a foundation created during earlier UNODC-projects in the region, has clearly contributed to this success.

While the parties were generally satisfied with the co-ordination between different partners, full involvement of national stakeholders is a challenge for all involved partners in the future projects.

A more careful examination of local conditions could have helped to avoid some of the practical problems encountered in the reaching of the respondents for the survey. The suspicion expressed by many respondents towards the survey might have been partly diminished by more extensive information and advertisement campaign.

Press conferences and launching events with wide media coverage have clearly been a success in spreading the information about the project, the UNODC's work in this field, as well as the prevalence of corruption and the seriousness of its consequences. Conveying this information and insight into national action plans and programs remains, however, still a challenge.

## Recommendations

Distribute copies of all reports on each participating country to the other participating countries. Consider also further dissemination means including topic-specific reports, websites and workshops (Lead: UNODC, Justice and Home Affairs (JHA)).

Deepen the analyses and combine this data with other available data (including the household-surveys and official criminal justice indicators). (Lead: UNODC, National Statistical Offices (NSO)).

Convey the findings into action plans and programs. Scrutinize which of the indicators can best be used for policy development and set up national implementation plans in sectors most prone to corruption. (Lead: NSH, JHA)

Set up a strategy for future follow-up business surveys after 3-5 years. Consider the integration of key-indicators as a regular part of annual national surveys. Consider also how to use the methodology in other countries or regions. (Lead: UNODC, NSO).

In order to enhance implementation and the control of corruption organize a survey on the implementation/notification of the present survey's results in the national action plans. (Lead: UNODC, JHA)

## Conclusions

The project has provided a detailed picture of corruption and especially bribery affecting the business sector in the western Balkans. All this new evidence is useful and needed in the development of national and regional anti-corruption policies and action plans. They can help law enforcement in defining counteracting measures more effectively by focusing on the specificities of this crime and the different economic sectors or types of bribery. In a longer run the project and its results are beneficial for the countries in the western Balkans from the point on view of the EU accession process.

The project has reached all its main objectives, including the provision of evidence-based factual assessments of the patterns and nature of corruption and crime affecting the business sector, the development of common methodology for the measurement of corruption, as well as strengthening of national capacities in producing survey based information about crime and corruption affecting the business sector.

Being among the first international comparative project measuring experience in bribery on corruption the project provides also an experience for guiding and orienting similar surveys in other countries or regions.

# SUMMARY MATRIX OF FINDINGS, EVIDENCE AND RECOMMENDATIONS

<b>Findings<sup>2</sup>: problems and issues identified</b>	<b>Evidence (sources that substantiate findings)</b>	<b>Recommendations<sup>3</sup></b>
<b>Key recommendations</b>		
1. The project has produced a survey instrument to collect comparable information on experiences of bribery affecting the business sector which is usable for follow-up studies and replications in other countries and regions.	1,500 to 2,000 respondents in each country took part in the survey covering 7 counties with response rates of about 55 to 80 % (only 30 % in Montenegro). The methodology is of high quality and meets well the international standards. (Desk review, project documents.)	Set up a strategy for future follow-up business surveys after 3-5 years. Consider the integration of key-indicators as a regular part of their annual work programme. Consider also how to use the methodology in other countries or regions, and also to cover other forms of corruption besides bribery. UNODC, NSO
2. Results and new information provided by the project are reliable and robust, and they can assist in the development of national corruption strategies.	All countries agreed that the picture given by the results is largely reliable and the best available. They all recommend the use of the survey results in action planning. (Project documents, answers to questionnaires).	Encourage the use of the survey results by continued dissemination and implementation in policy planning. UNODC, JHA, NSH
<b>Important recommendations</b>		
3. The remains a risk of that these results remain underutilized in the level of national policy-planning.	Several observations indicating that national stakeholders and policy units could have been involved more effectively; the views expressed by the stakeholders were the most critical ones; only weak indications that the results had concrete impact on policy actions. (Answers to questionnaires).	Convey the findings into action plans. Scrutinize which of the indicators can best be used for policy development, set up national implementation plans in sectors most prone to corruption. Survey the contents of national anticorruption programs also with view how the results had been utilized NSH, JHA
4. The two WB-corruption projects have resulted in a unique regional database with great potential for cross-national corruption research	The household survey covers 28,066 and the business survey 12,788 respondents in seven countries with a large number of variables in a format ready	Deepen the analyses and combine this data with other available data (including the household-surveys and official criminal justice indicators)

<sup>2</sup> A finding uses evidence from data collection to allow for a factual statement.

<sup>3</sup> Recommendations are proposals aimed at enhancing the effectiveness, quality, or efficiency of a project/programme; at redesigning the objectives; and/or at the reallocation of resources. For accuracy and credibility, recommendations should be the logical implications of the findings and conclusions.

	for further analyses. (Desk review, project documents, answers to questionnaires).	UNODC, NSO
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# I. INTRODUCTION

## **Background and context**

### ***The design of the project***

*Project.* A report by UNODC in 2008 highlighted the problems of corruption in the Western Balkans and as a result two projects were set up to provide some information on corruption and practices of the Western Balkans. The first project (XEET 53) was set up to bring national and statistical mechanisms closer to international and EU standards and was titled ‘*Development of Monitoring instruments for judicial and law enforcement institutions in the Western Balkans (Albania, Bosnia and Herzegovina, Croatia, Montenegro, Kosovo under UNSCR 1244, the former Yugoslav Republic of Macedonia and Serbia)*’. The second project (XEET 93) “*Assessment of corruption and crime in the Western Balkans*” was set up to provide an evidence-based assessment of corruption in Western Balkan countries on a comparable basis. Project contained a household survey conducted in 2010 with a sample size of between 3,000 and 5,000 in the seven Western Balkan countries. The third project (still under XEET 93), and the one covered by this evaluation, is *Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans*, with a focus of corruption and crime affecting the business sector.

The project was funded by the European Union (90 %) with co-financing provided by Germany, Sweden and Norway. The total budget was 500,000. The project started in January 2012 and was scheduled to end in April 2012. An extension of the project implementation period was granted by the EU until 31 December 2013.

*Aims and target groups.* The aim of the project is to provide evidence-based factual assessment of corruption and bribery affecting the business sector the country/area and regional levels, to develop common regional methodology to measure corruption in countries in the region and thereby also to strengthen national capacity to carry out evidence-based assessments of corruption. The ultimate practical policy objective is to assist in the development, implementation and monitoring of policies to prevent and fight corruption and crime and thereby also to promote business investment.

The main target groups are political decision makers and staff members of JHA institutions and related central government institutions (e.g. police, prosecution and court services), including national statistical offices.

*Organization and partners.* The project is implemented by UNODC in partnership with Regional Anti-Corruption Initiative (RAI), the Joint Research Centre on Transnational Crime (TRANSCRIME), with the support of the Commission of the European Communities. The role of RAI was to assist the UNODC in informing and involving all relevant national and regional stakeholders about the project. Trans crime served as a technical resource in planning the survey.

*Phases and executing modalities.* Implementation and management modalities consisted of research, developmental works (production of a questionnaire and instructions for survey), training and one workshop. The project was built up by several consecutive phases: Project started with a kick-off meeting, followed by meetings among national stakeholders organized by the national implementing partners in their own countries. Background research and the development of survey tools were taken care by UNDOC with the help of an external consultant. The draft of the survey questionnaire was reviewed in regional meeting workshop. After a pilot survey followed full surveys in all countries<sup>4</sup> with a selected representative of the sampled in five main business sectors and of four different business sizes. Data was analysed by UNODC. A regional report was published by the UNODC in October 2013 with national reports to follow. The final stage of the project consisted of a regional and national visibility actions that took place between November 2013 and February 2014.

### ***Purpose and scope of the evaluation***

The evaluation covers the project “Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans” over the time period January 2012 to December 2013. It focuses on the business corruption surveys carried out in western Balkan countries/areas (Albania, Croatia, Bosnia and Herzegovina, Kosovo, Montenegro, Serbia, the former Yugoslav Republic of Macedonia), the eight analytical reports produced on the basis of the surveys and the partnerships developed in the implementation of the project.

The purpose of this evaluation is to establish (1) whether and to what extent the project meets the country needs, global priorities and partners’ and UNODC policies, (2) the extent to which a project has attained its objectives and delivers planned outputs, (3) and the extent to which the benefits of the project will last after its termination (sustainability). Furthermore, the evaluation seeks to derive recommendations, lessons learned from measuring the achievements, outcomes and impact (both positive and negative) produced by the project. The insights obtained from this evaluation are expected to be valuable for UNODC to inform further actions directed at increasing the quantity and quality of crime and criminal justice statistics in the Western Balkans.

The evaluation consists of an assessment of the activities undertaken by the project, their impact in the beneficiary countries and the outputs produced. However, it is not a full impact-evaluation due to time-limits and the fact that most effects of the project will materialise only later on.

The evaluation covers the period from inception until December 2013. It assesses in more detail the following. (a) Project concept and design, focusing on the relevance and attainability of the objectives and of planned outputs, activities and inputs. (b) Assessment of the attainment of project objectives and aims, as defined in the project documents. (c) Project implementation, assessing how efficiently project planning and implementation have been carried out. (d) Project outputs, outcomes, impact and sustainability, indicating to what extent the beneficiaries have declared ownership to the methodologies and practices presented through the project. (e) Lessons learned from the concept, design and implementation of the project, together with the formulation

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<sup>4</sup> Albania, Bosnia and Herzegovina, Croatia, Montenegro, Kosovo under UNSCR 1244, the former Yugoslav Republic of Macedonia and Serbia.

of recommendations and proposals for concrete action that could be taken in the future to improve or rectify undesired outcomes.

The main stakeholders (Core Learning Partners, CLP) of the evaluation are staff of UNODC, EU institutions, implementing partners, national stakeholders from the business sector and other project counterparts. CLP were involved in various steps of the evaluation process through email and telephone interviews.

## **Methodology**

The evaluation was carried out by one external international consultant nominated by UNODC and confirmed by the donor. The following evaluation methods were used: (1) A telephone briefing on the projects and the purpose of the evaluation by UNODC Headquarters in Vienna, (2) project document review (desk study), (3) questionnaire, (4) telephone conversations. All project countries were covered through at least one data gathering method (either personal or telephone interviews, in addition to the written materials and documents). Main methods and sources are presented in more detail below.

Desk reviews covered the following materials. (1) *Project documentation* (incl. project description, work plan, log frame, budget, inception report to EC, progress reports), (2) *guidelines and TOR* (methodological documents, questionnaire, guidelines for interviewers and technical reports on survey implementation), (3) *presentations and workshops* (presentations reports, meeting reports, and reports on launch events, press releases, and press articles), and (4) *final regional report and national reports* from all seven nations. Other materials include Patten Smith and Paul Harvey, Business Crime Scoping Exercise: Methodological work to consider the scope and feasibility of a survey to measure commercial victimization. Home Office. Research Report 33/2010.

Project reports and other project materials include the basic project document with full description of the project aims, structure and planned time-tables. The project documents included further the EU-standard LogFrameMatrix. The matrix defines in detail the overall and specific objectives of the project, projects results and objectively identifiable indicators for the achievement of these objectives and results.

Questionnaires (annexes II) were sent to all Core Learning Partners. A repeated request was sent to those parties that had not responded. Also a third request, now with a shortened questionnaire was sent to those parties that had not provided their answers by 24<sup>th</sup> January 2014. Telephone discussions followed in order to achieve complementing information.

In all 21 persons answered the questionnaires. Four questionnaires included answers for two persons. Results are based on simultaneous use of both written documents (provided by the project organization), and answers give to questionnaires or telephone discussions.

## ***Limitations to the evaluation***

The following limitations and constraints in the project implementation, falling outside the control of the project partners have been taken into account in the project evaluation.

The evaluation was based on desk review and a short questionnaire emailed to a small number of UNODC staff, partners and national stakeholders in order to assess their reaction to the organisation and results of the project. It cannot be seen therefore as a detailed and full evaluation of the success of the survey since no visits were made to the countries taking part.

The evaluation was carried only just few months after regional survey results had been published, and at the same time national reports were being published. Therefore, it is premature to give any final assessments about impact related to the use of the data.

Finally, no account can be taken of the political and institutional context of each country. It is not known what if any effect this has had.

Measures taken to overcome some of these obstacles include telephone discussions and complementing e-mails, whenever needed. To some extent, conclusions can be backed also from the experiences from similar kind of UNODC projects in the same region.

## II. EVALUATION FINDINGS

### Design

Corruption is often seen as a heavy burden for the economic and social development of societies in transition. This is particularly true for countries of the Western Balkans, where there is a large body of evidence that corruption is still widespread and pervasive in the region. It affects large segments of society, public administration and business (see UNODC ‘*Crime and its Impact on the Balkans and affected countries*’ 2008). In this context comprehensive assessments of corruption are of great value for governments and anti-corruption outfits to design better and more targeted evidence-based anti-corruption policies. For these reasons the UNODC carried out in 2010 the first large-scale, comprehensive and comparable corruption *household* surveys in the region with funding under the CARDS project ‘*Assessment of Corruption and Crime in the Western Balkans*’. But beyond private *households*, it is known that corruption and crime, when affecting the *business sector*, can have devastating consequences on the business climate and economic development of countries. This project was set up in order to provide policy-makers with evidence about the extent and nature of corruption and crime affecting the business sector in the Western Balkans.

The overall objective of the action, as defined in the project document, is to provide evidence-based factual assessments of the patterns and nature of corruption and crime affecting the business sector, as a precondition for strengthening the integrity and transparency between public offices and the business sector, and for the promotion of an enabling environment for business development in the Western Balkans economies.

The *specific objective* is to develop and implement comparable sample surveys of businesses on corruption in each country/territory of the Western Balkans. More specifically, the action aims at achieving the following objectives:

- (1) Provision of a comprehensive regional assessment of corruption and crime affecting the business sector based on comparable sample surveys in the countries/territories of the Western Balkans to develop, implement and monitor policies to prevent and fight corruption and crime and promote business investment.
- (2) Strengthen national capacity to produce evidence-based assessments of corruption and crime in the business sector through full involvement of national data producers, anti-corruption agencies and business organizations.

The project documents define also a more specific set of aimed results.

1. Assessments of the nature and patterns of corruption and crime affecting the business sector at the country/territory and regional levels, including the collection of comprehensive data, analysis and description of business sectors and areas most vulnerable to corruption together with an overview of extent and patterns of other forms of crime affecting the business sector, and in particular crimes that are associated with the activities of organized crime groups (e.g. extortion, protection money) and their impact on investment decisions.

2. Development of common regional methodology to measure corruption in the business sector in countries/territories in the region.
3. Strengthened capacities of local data producers to carry out national surveys on corruption and crime affecting the business sector.
4. Enhanced capacities of national stakeholders to understand statistical data and indicators for the assessment of corruption.
5. Factual indicators available to assess patterns of corruption affecting the business sector and to base new policy-making and interventions against corruption on such new data.
6. Awareness created at policy and administration levels for the need to enhance action against corruption in business.

The project has targeted on a relevant problem, which is well defined and analysed on the basis of previous work. The aims of the project are designed in a manner that meets the needs of the region and the participating countries. Project has a clear and logical strategy, described in detail in the project document. The document itself is clear and coherent description of the intended activities and their aims. The overall aim is concrete enough to be able to be achieved.

## Relevance

### *General observations*

As regards to the needs of the participating countries, the project is in line with the EU approximation and integration of the countries of the Western Balkans with the EU and the related needs of these to reform their public administration, enhance judicial performance and independence and to improve their business environment in general, in order to increase foreign and domestic investment and to advance economic development and growth. The action is in line with the EU Action plans 2006-2010 and 2011-2015 on developing a comprehensive and coherent EU strategy to measure crime and criminal justice and for the implementation of comparable business victimization surveys (including a corruption component). The action builds also on UNODC experience in the area of corruption measurement, in general, and of surveys of corruption and crime in the business sector, in particular. Surveys are essential and unavoidable instruments in order to obtain information about corruption and crime affecting the business sector.

### *Relevance and reliability of the results*

There was wide agreement among the respondents that the survey provided a wealth of new information and insights into how businesses are affected by corruption and other forms of crime. Several respondents explicitly valued the fact that corruption in business sector was explored through real experiences approach and not just through perceptions about the level of corruption. The respondents were also asked to rate on a scale from 1-10 which of the seven groups of indicators they had found most useful. Due to the very small number of respondents, the figures need to be treated with considerable caution.

Figure I. The respondents' views of the usefulness of different indicators

	UNODC	International partners	National implementing partner	National stakeholders	Total
Prevalence of bribery	7,5	9,5	9,7	4,7	8,3
Nature/type of bribes	8,0	9,5	9,0	4,3	7,9
Public officials and bribery	9,0	10	9,0	6,7	8,6
Reporting bribery	7,0	8,5	8,7	7,7	8,2
Business-to-business bribery	7,5	9,5	7,6	8,3	8,0
Perceptions and opinions about corruption	6,0	8,5	7,4	4,3	6,7
Prevalence/patterns of other forms of crime	9,0	8,5	7,4	5,0	7,3
All	7,7	9,1	9,8	5,9	7,9

All factual based indicators related to bribery were ranked high. International and national parties gave the highest mean ratings. National stakeholders showed most critical views. This is also in line with some of the critical observations expressed by the NSH related to the involvement of national stakeholders in the process.

As regards to the *scope of information* gathered, the respondents were generally quite satisfied: “I think the questionnaire was quite detailed and large, so I don’t think it should contain any other subjects”. (National Implementing Partner (NIP)) It was also noted that some countries had additional questions (beside the UNODC standard questions), as was agreed on the preparatory conference. It was suggested that these type of questions could be standardized for all countries. (NIP) Related to the reliability of the results (see below), it was also suggested that “there should be a scale that would detects how honest participants are, since these are very sensitive topics.” (NIP) One commentator would have included also businesses belonging to the financial sector in the analysis. (Representatives from other international organizations (RIO)) It was deemed to be important to have also information about “the position in the company of the persons in the business giving the bribe, to see in which different levels bribery occurs more often”, “more information on the characteristics of the businesses and on the environment where they operate should have been collected.” (UNODC, RIO) As an additional aspect of corruption, omitted in the survey, was corruption in public procurement and hiring close people. In addition, it was considered of importance by national stakeholders to have “information on laws and other legislative that allow corruption in business – sector, as well as “analysis of risk which lead to corruption in this sector, as policies cannot be based on perceptions only.” (National stakeholder (NSH))

As regards to the *reliability* of the results, the respondents felt generally confident that the indicators produced give a true and accurate picture of bribery in the respected countries. However, several respondents expressed their doubts about some limitations in the chosen methodology, especially honesty in answers when it comes to “personal involvement in corruption”. (NSH) “Hardly. This is a very sensitive topic, and the likelihood of giving socially desirable answers is very high, especially as regards the corruption among businesses, but also in general population.” (NIP) In overall there were doubts about the expressed level of corruption,

as “the perception is much higher than the indicators from the survey and other surveys conducted in the country show”. It was stressed that “bribery is very sensitive topic, and respondents were not willing to admit the cases of corruption”. When asked more specifically, areas and points where the respondent had the most serious doubts about the reliability were bribery both in the private and the public sector. It was also reported that some businesses have hesitated to give details about their experiences with bribery. The researchers had to work hard to convince the businesses to respond. (NIP, NSH). From the methodological point of view it was thought that “because of the low unweight counts in most of the countries, I don’t think the cost of crime and the bribery paid in cash by sector are reliable.” (UNODC)

While these problems were generally known it was also acknowledged “this is the best that we can have” (NIP). One suggestion to improve the methodology was, “instead of direct question and answers form the respondent, to have several questions from which implicitly answers will lead to the concluding information.” (NIP) Further sources of error were mentioned the use of means instead of medians and the small number of observations, why cross tabulations results should be taken with caution. It was also mentioned that food and drinks as a type of bribe should have been in report analyzed separately from other forms of bribe, otherwise it the total corruption prevalence rate is biased. (NIP)

#### *The usefulness of indicators for policy and operational development*

All parties recommend the use of these indicators for policy and operational development in western Balkan countries notwithstanding the fact that some of the results may underestimate the level of corruption.

Even if some of the indicators seem less reliable, “they are experience-based measures from a survey with an appropriate sample size, tested question formulations and a sound methodology. “ (UNODC) They are “the first evidence-based indicators on the level and types of corruption among businesses and, despite their problems, they could give useful hints for the development of public policies and law enforcement interventions.” (RIO) However, when the national partners were asked whether, according to their knowledge, any country was already planning to use the projects results, no concrete actions were recorded.

National stakeholders stressed the need to supplement them by other data, “ such as analysis of legal framework, risk assessment analysis etc.” NSH reported also of concrete plans and actions in the use of the projects results in their own work in different reports and analysis in which ACA analyses corruption in one country. In another country there were indications that the results of this project will be included in the Chamber of Commerce anti-corruption Strategy. A third country reported that the results will be used in connection of a seminar organized together with private sector on topic of corruption. However, no knowledge existed whether some other agencies or parties else in the respective countries was already planning to use the projects results.

#### *Assessment*

The surveys proved to be useful and functional for national policy, in measuring the level of corruption and seizing corruption risks in specific public administration sectors, and in developing national anti-corruption policies in all Balkan regions. They provided new evidence in

the direction of developing anticorruption policies in individual countries and the western Balkan region as well. By identifying the sectors and size of enterprises most affected and the forms of bribery given as well they it may help law enforcement and policy makers in defining counteracting measures more effective by focusing on the specificities of this crime (eg. differentiating the intervention according to the different economic sectors or types of bribery).

The project, no doubt, has provided new useful information and evidence that can be beneficial for the countries in the western Balkans, in particular in view of the EU accession process, especially with regard to chapters 23 and 24 of the EU acquis.

The survey is also among the few which have collected comparative information on the experiences of corruption and businesses' victimization, not only in the Western Balkan region but also at international level. And as such, it represents a significant and relevant experience for guiding and orienting similar survey in other countries or context. There are good reasons to continue future development work within this instrument, both within the western Balkans, and more widely. While doing so, it might be useful to consider including more information about the characteristics and environment of the business and the position of the persons involved in bribery. In addition, it would be advisable to develop methodologies to measure other forms of corruption besides bribery (for instance procurement fraud).

## Efficiency

### *Organizing the meetings and workshops*

Arrangements in the regional meeting were generally appreciated and the meeting was evaluated as successful by all parties. Activities prior to the meeting were conducted timely and accurately. From administrative and financial point of view, all expenditures were incurred within the budget.

The workshops resulted with the positive feedback from participants and their proactive participation at the meeting. The workshop was judged as the "best part of the project" (see Annex II q25) by several NIP-members: "Workshop organized before the project started it was quite good, new experience for statistical office in this kind of statistical activity, new professional skills related to data provided and data analyses." "In this workshop we clarified all instruction and methodological notes for later steps during this project. We also continue a great cooperation with UNODC via email and we were able to clarify everything all that time." "Workshop at the beginning of the project, nevertheless that was not focused enough, was very useful for the final design of the questionnaire. There were useful suggestions, particularly the part for including additional questions for perception of bribery." (NIP) On the other hand it was also noted that "the suggestions coming from implementing agencies regarding methodology should be given more attention." (NIP)

### *Developing the survey instrument and providing methodological instructions*

Background research and the development of survey tools was taken care by UNDOC with the help of an external survey consultant between April – August 2012. The draft of the survey questionnaire was reviewed in regional technical workshop in June 20-22. 2012 in Budva Montenegro. Methodology was further reviewed and updated with the results of Regional Technical Meeting in July 2012 and finalized in August 2012.

Methodological support and advice in general was also experienced by the participants as detailed and accurate enough: “Yes, it was detailed and accurate and very helpful”, “we had no unresolved methodological issues left after the workshop”, “the instructions and methodological workshop were accurate enough.” (NIP)

Guidelines and methodological instructions provided the UNODC for the NIP can be deemed to be clear and consistent. The fact that this project could build partly on the previous household survey, clearly helped in this matter: “Instruction and exchange of experience from previous round of similar survey of corruption within household was important and gave us good explanation for some items.” (NIP)

### *Organizing and completing the surveys*

Project started with a kick-off meeting, held as a well-publicized side-event of the annual Commission on Crime Prevention and Criminal Justice (CCPCJ) in Vienna in 26 April 2012. It was attended by official representatives of the project countries and around 25 other interested participants. After the selection of national implementing partners national stakeholder meetings were organized by the national implementing partners in their own countries (involving anti-corruption agencies and national chambers of commerce) mostly during spring 2012.

Field work for the pilot started in mid-July and was completed in early August 2011. Fieldwork for the full survey started with a short delay in September/October 2011 in all project countries. The sample coverage was achieved in all countries. The sample was drawn to be representative of the five main business sectors and of four different business sizes. To ensure a representative selection of businesses in each country/area, four sizes of businesses were taken into account in the sample (by number of employees).

The aim of a net sample size of 2000 respondents was achieved in Albania (1999), Bosnia & Herzegovina (1997), Kosovo (2000) and Montenegro (2000). The sample size was reduced slightly for Croatia (1503), Serbia (1725) and FYR Macedonia (1504). Response rates varied substantially from the low 29 % in Montenegro to 83 % in Kosovo. Four countries reached the level of at least 75 %, two were at the level 50-60 and one below 30 %. With the latter exception, response rates can be deemed to be good or even excellent. All interviews were PAPI (Paper and Pencil Interview) face-to-face interviews. (Progress reports)

Different economic sectors (in all five; (1) Manufacturing, Electricity, Gas and Water supply, (2) Building and Construction, (3) Wholesale trade and Retail trade, (4) Accommodation and food service activities, (5) Transportation and storage) were covered by the survey and four sizes of businesses; (1) micro with 1-9 employees, (2) small (10-49), (3) medium (20-249) and large (250-more employees) were taken into account in the sample, as planned. The survey succeeded in selecting the right respondents targeted within the selected business entities (over 72 per cent of respondents were owners or chief executive officers of the enterprise in question and a further 11 per cent were chief financial officers). The collaboration with respondents was generally good (80.5 per cent). Collaboration with respondents was evaluated as ‘bad’ by the interviewers in fewer than 2 per cent of all interviews. Interviews were quality checked (at least 10 per cent of all interviews were back-checked). During data processing automatic checks and logical controls were conducted.

The organization of the surveys has been professional, and named as the “best “part of the project by one NSH member: “Excellent organization of the survey, very comprehensive, systematic, adequate and adjusted to the local contexts.” (NSH)

#### *Preparing and publishing the reports*

After data entry the database was checked and the analysed by UNODC. A final, cleaned and revised data set was completed by July 2013. Data was analyzed and reports prepared by the UNODC research team in SASS. Regional report was published in Brussels in October 2013. First national report was published by Croatia in October 2013, to be followed by Kosovo in early November. All surveys have been translated in national languages.

The final stage of the project consists of a regional and national visibility actions in form of a public press conference with presence of UNODC, the Government officials, the EU Delegations, etc., as well as media. A pre-launch briefing was organized to the Permanent Missions of the countries in Vienna. National launchings took place between November 2013 and February 2014 (last one 2 February.2014).

The reports are well drafted, easy to read and of high quality. They follow the similar pattern. Data is presented with clear and simple graphics. From statistical point of view it would have been advisable to report also significant tests, as the number of observations remains in several occasions quite low.

#### *Support from the UNODC and UNODC’s role*

The substantive project coordinator managed the project from the UNODC Office in Vienna. The work is generally well appreciated by the national partners. “From my point of view the best successful part of this project was continual cooperation with UNODC staff, learn from them and learn from this kind of project that is conducted for the first time. We were in supervision of UNODC in each step, so we had the chances to learn in each step a lot of things from them. The preparation of country report by UNODC was defined as the “best part” as it also enabled uniform reports for all country reports as well as regional report. (NIP)

All parties agreed that UNODC has the necessary skills to carry out future surveys on these topics: “UNODC has not only the necessary know-how but also the facilities, network and good reputation for successfully carrying out other surveys on these topics”. (RIO) “Yes, absolutely. Knowledge and excellent reputation”, “Yes, they have totally skills to implement surveys in these topics.” (NIP, NSH)

Some of the parties were asked about their views of *how to improve UNODC’s role in future surveys*. From the UNODC’s side it was pointed, “It would be very useful if UNODC could continue to undertake such surveys in the future, as well as provide training to national institutions to improve their capacities in the areas of collection and analysis of respective information. Furthermore, the surveys point out certain shortcoming and therefore assistance may be provided to overcome them. However, this sustainable follow up is only possible subject to the availability of further funding.” (UNODC)

The parties were also asked opinions of *how UNODC could help to increase the use of the project’s findings*. Suggestions included “present and reiterate key findings in every appropriate

forum. Concrete measures have to be set at a national and/or sectoral level. “UNODC should give the project continuity to see the progress of the policies and its impact through time. Surveys could be repeated every 5-10 years, but that would require additional funding. UNODC could send formal letters encouraging the Governments to increase the use of the project’s findings. (UNODC) “UNODC should participate in promotion of the project results on country level, to organize some round tables with the main stakeholders.” (NIP) Further suggestions were “organizing seminars tailored to the national institutions which could use the survey’s results to orient their activities, in order to further explain and interpret the data collected.” “A relevant contribution would be to open the possibility for academic researchers of analyzing the microdata for deepening the knowledge on this topic. Moreover, similar survey should be developed in the future in the same areas for analyzing the temporal trends of the phenomenon.” (RIO)

#### *Monitoring the implementation and project documentation*

The project was monitored in the first place by internal reports provided by the project organization for the donors.

The project reports submitted consist of bi-annual progress reports (and one final report). In addition the NIP have produced technical reports on the Business Corruption Survey for each country and meeting report from the Regional Technical Meeting. Also reports on launch events, press releases and press articles have been submitted. All documents are clear and informative.

#### *The appropriateness and effectiveness of institutional and management arrangements*

The management arrangements utilise specific expertise of the international partner institutions; the Joint Research Centre on Transnational Crime of Università degli Studi di Trento and Università Cattolica del Sacro Cuore di Milano (TRANSCRIME); and the Regional Anti-corruption Initiative (RAI) for South-East Europe, as well as the expertise and know how among the national implementing partners. The organization has functioned well and the existing networks have been effectively utilized.

#### *Constraints in implementation*

The activities were largely achieved within the planned time scale. However, some of the project countries had first difficulties with the pilot survey and also with the field work and data entry and -processing. For this reason two no-cost project extension requests were filed to the EC, first from 12. April to 12 August, and then from 12 August to 31 December.

These difficulties have been reported in respondents’ answers and in the technical reports. Changed addresses and wrong telephone numbers caused a lot of trouble, and finding replacement was proven to be difficult. It was also reported that questions were more suitable for individual respondents than business entities. Several reports pointed out the sensible nature of the issue, and the related mentioned unwillingness and suspicion shared by many respondents. More attention should be invested in “sensitivity campaign and information, so that the business is more aware of the role and relevance of this survey.” (NSH)

### *Cost-effectiveness*

The total budget of the project covering 7 countries, several agencies and lasting two years was EUR 500, 000. Organizing the project on a regional basis has been a cost-effective solution, as compared to seven targeted individual projects. The inclusion of NSOs as a direct implementing partner in five countries has most probably assisted in reducing survey costs. The total cost of the project 500,000 euros covering a sample size of 12,700 companies is low in international standards. In overall, the money is well spent.

## Partnerships and cooperation

### *Selecting the partners*

In order to strengthen national capacity, priority was given to NSOs. In identifying implementing partners, the project benefited from the conduct of the previous UNODC household surveys on corruption in the Western Balkans (2010- 2011) since some national institutions have already acquired experience to collect quantitative data on corruption. In one country (Croatia), the NSO was not available to carry out the survey and recommended a well-known public research institute as implementing partner (Ekonomski Institute Zagreb (EIZ) Croatia). In another country (Bosnia and Herzegovina), no suitable public data supplier was available and a tender procedure was started to select a private sector data supplier (PRISM Research). National institutes included as partners were Institute of Statistics of Albania (INSTAT), Statistical Office of the Republic of Serbia (SORS), State Statistical Office of the FYR of Macedonia (SSO), Kosovo Agency for Statistics (KAS), and Statistical Office of Montenegro (MONSTAT). Project associates were Regional Anti-corruption Initiative for South-East Europe (RAI) and Transcrime.

The action is able to build on the results and institutional networks developed during two recent UNODC projects in the region, the CARDS projects ‘Assessment of Corruption and Crime in the Western Balkans’ (2010-2011), and Corruption in the western Balkans: Bribery as Experienced by the Population (2011).

### *Informing the partners*

All partners reported that they had been *consulted* over the content of the questionnaire in several phases, by e-mail consultations during workshop for preparation of the survey. As reported by the NIP “this was very unique opportunity to share opinion about questionnaire with stakeholders who were also participate this workshop. “ Also NSH reported having “respective and good influence over the content of the questionnaire.” The NSH also provided questions that ACA used in its surveys, in order to have comparable data.

The respondents also reported as having been informed about the “policy context” of the survey and the background of the study and how it relates to corruption and anti-corruption issues in your country and the western Balkans.

### *Involvement of national organizations*

The partners were generally content with the way their own organizations had been involved in the project. “I believe we were involved just enough. We were consulted on every output that was presented to general public.” (NIP) But it was also noted that “for future project of this nature,

the much more involvement of anti-corruption agency, chamber of commerce and business associations would be useful in order to improve the quality and impact of those projects.” (NIP) Also NSH reported critical observations on this point. It was pointed out that “there was no involvement of representatives of ministries for finances and economy, as well as of the institutions that are responsible for dealing of money laundry.” This also pointed out by RIO: “although a larger involvement of the national law enforcement agencies could have been useful, especially for guaranteeing a better correspondence between the content of the survey and the operational needs of the LEAs”.

Some doubts were expressed also from the UNODC: “Apart from some National Statistical Offices (in some countries) and their Anti-corruption agencies (in some countries) rarely other stakeholders were completely involved (with the exception of some business organizations in certain countries).” However, views were differing: “UNODC and its implementing partners ensured that that relevant stakeholders were involved from the very beginning of the project”, “We have not heard any complaints with regard to the insufficient involvement of the national organizations.” (UNODC)

Examples of suggestions for ways *in improving this involvement* included the following:

- “find out clearly from the beginning of the project what individual stakeholders are expecting from the project’s results, ad hoc regional meetings, focus groups, identifying a contact point in the LEA of each involved country” (UNODC)
- “setting up an information exchange between field partners in different countries on a monthly level so we are all aware about the overall project progress” (NIP)
- “I guess we could be more involved in creation of the written reports, before the final versions of these are created” (NIP)
- “to have better feedback from the project management on deliverables and in general about the project progress” (NIP)
- “to invest in preparatory conferences and the early phase of development as comment from the implementing agencies would have more influence in pre-phases, when the methodology and instruments are being developed” (NIP)
- “joint meetings of all relevant stakeholders during whole project, with writing reports from the meetings, possible participants should be informed more and there should be “more advertising” (NSH)

#### *Involvement of international organizations*

As regards to the *involvement of international organizations* views among the NIP were mixed. Some of the respondents were unaware of the role of regional or international partners: “I can’t think of any regional or international organization being involved in this project beside UNODC, its national partners and identified national stakeholders.” (NIP) “Beside UNODC, we do not have information which other international organizations are involved in this project and their roles if they were involved.” (NIP) “I am not sure which regional and international organizations

were involved, if any. From my perspective, I believe more of these organizations should be involved.” (NIP) Some expressed wishes for more active participation: “I think yes, but I would like much more support from anti-corruption agencies in order to help those project to have much more impact to decision makers, “they were involved, but it could have been better”. (NIP) But some were quite happy: “Yes, they were totally involved in the process. We have communicated quite often with each other discussing via email the problems faced, issues treated etc.” (NIP) And as regards to the UNODC, “their involvement was more than adequate”. (NSH)

As regards views for improving the involvement of international organizations proposals were put forward for “more cooperation between researchers and organizations”, “organizing at least two workshops for preparation of survey, one before pilot and one after pilot.” (NIP) It was also noted that “if there are several international initiatives/projects in parallel they should have been better internationally coordinated.” (NIP)

#### *Communication between partners*

Some critical comments were put forward related to communication. For one respondent the “low level of coordination and communication among national partners in the WB countries” was the “worst part” of the project. “UNODC should have encouraged the cooperation among national partners and the exchange of experiences during the project. UNODC consultants have not been present at the country project final presentation.... National partners should have been invited to the regional report presentation to discuss their experiences in the project and to ensure the spillover effects of the regional initiative.” (NIP)

#### *Assessment*

The selection of partners was much guided by previous UNODC-projects in the region, as well as by the aims to strengthen national capacity for the production of evidence-based assessments of corruption and crime. The selection has been successful.

It also evident that the partnership created and strengthened during the previous projects in the region is well functioning and highly effective. As reported, the implementing partners have been very responsive and collaborative and taken full ownership of the survey program. They have also engaged in a dialogue with national stakeholders to build broad interest and support to the survey program. Views about the level of co-operation seem to differ: In some answers, the cooperation between the national institutions and stakeholders of the seven Western Balkan countries was regarded as the “best” element in the process (RIO), while another respondent named the “low level of coordination and communication among national partners” as the worst element in the project (NIP). These differences may reflect differences in the point of view, but also differences in the local implementation.

The Regional Anti-Corruption Initiative (RAI) has been instrumental in liaising with national anti-corruption agencies and involving them in the project. The cooperation with Transcrime has proven to be beneficial for the project through the provision of technical advice and inputs for the development of the survey tools.

National anti-corruption agencies and national chambers of commerce were actively involved during the preparation and planning phase. They have also taken an active role in the launch and

distribution of results. However, different comments from different countries imply that more work could have been carried out in promoting their involvement.

The relationship to state authorities has been reported to be effective and positive. In five countries public institutions are direct implementers of survey activities. According to the documents, also other government agencies and ministries have shown strong interest and support to survey program. On the other hand, the views differ among different parties also in this point. This may a difference in the ways the project has been organized in different countries. But it may also reflect a difference between the expectations (who should have been included) between different parties. All in all, comments about the need to include also other state agencies besides anti-corruption agencies, need careful consideration.

## Effectiveness

### *Key-aims and objectives*

The specific objectives of the project were to develop and implement comparable sample surveys of businesses on corruption in each country/territory of the Western Balkans. More specifically, the action aimed to provide survey based tools for a comprehensive regional assessment of corruption and crime affecting the business sector with the aim to develop, implement and monitor policies to prevent corruption and crime and promote business investment. Second objective was to strengthen national capacity to produce evidence-based assessments of corruption and crime through full involvement of national data producers, anti-corruption agencies and business organizations.

The project documents listed also other, more specific aims, including the development of common regional methodology to measure corruption in the business sector, strengthened capacities of local data producers to carry out national surveys on corruption and crime, enhanced capacities of national stakeholders to understand statistical data, factual indicators available to assess patterns of corruption, and the awareness created at policy and administration levels for the need to enhance action against corruption in business. These will be discussed separately.

### *Assessment of the level of corruption and providing the tools thereto*

Tools and foundation for regional assessment of corruption and crime affecting the business sector is provided by the surveys and the reports based on this work. The project has produced 8 key-outputs (one regional- and seven country reports) with detailed data of factual indicators of corruption affecting the business sector. All reports include information of seven set of indicators related to prevalence of bribery, nature/type of bribes, public officials and bribery, reporting bribery, business-to-business bribery, perceptions and opinions about corruption and prevalence and patterns of other forms of crime against business sector. Being based on experiences rather than perceptions and opinions, they provide a new type of factual basis for policy planning and the targeting of actions.

All reports are of good quality and in an easy-to read format. They all have been translated to local languages and disseminated in project countries and on the project website. The information provided gives a good basis for policy planning. In those cases where the reports had

been published before the evaluation-inquiry, the reports were regarded by the respondents to be informative, of high quality and with practical value.

The aim of providing tools for comprehensive assessment of corruption affecting the business sector in the region has been achieved. As a limitation, one may observe that the survey was highly focused on one form of corruption, namely bribery. In addition, the instrument hardly was able to catch the forms of grand scale corruption.

#### *The development of instruments and common methodology*

The development of common regional methodology to measure corruption in the business sector was produced through the work of the UNODC-experts, external consultant and regional co-operation during the first phases of the project. The regional workshop organized in 2011 brought together both the international experts and national parties. Common methodology was discussed and agreed upon on the of a methodology report prepared by the external consultant. A questionnaire was created for a “Survey on Security and Crime against Business”. The questionnaire was tested successfully in a pilot survey.

While the parties widely agreed about the method used, it was also noted that the questionnaire was very similar to the one from the previous household survey. It was questioned “whether these questions are properly designed for interviewing representatives from the business sector.” (NIP)

In all, methodology and instruments developed in the course of the project meet well the established international standards, and can be judged as appropriate for measuring corruption and crime affecting the business sector through sample surveys. The sample sizes (around 2000 business units/country, with some exceptions) meet well the demands placed on these types of surveys. The respondent rate can be deemed to be excellent, with one exception (Montenegro).

#### *Strengthening national capacity to produce evidence-based assessments of corruption and enhancing capacities of national stakeholders to understand statistical data*

National reports as well as technical reports on survey methodology and the process itself provide evidence of increased national capacity to carry out surveys of this kind. The involvement of most National Statistical Offices the region in the planning and implementation has led to a joint ownership with UNODC which will enable NSOs to produce data comparable with the current survey on a regular basis. The number of interviewers trained for corruption surveys varied from 25 to 60 in each country.

The project has most probably contributed to the national stakeholders to capabilities’ to understand statistical data. Anti-corruption agencies as well as chambers of commerce have been involved throughout the process and they have been familiarized with data production and the indicators used in the measurement.

#### *Increasing the awareness for the need to enhance action against corruption in business*

In order to increase the awareness of the extent, form and impact of corruption and crime on the business sector several visibility actions were organized in connection of the launching of the reports. In addition, reports have been disseminated for all relevant parties and they are all available on the UNODC-website.

When asked from the respondents, whether activities to disseminate survey results have been appropriate, answers were affirmative in those countries that had already launched their reports. One commentator took a cautious view: “No, it still can and must be improved, although we still did not have any event from which results were disseminate.” (NSH)

Views were also asked on how to improve the dissemination of the information. Suggestions included sending hardcopies of the report to experts working on the topic and the region (UNODC), “seminars might be the best mean to further explain the results of the survey to people who are not experts in this field but who should then use this data to inform national policies” and “a specific website which collect the main findings (including also the information on the household survey) and sending the report to each regional and national stakeholders, the collaboration with the academia by sharing the dataset would enhance the research on this topic” (RIO), “sending report to the relevant institutions, creating short key information and reports (press release) for media and organizing experts seminars for deeper debates and analysis, posting information on the website” (NSH).

The respondents were also directly asked whether, to their view, all that has been done had increased the awareness of the importance of the issue. There existed a common and general conviction of positive impact of the project: “Yes, absolutely. I think it is one of the most important impacts of such surveys.” (NIP) “Yes, this has been stressed by several country representatives in the Western Balkans”. (UNODC). “Yes, I strongly believe it. It increased the awareness of corruption issues in Western Balkans not only across the world but also among national institutions, which is of most importance. I also believe it increased the cooperation among the seven Western Balkans’ institutions.” (RIO).

However, there were also more cautious voices “at least partially”, “hopefully will increase it”, “not sure, but I certainly hope so” (NIP), or “on some level, certainly” and “I don't have such information” (NSH). A certain level of realism is echoed in the comment, “I am not sure, as corruption was already a widely discussed topic and awareness for the problem in the region was already high. Maybe one of the achievements of this report is to give hard evidence for a less known angle of corruption in the western Balkans: the involvement of businesses.” (UNODC)

Whether awareness really has increased can hardly be measured solely on the basis of these opinions. Final proof of the increased awareness would be in the national action plans, business strategies and plans to monitor corruption, which will be taken up in the next section. But what seems evident is, that the surveys have given hard evidence on a point, less known so far. And by this, it has, at least, provided better than before conditions for awareness raising.

## Impact

The overall object of the project was to provide factual information for more effective policies against corruption in business sector, which in turn would also promote business investment in region and respective countries. The results of this project could, therefore, be seen in the production of new information, in the creation of methodology and the expertise to conduct similar surveys in the future, in the increased co-operation and new partnerships, and in changed attitudes and increased awareness. But the results could also be seen in the formation of national policies and anti-corruption programs, in the level and prevalence of corruption, and -- in the end -- in increased business investments. Results could be seen in possible modelling effects of the

program (for other countries and regions) or in other specific actions, instigated by the project. Many of these items have also been commented directly or indirectly in previous sections.

The launching events have produced a lot of positive media coverage, both in TV and in printed media. One may assume that this publicity and well disseminated results of the extent of bribery and corruption contribute to better and stronger awareness of the importance of the development of anti-corruption policies.

In order to map concrete action resulting from the project, the parties were asked whether they were aware of “any specific activity/declaration/impact that has resulted from the project’s organization or the use of the indicators derived from the survey”. At the time the evaluation was conducted, there was very little that the parties could report. It turned out, that at that point the results of this survey have been quoted as best practice in order to support the development of a survey on corruption in the private sector in Switzerland. (RIO)

In similar veins, the parties were asked whether they were aware of any specific partnerships that would have been resulted from the project. Again the answers were mostly negative. However, it was noted that the partnership with the UNDP and EU on undertaking a Regional Anti-Corruption Conference (Sarajevo, 9-10 December 2013) was partially a result of the surveys. In addition UNDPBosnia had expressed interest in partnering with UNODC in the future, referring to the surveys as a good example of UNODC work (the expression of interest is just received, remains to be followed-up on). (UNODC)

Taken into account the time needed for the planning and implementation of new policies and actionplans, not say on the effects of these plans on the corruption (or investment in business), it is too early to give an assessment of the overall impact of the project. Within such a limited time frame, the project, as such, is hardly able to have any direct or immediate influence on national responses to corruption and crime. This all also reflects the fact that this is a long term project with the initial attempt to aim for capacity building in the countries.

## Sustainability

The fact that surveys were conducted and carried out by national implementing partners in almost all countries has strengthened national capacity to carry out surveys of this type also in the future. The development of common methodology carries sustainable effects and allows future regional and national measures of corruption to be made.

While countries were not directly asked whether and they would like to see follow-up surveys, wishes and suggestions at this direction were frequently made. In most of them, UNODC was directly named as the proper agency to have the main role in coordinating future surveys. But it was also noted that “a greater involvement of other research institutions (e.g. Universities) could add a relevant value to this kind of projects.” (RIO) Both involved international organizations declared their willingness to contribute in planning or helping to finance future surveys organised by UNODC.

To secure the sustainability and to utilize the results in full, a follow-upsurvey is highly recommendable. The core value of survey data of this sort lie, after all, in comparisons over time. Since changes in corruption levels cannot be expected in the short term so it could be expected

that a period of 5 years or more may be appropriate. In addition to a full follow-up survey, it would be advisable to include key indicators as part of regular national surveys.

The best way to ensure sustainability is to incorporate the findings into national action plans. Of this there is only little evidence at the moment. Efforts towards this direction should be intensified, as there is the risk that “people hear about it and forget it very soon” (NIP).

### III. CONCLUSIONS

The project has provided a detailed picture of corruption and especially bribery affecting the business sector in the western Balkans. The results cover the prevalence and the modalities of bribery in different business sectors, the involvement of public officials in bribery as well as the reporting of bribery to justice officials. In addition, the analyses have provided information about bribery between businesses and the prevalence of more conventional crime against business enterprises.

All this new evidence is useful and needed in the development of national and regional anti-corruption policies and action plans. They can help law enforcement in defining counteracting measures more effectively by focusing on the specificities of this crime and the different economic sectors or types of bribery. In a longer run the project and its results are beneficial for the countries in the western Balkans from the point on view of the EU accession process.

The project has reached all its main objectives, including the provision of evidence-based factual assessments of the patterns and nature of corruption and crime affecting the business sector, as well as the development of common methodology for use in all seven countries. Being among the first international comparative project measuring experience in bribery on corruption the project provides also an experience for guiding and orienting similar surveys in other countries or regions.

The project and its organizational arrangements have strengthened national capacity in the participating countries to carry out evidence-based assessments of corruption and other forms of crimes against the business sector. In this point the project has been also able to rely on the partnerships created during the previous UNODC-projects in the region.

While the final results of this actions should display themselves in national actions plans and anti-corruption programs (and in reduced corruption levels), there is little evidence for the moment of such changes. This, however, is much attributable to the short timescale between the publication of the results and the completion of the evaluation. However, it would be advisable to monitor in the future, to what extent these results are utilized in policy planning and action work.

UNODC has also been identified as an organization that has the skills to carry out such surveys and produce results that can be used in developing national policies. The European Commission has also recognized their role through their co-funding.

Organizational activities were carried out promptly with only minor delays caused mainly by the field works and data processing. These delays were, however, caused more by unexpected organisational difficulties than by overtly optimistic time-table. With the exception of this delay – which had no cost-effects -- all key-activities have been complemented in time and according to the plan. Their quality of outputs was good, as has been commented in the preceding sections.

## IV. RECOMMENDATIONS

Distribute of copies of all reports on each participating country to the other participating countries, consider further dissemination means including topic specific reports, websites and workshops (Lead: UNODC, JHA).

Deepen the analyses and combine this data with other available data (including the household-surveys and official criminal justice indicators). Support university-based research projects with this data. (Lead: UNODC, NSO).

Convey the findings into action plans and programs. National stakeholders and JHA institutions should scrutinize which of the indicators can best be used for policy development and set up national implementation plans in sectors most prone to corruption (e.g. trade sector in Serbia and construction sector in Albania). (Lead: NSH, JHA)

Set up a strategy for future follow-up business surveys (e.g. possibly a full repeat survey in 3-5 years). In addition, national partners should consider the integration of key indicators as a regular part of their annual work programme. (Lead: UNODC, NSO).

Consider how to use the methodology in other countries or regions. This is in line with the International Conventions against corruption. (Lead: UNODC).

In order to enhance implementation and the control of corruption organize a survey on the implementation/notification of the present survey's results in the national action plans. (Lead: UNODC, JHA)

## V. LESSONS LEARNED

The main lessons learned relate to organization and the development of a survey methodology. These lessons are relevant, not just to the current survey, but other future surveys carried out by UNODC.

The project has produced an international model and survey instrument, suitable for wider replication. Methodology created has proven to be a success and able to produce the aimed results. Methodological instructions given to the participants have served their purpose, as there were no indications of unclarity or misunderstandings.

The organization has been able to solve several challenging issues, common to all comparable surveys. The translations of the questionnaire and agreements upon the terminology have been solved without any major difficulties, which can be concluded from the confidence countries have expressed in the validity of the results.

All countries expressed their satisfaction to the organizational arrangements and the partnerships created. The fact that this project has been able to build on the foundation created during earlier UNODC-projects in the region has clearly contributed to this success. And in similar lines, the fact that the parties have been working together with these issues may explain also the reduced need for further bureaucratic arrangements. In the course of this evaluation, no requests for a separate ASG were expressed.

While the parties were generally satisfied with the co-ordination between different partners, the involvement of national stakeholders in different levels was regarded as insufficient in several responses. The evaluation was unable to trace down the particularities involved in this criticism, but more effective involvement of national stakeholders in actions like this remains a challenge for all involved parties in the future.

The evaluation detected also some problems, which could on hindsight have been prevented by more careful groundwork. Practical problems in reaching the respondents might have been anticipated with a more careful examination of local conditions. The suspicion expressed by many respondents related to the nature of the information and the role of the survey may not have been altogether avoided, but alleviated by more extensive information and advertisement campaign.

As regards to the dissemination of survey results, press conferences and launching events with wide media coverage have clearly been a success in spreading the information about both the project, the UNODC's work in this field, as well as the prevalence of corruption and its seriousness of its consequences. The future challenge is to convey this information and insight also into national action plans and programs.

# ANNEX I. TERMS OF REFERENCE OF THE EVALUATION

## Terms of reference Final Independent Project Evaluation

### 1. BACKGROUND INFORMATION

Project number:	<b>XEET93 (Phase II)</b>
Project title:	<b>Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans</b>
Duration:	<b>13 January 2012 – 31 December 2013 (Phase II)</b>
Location:	<b>Albania, Bosnia and Herzegovina, Croatia, Montenegro, Serbia, Kosovo<sup>5</sup>, the former Yugoslav Republic of Macedonia</b>
Linkages to Regional Programme	<b>Regional Programme Framework for South Eastern Europe (2012-2015); Subprogramme 2; Outcome 2.1</b>
Linkages to Thematic Programme	<b>Thematic Programme on Corruption 2012 – 2015; VI.C Tools, Manuals and Publications</b>
Executing Agency:	<b>United Nations Office on Drugs and Crime (UNODC)</b>
Partner Organizations:	<b>Institute of Statistics of Albania (INSTAT) Statistical Office of the Republic of Serbia (SORS) State Statistical Office of the FYR of Macedonia (SSO) Ekonomski InSTITUTE Zagreb (EIZ), Croatia Kosovo Agency for Statistics (KAS) Statistical Office of Montenegro (MONSTAT) PRISM Research, Bosnia and Herzegovina</b>
Total Approved Budget:	<b>US\$ \$650,000 (Phase II)</b>
Donors:	<b>European Union (90%), Germany, Sweden, Norway</b>
Project Manager/Coordinator:	<b>Michael Jandl, UNODC/RAB/SASS</b>

Type of evaluation (mid-term or final):	<b>Final Independent Project Evaluation</b>
Time period covered by the evaluation:	<b>13 January 2012 – 31 December 2013</b>
Geographical coverage of the evaluation:	<b>Albania, Bosnia and Herzegovina, Croatia, Montenegro, Serbia, Kosovo, the former Yugoslav Republic of Macedonia</b>

<sup>5</sup> All references to Kosovo in this document should be understood to be in the context of Security Council resolution 1244 (1999).

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Core Learning Partners <sup>6</sup> (entities)	<b>Project partners (National Statistical Offices, research institutes), project associates, key stakeholders in project countries (anti-corruption agencies, business organizations), donor, project team at headquarter and field office, consultants</b>
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<sup>6</sup> The Core Learning Partnership (CLP) encourages a participatory evaluation approach by allowing its members to participate in and provide feedback on key steps of the evaluation process. CLP members are the key stakeholders of the subject evaluated (project, programme, policy etc.) who have an interest in the evaluation. The CLP works closely with the Evaluation Manager to guide the evaluation process. The list of CLP members is to be found in Annex A.

### **Project overview and historical context**

The project “Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans”, is a follow up project to the 2010-2011 CARDS project ‘Assessment of Corruption and Crime in the Western Balkans’ that focused on households. The new project was again funded by the European Union with co-financing provided by Germany, Sweden and Norway, started in January 2012 and was scheduled to end in April 2012. An extension of the project implementation period was granted by the EU until 31 December 2013.

In 2010 UNODC carried out the first large-scale, comprehensive and comparable corruption *household* surveys in the region with funding under the CARDS project ‘*Assessment of Corruption and Crime in the Western Balkans*’. The surveys produced strong evidence on the pervasive nature and role of corruption as experienced by individual households across the region, on the sectors most affected, the role of public officials and bribe-payers and forms of bribery in the Western Balkans.<sup>7</sup>

The reports also demonstrate that comprehensive assessments of corruption, when produced on a methodologically sound basis, can yield valuable insights for designing a more effective anti-corruption policy. Beyond private *households*, it is widely acknowledged that corruption and crime, when affecting the *business sector*, can have devastating consequences on the business climate and economic development of countries. At the same time there is no or only very little evidence on corruption and crime as it affects the business sector apart from qualitative, perception-based indicators. Based on the experience of the household corruption surveys, stakeholders identified business corruption as an important issue, which needs to be addressed. In order to provide policy-makers with evidence about the extent and nature of this problem, a follow-up project on business corruption in the seven Western Balkan current or aspiring candidate countries/areas was developed and received funding from the EU.

### **Justification of the project**

Corruption is often seen as a heavy burden for the economic and social development of societies in transition and this is particularly true for countries of the Western Balkans. The European Commission (EC) has long emphasized this point in its annual Progress Reports and has consistently called on candidate countries and governments in the region to further the rule of law and to strengthen the fight against corruption and organized crime. The EC also called upon countries of the region to reform their public administration, enhance judicial performance and independence and to improve their business environment in general, in order to increase foreign and domestic investment and to advance economic development and growth.<sup>8</sup>

The project aims to contribute to consolidating methodology to measure corruption and crime through comparable sample surveys of businesses. The aim is to develop statistical methodologies and indicators that will provide solid information for national data users and make comparisons on the structure, levels and trends of corruption and crime in the business sector. To do so, the project builds on UNODC experience in the area of corruption measurement in general (western Balkans, Iraq, Afghanistan), and of surveys of corruption and crime in the business sector in

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<sup>7</sup> See the regional report ‘Corruption in the western Balkans: Bribery as experienced by the population’, UNODC, Vienna 2011, and the seven national reports ‘Corruption in [Country]: Bribery as experienced by the population, produced by UNODC and its implementing partners in the region. See: <http://www.unodc.org/unodc/en/frontpage/2011/May/corruption-in-the-western-balkans.html>

<sup>8</sup> Communication from the Commission to the European Parliament and the Council: Enlargement Strategy and Main Challenges 2010-2011 (COM (2010) 660, Brussels, 9 November 2010, p.5f

particular (Eastern Europe, Canada, Cape Verde, Nigeria). As such, UNODC previous work in this area will provide much added value to the implementation of business corruption surveys in the Western Balkans.

### **Project documents and revisions to the original project document**

The original project document of the UNODC project XEET93 'Assessment of Corruption and Crime in the Western Balkans' was complemented to include business corruption surveys in addition to household corruption surveys. A new project document "Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans", was submitted to the EU for funding. Two project revisions with no substantive changes were submitted to the EC to extend the duration of the project first to August 2013 and later to December 2013.

### **Project objectives**

The overall objective is to provide evidence-based factual assessments of the patterns and nature of corruption and crime affecting the business sector, as a precondition for strengthening the integrity and transparency between public offices and the business sector, and for the promotion of an enabling environment for business development in the Western Balkans economies.

The specific objective of the project is to develop and implement comparable sample surveys of businesses on corruption in each country/territory of the Western Balkans. The main focus of the business survey will be on the experience with corruption and crime affecting businesses. More specifically, the action aims at achieving the following objectives:

1. Provision of a comprehensive regional assessment of corruption and crime affecting the business sector based on comparable sample surveys in the countries/territories of the Western Balkans to develop, implement and monitor policies to prevent and fight corruption and crime and promote business investment.
2. Strengthen national capacity to produce evidence-based assessments of corruption and crime in the business sector through full involvement of national data producers, anti-corruption agencies and business organizations.

The current project falls under:

Strategic theme: 2. Policy and Trend Analysis

Result Area: 2.1. Threat and risk analysis

The project fits UNODC's objectives to provide enhanced knowledge of trends in specific crime issues, and enhanced capacity of Member States and the international community to formulate strategic responses to crime. The project also builds upon general support provided by UNODC to Member States in the area of crime statistics.

Importantly, the project is in line with UNODC role in enhancing countries capacities to implement the UNCAC. In this context, the project will strengthen UNODC role to provide evidence-based analysis of corruption and its capacity to provide support to countries willing to conduct corruption studies.

## **2. DISBURSEMENT MODALITY**

According to the project work plan, a national project partner was selected in each project country to implement the survey on corruption and crime in the business sector. In order to strengthen national capacity, priority was given to National Statistical Offices (NSOs), which have the technical capacity to conduct large-scale data collection operations within the business sector. In countries where the NSO was not in the position to implement the survey, an appropriate alternative local data provider was identified. To evaluate the capacity and interest of partners to carry out the survey detailed Terms of Reference (ToR) for the survey implementation were sent out to National Statistical Offices. In response, five of the seven National Statistical Offices of the project countries submitted detailed proposals on the implementation of the field work at national level and were subsequently selected as implementing partners. In Croatia, a well-known public research institute was selected as implementing partner (EIZ Zagreb). In Bosnia and Herzegovina, a tender procedure was started to select a private sector data supplier and a respected private research institute, PRISM Research was selected as implementing partner.

A Grant Agreement (GA) defining requirements, responsibilities and rights of the partners was signed with all public partner institutions, while a subcontract was signed with PRISM Research. According to the agreements funding to support the Activity is to be released in two instalments as follows: A first instalment upon signature of the agreement and a second instalment upon receipt and acceptance of the final performance report and all deliverables.

## **3. PURPOSE OF THE EVALUATION**

The evaluation, included in the project document as a final independent project evaluation, is started from the Statistics and Surveys Section (SASS) of UNODC and will consist in expert assessment of activities undertaken by the project, their impact in the beneficiary countries and the outputs produced. The purpose of the evaluation is to derive recommendations, best practices and lessons learned from measuring the achievements, outcomes and impact (both positive and negative) produced by the project. The evaluation is undertaken at the end of the project, to determine relevance, effectiveness, efficiency and sustainability of the program and to inform the development and implementation of similar projects in the near future.

The main stakeholders (Core Learning Partners, CLP) of the evaluation are staff of UNODC, EU institutions, implementing partners, national stakeholders from the business sector and other project counterparts. CLP will be involved in various steps of the evaluation process through email and telephone interviews: comment on ToR; take note of the selection of the evaluator; a final review of the evaluation report and the receipt of the results.

## **4. EVALUATION SCOPE**

The evaluation will cover the project “Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans” over the time period January 2012 to December 2013 and will focus on the business corruption surveys carried out in western Balkan countries/areas (Albania, Croatia, Bosnia and Herzegovina, Kosovo, Montenegro, Serbia, the former Yugoslav

Republic of Macedonia), the eight analytical reports produced on the basis of the surveys and the partnerships developed in the implementation of the project.

## 5. EVALUATION CRITERIA AND KEY EVALUATION QUESTIONS

At a minimum, the key questions to be addresses should follow the DAC evaluation criteria (relevance, efficiency, effectiveness, impact and sustainability) and the criteria of partnerships and cooperation. Additional questions to be addressed will be developed by the evaluator in consultation with SASS.

### Key evaluation questions to be answered by the evaluation.

#### Relevance

- Has the project succeeded in achieving its expected results (assessment of corruption and crime affecting the business sector, strengthened national capacity to produce evidence-based assessments of corruption and crime in the business sector)?
- Has the project succeeded in increasing UNODC's role and visibility as a reputed organization able to conduct methodologically sound, relevant and independent assessments on corruption and crime?
- How relevant is the project for the information needs and programming requirements of various key stakeholders (e.g. UNODC, EU, national ministries, anti-corruption agencies, business organizations, etc.)

#### Effectiveness

- Have there been any operational and programmatic obstacles resulting in delays in delivering activities? To what extent did these affect results and what measures were taken to overcome these obstacles?
- To what extent were the selected implementing partners effective in carrying out project activities?
- Are the tools and instruments developed in the course of the project appropriate for measuring corruption and crime affecting the business sector through sample surveys?

#### Efficiency

- Were the resources and inputs converted to outputs in a timely and cost-effective manner?
- Compared with alternative approaches to accomplishing similar objectives, has the project been implemented at an acceptable cost?

#### Sustainability

- To what extent have the implementing partners and governments in beneficiary countries taken ownership of the methodologies applied, objectives achieved and outputs produced by the project?
- Is any follow up survey, or survey module, on corruption experience planned to be implemented in the beneficiary countries? Are there any other follow-up activities planned in the project countries?
- Has the capacity of local data producers to carry out national surveys on corruption and crime affecting the business sector been strengthened?

#### Impact

- Is there any concrete - possibly measurable – positive impact of the project on regional or national counterparts and governments?
- Are there any unintended consequences from the project (negative impacts) and, if so, how could such consequences be anticipated and addressed in similar future projects?

#### Lessons learned

- What lessons can be learned from the project or programme implementation in order to improve performance, results and effectiveness in the future?
- What best practices emerged from the project or programme implementation?

## 6. EVALUATION METHODOLOGY

The evaluator will clearly indicate to UNODC/SASS the methodology and possible tools or instruments s/he expects to use for the completion of the assignment.

Methods could include analyses of various data coming from different sources of information and by using various approaches including desk reviews (see relevant documents in Annex), telephone interviews or questionnaires with key stakeholders, counterparts (for example, other project partners and implementing partners) and selected users. All project countries must be covered through at least one but preferably more than one data gathering method (e.g. personal interviews, telephone interviews, questionnaire, on-line survey, etc) with a view to triangulating the data.

## 7. TIMEFRAME AND DELIVERABLES

Tentative dates/deadlines	Main tasks	Location
7 Nov. 2013	Desk review and development of	Home

	evaluation methodology	
8 Nov. 2013	Briefing of evaluator, discussion of evaluation methodology and report outline	Home; by tele-conference
13 Nov. 2013	Preparation of the inception report	Home
By 18 Nov. 2013	Review of evaluation methodology by project manager and IEU	
19 Nov. – 6 Dec. 2013	Interviews with relevant stakeholders (SASS, EC, implementing partners)	Email + phone
By 13 Dec. 2013	Preparation of the draft report	Home
17 Dec. 2013	Presentation and discussion of draft report	UNODC headquarters
By 20 Dec. 2013	Review of draft evaluation report by project manager and IEU	
31 Dec. 2013	Preparation of the final report	Home

### **Expected deliverables**

The following products are expected to be delivered by the Evaluator<sup>9</sup>:

- Inception Report

A report on the evaluation methodology outlining the proposed method, the preliminary findings of the desk review and potential key issues for the evaluation. The draft Inception Report will be reviewed and finally approved by UNODC. The format of the Inception report will be based on the “UNODC Guidelines for Inception Reports” (attached to TORs – Annex C and to be found on the IEU-Website: <http://www.unodc.org/unodc/en/evaluation/index.html>).

- Draft Evaluation Report

A draft report highlighting key evaluation findings and conclusions, lessons learnt and recommendations. The format of the evaluation report will be based on the “UNODC Guidelines for Evaluation Reports – July 2013” (attached to TORs – Annex D, also to be found on the IEU-Website: <http://www.unodc.org/unodc/en/evaluation/index.html>).

- Power point presentation

A power-point presentation of the draft evaluation report for discussion with SASS.

- Final Evaluation Report

The final report will take into account comments received from stakeholders and during discussions with UNODC.

<sup>9</sup> The norms, tools, guidelines and templates to be used for this evaluation process are to be found on the IEU-Website: <http://www.unodc.org/unodc/en/evaluation/independent-project-evaluations-step-by-step.html>

## **8. EVALUATION TEAM COMPOSITION**

An independent and external expert with a thorough understanding of issues related to corruption and crime, and preferably also in relation to corruption or victimization surveys, will be contracted by UNODC to undertake the evaluation. The evaluator must not have been involved in the design and/or implementation, supervision and coordination of and/or have benefited from the project under evaluation.

The expert should have a solid knowledge and expertise of areas related to quantitative and qualitative corruption data collection and analysis.

A degree in statistics, criminology, criminal law, sociology or any other relevant social science is required as well as extensive work experience (10 years minimum), possibly in different cultural settings. A PhD is desirable. Excellent drafting skills in English are essential.

Experience in a governmental institution, a national statistical office or a similar organization would be appreciated. Knowledge and understanding of theories, concepts and approaches relevant to corruption and crime data collection are of utmost importance.

Experience with evaluation of international projects, preferably within the UN system, is required.

## **9. PLANNING AND IMPLEMENTATION ARRANGEMENTS**

The independent evaluation will be carried out by the evaluator following UNODC specific requirements, including UNODC Evaluation Policy and Guidelines<sup>10</sup>, and the United Nations Evaluation Group (UNEG) Norms and Standards.

### **Management arrangements**

UNODC/SASS will provide technical guidance and adequate comprehensive background information on the project and activities undertaken. The Statistics and Surveys Section will facilitate contacts between the Evaluator and the stakeholders involved at different levels of the project. The Evaluator is to act according to the agreed and signed Terms of Reference and to proceed according to all stated agreements.

The project evaluation will be managed by the Research Officer (P3) at UNODC/SASS in consultation with the Independent Evaluation Unit. The project manager will: 1) provide guidance and input to the overall process, including feedback on the general approach for the evaluation 2) facilitate the Evaluator's access to specific information or expertise needed to perform the assessment; 3) monitor and assess the quality of the evaluation and its processes;

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<sup>10</sup> Evaluation tools, templates and guidelines can be found on the IEU-Website at:  
<http://www.unodc.org/unodc/en/evaluation/independent-project-evaluations-step-by-step.html>

4) inform all key stakeholders about the evaluation and involve them during all critical stages of the evaluation; 5) comment on the draft report and provide assistance on templates and technical standards for evaluation; 6) consult with the evaluator as appropriate.

### **Logistical support**

The Evaluator will carry out the assignment from his/her home. Communication with SASS will take place through teleconferences, skype calls, phone calls and emails, as necessary. UNODC will provide the Evaluator with all necessary documentation as well as logistical and administrative support needed to accomplish her/ his task. Upon completion of the draft report, the Evaluator will carry out a mission to UNODC HQ to present the draft report.

The Independent Evaluation Unit

The Independent Evaluation Unit (IEU) provides mandatory normative tools, guidelines and templates to be used in the evaluation process. Please find the respective tools on the IEU web site: <http://www.unodc.org/unodc/en/evaluation/index.html>

## **10. PAYMENT**

The Evaluator will be issued a consultancy contract and paid in accordance with United Nations rules and procedures.

The contract will name four different deliverables specified by required time. Payment correlates to deliverables – two instalments are foreseen (50% and 50% of total fees):

- 1) The first payment (50 per cent of the consultancy fee) upon receipt of the Inception Report (deliverable A)
- 2) The second payment and final payment (50 per cent) after completion of the respective deliverables B, C, receipt of the final evaluation report (deliverable D) and clearance by IEU.

## Annex A

### **Core Learning Partners (CLP)**

Core Learning Partnerships encourage a participatory evaluation process, foster a common understanding of the evaluation approach and help promote the use of evaluation results. The following persons are invited to become CLP in the project evaluation.

#### UNODC Headquarters

1. Michael Jandl, Statistics and Survey Section
2. Enrico Bisogno, Statistics and Survey Section
3. Felix Reiterer, Statistics and Survey Section
4. Lucia Motolinía Carballo, Statistics and Survey Section
5. Ekaterina Kolykhalova, Europe Team
6. Martina Hanke, UNODC Liaison Office Brussels
7. Jelena Velic, Project Office Belgrade
8. Katharina Kayser, Independent Evaluation Unit

#### Project Partners

9. Olsida Capo (Institute of Statistics of Albania)
10. Elsa Dhuli (Institute of Statistics of Albania)
11. Dino Djipa (Prism Research, Sarajevo, Bosnia and Herzegovina)
12. Salminka Fazlic (Prism Research, Sarajevo, Bosnia and Herzegovina)
13. Jelena Budak (Institute of Economics, Zagreb, Croatia)
14. Edo Rajh (Institute of Economics, Zagreb, Croatia)
15. Muhamet Kastrati (Kosovo Agency of Statistics, Kosovo)
16. Bashkim Bellaqa (Kosovo Agency of Statistics, Kosovo)
17. Bozidar Popovic (Statistical Office of Montenegro, Montenegro)
18. Snezana Remikovic (Statistical Office of Montenegro, Montenegro)
19. Jelena Budimir (Statistical Office of the Republic of Serbia, Serbia)
20. Tijana Comic (Statistical Office of the Republic of Serbia, Serbia)
21. Blagica Novkovska (State Statistical Office, the former Yugoslav Republic of Macedonia)
22. Helena Papazoska (State Statistical Office, the former Yugoslav Republic of Macedonia)

#### Partners, Associates and Collaborators:

23. Marco Dugato – Researcher, TRANSCRIME
24. Giulia Mugellini– Researcher, Institute of Criminology University of Zurich

#### Stakeholders and other interested parties

25. Zrinka Cupic – Expert Assistant, Independent anti-corruption Sector, Ministry of Justice, Croatia
26. Agron Behrami – Anti-corruption Agency, Kosovo
27. Dalibor Saban - Anti-corruption Department, Montenegro
28. Maja Golovic - Chamber of Commerce, Montenegro
29. Milan Sobot – Chamber of Commerce, Serbia
30. Milos Mojsilovic – Anti-corruption Agency, Serbia
31. Mile Boskov – Executive Chairman, Business Confederation of Macedonia
32. Sejdi Haljilji - State Commission for Prevention of Corruption of Macedonia

#### Donors

33. Roberta Cortese, Project Task Manager, European Commission

Evaluation

## 34. Evaluator (Consultant)

## Annex B

**List of mandatory desk review materials for the evaluator**

The following is a list of materials that the evaluator will be provided with and must review and analyse. Any additional material can be provided upon request.

Documentation

1. Project Description Business Corruption Surveys to EC
2. Project document XEET93 Corruption surveys (revision)
3. Project workplan (and revisions)
4. Project logframe
5. Project budget
6. Project inception report to EC
7. Progress reports (half-yearly)
8. Request for project extension to EC

Guidelines and TOR

9. Methodological Background document
10. TOR for business corruption surveys\_national partners
11. Final questionnaire
12. Guidelines for interviewers
13. Technical reports on survey implementation (7)

Presentations and workshops

14. Invitation to Side Event to CCPCJ 2012 introducing the project to Permanent Missions
15. Presentation at the side event
16. Meeting Report: Regional Technical Meeting on the Survey
17. Presentation at Regional Technical Meeting on the Survey
18. Invitations to launch events of Regional Report (Brussels) and national reports (capitals)
19. Reports on launch events, press releases, press articles

Regional and national reports

20. Business, Corruption and Crime in the western Balkans (2013)
21. Business, Corruption and Crime in Albania (2013)
22. Business, Corruption and Crime in Bosnia and Herzegovina (2013)
23. Business, Corruption and Crime in Croatia (2013)
24. Business, Corruption and Crime in Kosovo (2013)
25. Business, Corruption and Crime in Montenegro (2013)
26. Business, Corruption and Crime in Serbia (2013)
27. Business, Corruption and Crime in the former Yugoslav Republic of Macedonia (2013)

**Annex C**

“UNODC Guidelines for Inception Reports – July 2013” (attached).

**Annex D**

“UNODC Guidelines for Evaluation Reports – July 2013” (attached).

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## **Annex E**

### **Terms of Reference**

<b>Title:</b>	Consultant
<b>Organizational Section/Unit:</b>	DPA/RAB/SASS (Statistics and Surveys Section)  United Nations Office on Drugs and Crime (UNODC)
<b>Duty Station:</b>	Home
<b>Proposed period:</b>	1 November 2013 – 31 December 2013
<b>Actual work time:</b>	15 days

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#### **1. Background of the assignment:**

Within the framework of the project XEET93 (Assessment of Corruption and Crime in the Western Balkans), the Statistics and Surveys Section (SASS) of UNODC conducts an evaluation of the project phase II (Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans) and its results and impacts. The project was designed with the overall objective to provide evidence-based factual assessments of the patterns and nature of corruption and crime affecting the business sector. The specific objectives of the project are to develop and implement comparable sample surveys of businesses on corruption and crime in each country/area of the Western Balkans and to strengthen national capacity to produce evidence-based assessments of corruption and crime in the business sector through involvement of national data producers, anti-corruption agencies and business organizations.

#### **2. Purpose of the assignment:**

Evaluate the project XEET93 phase II (Assessment of Corruption and Crime affecting the Business Sector in the Western Balkans). The evaluation will consist in expert’s assessment of the activities undertaken by the project, their impact in the beneficiary countries and the outputs produced. The purpose of the evaluation is to derive recommendations, best practices and lessons learned from measuring the achievements, outcomes and impact (both positive and negative) produced by the project. The evaluation is undertaken at the end of the project, to determine relevance, effectiveness, efficiency and sustainability of the program and to inform the development and implementation of similar projects in the near future

#### **3. Specific tasks to be performed by the consultant:**

Under the supervision of the Research Officer of UNODC/SASS, the consultant will undertake the following activities:

- 1) Desk review of material and development of evaluation methodology.
- 2) Draft an inception report on the evaluation methodology and key issues for the evaluation.
- 3) Draft an evaluation report to highlight key evaluation findings and conclusions, lessons and recommendations.
- 4) Present the findings in the evaluation report to UNODC/SASS

#### **4. Expected tangible and measurable output(s):**

The Consultant is expected to produce the following tangible outputs, which will be assessed on the basis of their quality and timely completion:

- A) Inception report, including evaluation methodology and key issues for evaluation.
- B) Draft evaluation report, to highlight key evaluation findings and conclusions, lessons and recommendations.
- C) Power point presentation of the key findings of the evaluation.
- D) Final evaluation report, taking into account comments received from stakeholders and during discussions with UNODC.

#### **5. Deliverable specified by required time**

<b>Deliverable</b>	<b>Timeframe</b>	<b>Duty station</b>
A. Evaluation Methodology	13 November 2013	Home
B. Draft evaluation report	13 December 2013	Home
C. Power point presentation	17 December 2013	Vienna
D. Final evaluation report	31 December 2013	Home

#### **6. Outcome products and payments**

1/2 payment to be released upon successful completion of deliverable A

1/2 payment to be released upon successful completion of deliverable D

#### **7. Indicators to evaluate the consultant's performance**

All outputs should meet the satisfaction of UNODC/SASS according to the following indicators: timeliness of delivery, quality of documents and reports, technical competence.

#### **8. Qualifications/expertise sought**

An independent external expert with a thorough understanding of issues related to corruption and crime, and preferably also in relation to corruption or victimization surveys, will be contracted by UNODC to undertake the evaluation. The evaluator cannot have any previous or current or future involvement with the draft of XEET93 project idea, design or being interested part of any implementation.

The expert should have a solid knowledge and expertise of areas related to quantitative and qualitative corruption data collection and analysis.

A degree in statistics, criminology, criminal law, sociology or any other relevant social science is required as well as extensive work experience (10 years minimum), possibly in different cultural settings. A PhD is desirable. Excellent drafting skills in English are essential.

Experience in a governmental institution, a national statistical office or a similar organization would be appreciated. Knowledge and understanding of theories, concepts and approaches relevant to corruption and crime data collection are of utmost importance.

Experience with evaluation of international projects, preferably within the UN system, is required.

## ANNEX II. EVALUATION TOOLS: QUESTIONNAIRES

### A

Evaluation questionnaire for project on ‘Business, corruption and crime in the Western Balkans’:

Please write your answers after each question. Use as much space as you wish.

### UNODC

Name of contact:

1. Do you think that the survey has provided new evidence that can help in developing national anti-corruption policies in individual countries and the western Balkan region? If possible, elaborate your views on points and areas where you find the new evidence as most relevant and useful?

2. Which indicators have you found most useful? Please give your answer for each indicator below on a scale from 1 to 10 (1 not useful at all, 10 highly useful). Mark your number on the reserved space.

Prevalence of bribery	_____
Nature/type of bribes	_____
Public officials and bribery	_____
Reporting bribery	_____
Business-to-business bribery	_____
Perceptions and opinions about corruption	_____
Prevalence and patterns of other forms of crime	_____

3. What additional information should have been collected to improve the survey’s usefulness?

4. Do you think relevant national organizations were sufficiently involved in the project?

5. Can you suggest ways in which this involvement could be improved in future projects?

6. Do you think regional and international organizations were sufficiently involved in the project?
7. Can you suggest ways in which this involvement could be improved in future projects?
8. Can you suggest ways to improve UNODC's role in future surveys?
9. Do you think that the indicators produced give a true and accurate picture of bribery in the western Balkans?
10. Areas and points where you have the most serious doubts about the reliability of the picture given by the results:
11. Would you recommend the use of these indicators for policy and operational development in western Balkan countries?
12. Do you think that the activities to disseminate survey results were appropriate?
13. Do you have any suggestion on how the dissemination of the information could have been improved (on which points; by which means, seminars, websites, and shorter additional reports?)
14. Do you think that the project has increased the awareness of corruption and crime in the western Balkans?
15. How do you think UNODC can help to increase the use of the project's findings?
16. Do you know of any specific activity/declaration/impact that has resulted from the project's organisation or the use of the indicators derived from the survey (e.g. anti-corruption measures, AC strategies, industry-standards, code of ethics, etc.)?
17. Do you think the organisation of the survey has increased the likelihood of UNODC carrying out further surveys?
18. Has the project succeeded in increasing UNODC role and visibility as a reputed organization able to conduct methodologically sound, relevant and independent assessments on corruption and crime?
19. What specific partnership do you know that have resulted from the project?
20. Best/most successful parts/elements of the whole project?
21. Worst/most dissatisfying parts/elements of the project?

## B

Evaluation questionnaire for project on 'Business, corruption and crime in the Western Balkans':

Please write your answers after each question. Use as much space as you wish.

**Representatives from other international organisations (non-UNODC) and research institutes (RIO)**

Name of contact:

1. Do you think that the survey has provided new evidence that can help in developing national anti-corruption policies in individual countries and the western Balkan region? If possible, elaborate your views on points and areas where you find the new evidence as most relevant and useful
2. Were you consulted over the content of the questionnaire?
3. Which indicators have you found most useful? Please give your answer for each indicator below on a scale from 1 to 10 (1 not useful at all, 10 highly useful). Mark your number on the reserved space.
 

Prevalence of bribery	___	
Nature/type of bribes	___	
Public officials and bribery	___	
Reporting bribery	___	
Business-to-business bribery	___	
Perceptions and opinions about corruption	___	
Prevalence and patterns of other forms of crime	___	

4. What additional information should have been collected to improve the survey's usefulness?
5. Do you think relevant national organizations were sufficiently involved in the project?
6. Can you suggest ways in which this involvement could be improved in future projects?
7. Do you think regional and international organizations were sufficiently involved in the project?

8. Can you suggest ways in which this involvement could be improved in future projects?
9. Do you think that UNODC has the necessary skills to carry out future surveys on these topics?
10. Can you suggest ways to improve UNODC's role in future surveys?
12. Do you think that the indicators produced give a true and accurate picture of bribery in the western Balkans?
12. Areas and points where on which you have the most serious doubts about the reliability of the picture given by the results.
13. Would you recommend the use of these indicators for policy and operational development in western Balkan countries?
14. Do you think that the activities to disseminate survey results were appropriate?
15. Do you have any suggestion on how the dissemination of the information could have been improved (on which points; by which means, seminars, websites, and shorter additional reports?)
16. Do you think that the project has increased the awareness of issue in western Balkans?
17. How do you think UNODC can help to increase the use of the project's findings?
18. Would you and your institution be able to contribute in planning or helping to finance future surveys organised by UNODC?
19. Do you know of any specific activity/declaration/impact that has resulted from the project's organisation or the use of the indicators derived from the survey?
20. Should UNODC have the main role in coordinating future surveys on these topics?
21. What specific partnership do you know that have resulted from the project?
22. Best/most successful parts/elements of the whole project?
23. Worst/most dissatisfying parts/elements of the project?

## C

Evaluation questionnaire for project on ‘Business, corruption and crime in the Western Balkans’:

Please write your answers after each question. Use as much space as you wish.

### National implementing partners (NIP)

Name of contact:

1. Do you think that the survey has provided new evidence that can help in developing national anti-corruption policies in individual countries and the western Balkan region? If possible, elaborate your views on points and areas where you find the new evidence as most relevant and useful.
  
2. Were you consulted over the content of the questionnaire?
  
3. Did you agree about the method used?
  
4. Were the instructions and methodological workshop detailed and accurate enough? Would you have any suggestion on how to improve it?
  
5. Were you informed about the “policy context” of the survey and the background of the study and how it relates to corruption and anti-corruption issues in your country and the western Balkans?
  
6. Which indicators have you found most useful? Please give your answer for each indicator below on a scale from 1 to 10 (1 not useful at all, 10 highly useful). Mark your number on the reserved space.

Prevalence of bribery	___
Nature/type of bribes	___
Public officials and bribery	___
Reporting bribery	___
Business-to-business bribery	___
Perceptions and opinions about corruption	___
Prevalence and patterns of other forms of crime	___

7. What additional information should have been collected to improve the survey's usefulness?
8. Do you think you and your organization were sufficiently involved in the project?
9. Can you suggest ways in which this involvement could be improved in future projects?
10. Do you think regional and international organizations were sufficiently involved in the project?
11. Can you suggest ways in which this involvement could be improved in future projects?
12. Do you think that UNODC has the necessary skills to carry out future surveys on these topics?
13. Do you think that the indicators produced give a true and accurate picture of bribery in your country?
14. Areas and points where on which you have the most serious doubts about the reliability of the picture given by the results.
15. Would you recommend the use of these indicators for policy and operational development in your country?
16. Do you know your country is already planning to use the projects results?
17. Do you think that the activities to disseminate survey results were appropriate?
18. Do you have any suggestion on how the dissemination of the information could have been improved (on which points; by which means, seminars, websites, and shorter additional reports?)
19. Do you think that the project has increased the awareness of issue in your country?
20. How do you think UNODC can help to increase the use of the project's findings?
21. Do you know of any specific activity/declaration/impact that has resulted from the project's organisation or the use of the indicators derived from the survey?
22. Should UNODC have the main role in coordinating future surveys on these topics?
23. What specific partnership do you know that have resulted from the project?
24. Best/most successful parts/elements of the whole project?
25. Worst/most dissatisfying parts/elements of the project?

## D

Evaluation questionnaire for project on ‘Business, corruption and crime in the Western Balkans’:

Please write your answers after each question. Use as much space as you wish.

### National stakeholders (NSH)

Name of contact:

1. Do you think that the survey has provided new evidence that can help in developing national anti-corruption policies in individual countries and the western Balkan region? If possible, elaborate your views on points and areas where you find the new evidence as most relevant and useful.
2. Were you consulted over the content of the questionnaire?
3. Were you informed about the “policy context” of the survey, of its background and how it relates to corruption and anti-corruption issues in the western Balkans?
4. Which indicators have you found most useful? Please give your answer for each indicator below on a scale from 1 to 10 (1 not useful at all, 10 highly useful). Mark your number on the reserved space.
 

Prevalence of bribery		___
Nature/type of bribes		___
Public officials and bribery	___	
Reporting bribery	___	
Business-to-business bribery		___
Perceptions and opinions about corruption		___
Prevalence and patterns of other forms of crime		___
5. What additional information should have been collected to improve the survey’s usefulness?
6. Do you think you think that national stakeholders were sufficiently involved in the project?
7. Can you suggest ways in which this involvement could be improved in future projects?

8. Do you think regional and international organizations were sufficiently involved in the project?
9. Can you suggest ways in which this involvement could be improved in future projects?
10. Do you think that UNODC has the necessary skills to carry out future surveys on these topics?
11. Do you think that the indicators produced give a true and accurate picture of bribery in your country?
12. Areas and points where on which you have the most serious doubts about the reliability of the picture given by the results.
13. Would you recommend the use of these indicators for policy and operational development in your country?
14. Does your organisation plan to use any of the the projects results in its own work?
15. Do you know if somebody else in your country is already planning to use the projects results?
16. Do you think that the activities to disseminate survey results were appropriate?
17. Do you have any suggestion on how the dissemination of the information could have been improved (on which points; by which means, seminars, websites, and shorter additional reports?)
18. Do you think that the project has increased the awareness of issue in your country?
19. How do you think UNODC can help to increase the use of the project's findings?
20. Do you know of any specific activity/declaration/impact that has resulted from the project's organisation or the use of the indicators derived from the survey?
21. Should UNODC have the main role in coordinating future surveys on these topics?
22. What specific partnership do you know that have resulted from the project?
23. Best/most successful parts/elements of the whole project?
24. Worst/most dissatisfying parts/elements of the project?
25. Did you receive any (positive or negative) feedback from the business sector in your country related to the gathering of the information and conducting the survey?

## ANNEX III. DESK REVIEW LIST

### Documentation

28. Project Description Business Corruption Surveys to EC
29. Project document XEET93 Corruption surveys (revision)
30. Project workplan (and revisions)
31. Project logframe
32. Project budget
33. Project inception report to EC
34. Progress reports (half-yearly)
35. Request for project extension to EC

### Guidelines and TOR

36. Methodological Background document
37. TOR for business corruption surveys\_national partners
38. Final questionnaire
39. Guidelines for interviewers
40. Technical reports on survey implementation (7)

### Presentations and workshops

41. Invitation to Side Event to CCPCJ 2012 introducing the project to Permanent Missions
42. Presentation at the side event
43. Meeting Report: Regional Technical Meeting on the Survey

44. Presentation at Regional Technical Meeting on the Survey
45. Invitations to launch events of Regional Report (Brussels) and national reports (capitals)
46. Reports on launch events, press releases, press articles

#### Regional and national reports

47. Business, Corruption and Crime in the western Balkans (2013)
48. Business, Corruption and Crime in Albania (2013)
49. Business, Corruption and Crime in Bosnia and Herzegovina (2013)
50. Business, Corruption and Crime in Croatia (2013)
51. Business, Corruption and Crime in Kosovo (2013)
52. Business, Corruption and Crime in Montenegro (2013)
53. Business, Corruption and Crime in Serbia (2013)
54. Business, Corruption and Crime in the former Yugoslav Republic of Macedonia (2013)

#### Other

28. Patten Smit and Paul Harvey, Business Crime Scoping Exercise. Methodological work to consider the scope and feasibility of a survey to measure commercial victimization. Home Office. Research Report 33/2010.

CAC/COSP/2009/CRP.2 2 November 2009. Doha, 9-13 November 2009, Quantitative approaches to assess and describe corruption and the role of UNODC in supporting countries in performing such assessments Background paper prepared by the Secretariat.