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**Statement submitted by Partnership for Transparency, a
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with the Economic and Social Council***

The following document is being circulated in accordance with paragraph 1 (i) of resolution 4/6 of the Conference of the States Parties to the United Nations Convention against Corruption and rule 17, paragraph 3 (b), of the rules of procedure for the Conference.

* The present document is processed in the form in which it was received.



Increasing the Role of Civil Society in Combating Corruption in Development Assistance

“Each State Party shall take appropriate measures, within its means and in accordance with fundamental principles of its domestic law, to promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations, and community-based organizations, in the prevention of and the fight against corruption and to raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption.”

[UNCAC, Article 13](#)

Dear Delegates of the States Parties to the UNCAC,

We, the undersigned organizations, urge you to use the UNCAC framework to set requirements and standards that ensure Civil Society plays a key role in combating corruption in development assistance provided through Multilateral Development Banks (MDBs).¹

The funding provided by these institutions is a major source of development financing for low- and middle-income countries. Most of your governments either provide financing to MDBs or receive funding from them. With your governments’ support, the MDBs are poised to double or triple their lending in the next few years amounting to a trillion dollars or more.² Reducing corruption in these large amounts of money being spent is imperative.

MDB financing, like all public spending anywhere in the world, is susceptible to corruption. This undermines value for money and development effectiveness. MDB financing contributes to the public finances of borrowing countries, and as such its effective management is within the purview of UNCAC Article 9.2: *“Each State Party shall, in accordance with the fundamental principles of its legal system, take appropriate measures to promote transparency and accountability in the management of public finances.”*

The challenges of preventing corruption will grow as MDBs double or triple their lending in developing countries, many of which have weak public financial systems. MDBs are aware of the risks of misappropriation and abuse of their funds, and World Bank assessments illustrate the magnitude of the [challenges](#). A majority of the world’s poorest countries [eligible](#) to receive grants from the World Bank have weak policies and institutions

¹ MDBs include financing institutions like the World Bank Group, Asian Development Bank, Inter-American Development Bank, Asian Infrastructure Investment Bank, African Development Bank Group, Islamic Development Bank, European Bank for Reconstruction and Development, and European Investment Bank, among others.

² The World Bank [estimates](#) that total spending needs to address the three challenges of climate change, conflict, and pandemics are in the order of US\$2.4 trillion per year for all World Bank borrower countries between 2023 and 2030 (Source: [Ending Poverty On a Livable Planet: A Report to Governors on the World Bank Evolution, World Bank, 2023](#)). Similarly, the [Independent Expert Group, commissioned by the G20](#), cited the need for US\$3 trillion in additional investments per year by 2030, to come from a range of public and private sources; this includes a tripling of financing from all MDBs.

for transparency, accountability, and control of corruption, and about 30 percent of the \$349 billion in total commitments for all active World Bank-financed projects had high fiduciary and governance risks respectively.³

Currently, MDBs rely on the transparency and accountability systems of borrowing countries supplemented by MDBs anti-corruption policies to address these corruption risks. This is appropriate but not optimal, and experience has shown that relying on government systems to combat corruption is neither sufficient nor effective. Thus, a key question for MDB shareholders must be *what more can MDBs and member states do to identify and prevent corruption in rapidly growing MDB financing for development programs and projects?*

Deepening partnerships with civil society to supplement current systems is one underutilized avenue. Article 13 of UNCAC emphasizes the roles of civil society, and important development partners like the World Bank and the G20 are also expressing this view.⁴

Civil Society Organizations (CSOs) can make a difference in a variety of ways. They can conduct spot checks to ensure that funding and services reach the intended beneficiaries, track the implementation of policies, and monitor procurement integrity. CSOs can help track how much money reaches the intended beneficiaries using participatory budgeting, social audits, community scorecards, public hearings, public expenditure tracking, open contracting, audit scorecards, and participatory audits. They can engage with supreme audit institutions to help define audit plans based on documented complaints, conduct joint participatory audits, and help audit institutions validate audit findings.

Investing a tiny fraction of the proposed trillions of dollars in development assistance to expand partnerships with local CSOs is expected to have a huge payoff. The principle and practice of governments and MDBs paying for systems to control corruption is well-established, though insufficient. Increasing this investment by a very small amount to fund partnerships with civil society that would supplement current efforts to prevent corruption should be seen as a prudent action to safeguard the additional hundreds of billion dollars in proposed development assistance. If it prevents loss of even one percent, this investment will pay for itself.

To identify and prevent corruption, shareholders should direct MDBs to expand partnerships with civil society as they double or triple their financing operations. MDBs should be asked to rethink their current approaches and develop a more robust and innovative toolkit that includes partnerships with civil society to better manage the use of funds. This will be a powerful complement to other measures, especially with regard to decentralized projects or those strongly focused on poor and marginalized communities.

³ Source: The [2022 CPIA ratings](#) by the World Bank for 'Transparency, Accountability and Corruption' for 51 countries eligible to receive grants from the [International Development Association](#), the World Bank's facility for the poorest countries, and the risk ratings for 'Political and Governance' and 'Fiduciary' risks facing [all active projects financed by the World Bank](#).

⁴ Sources: World Bank [Vice President for Integrity](#) and [Evolution paper](#), G20 [Independent Experts Group Report on Strengthening MDBs](#).

Partnership for Transparency (PTF) and co-sponsors of this statement offer the following recommendations:

Recommendation #1: MDBs proactively expand the use of social accountability and other governance demand-side approaches in their country assistance strategies and operations to improve governance and anti-corruption systems and institutions, and engage with governments to support appropriate civic space for such work.

Recommendation #2: MDBs expand, deepen, finance, and monitor partnerships with citizens and local CSOs to detect and prevent corruption, and fund such partnerships.

Recommendation #3: MDBs establish facilities to provide grants to local CSOs to:

- a. Carry out independent third-party monitoring to enhance oversight of process legitimacy and results, and guard against corruption in government spending;
- b. Undertake necessary analytical work for meaningful participation in MDB activities to help strengthen governance and anti-corruption policies and programs; and
- c. Develop capacity to undertake analysis and engage with accountability institutions to identify and prevent corruption in public spending, including in MDB-financed public resources.

This statement is submitted by Partnership for Transparency (PTF), USA.

It is supported by the following organizations:

1. [Accountability Lab](#), USA
2. [Anti-Corruption Organization \(AWTAD\)](#), Yemen
3. [Botswana Center for Public Integrity \(BCPI\)](#), Botswana
4. [Civil Society Budget Advocacy Group \(CSBAG\)](#), Uganda
5. [Community Initiative Action Group \(CIAG\)](#), Kenya
6. [OPEN DRC](#), USA
7. [Transparency International Sri Lanka](#), Sri Lanka
8. [Transparency International Deutschland](#), Germany
9. [Transparency International Georgia](#), Georgia
10. [Transparency International Zambia \(TI-Z\)](#), Zambia
11. [Transparencia por Colombia](#), Colombia
12. [Universal Peace and Violence Amelioration Centre \(UPVAC\)](#), Nigeria
13. [Whistleblowers of America](#), USA
14. [Women Against Violence and Exploitation WAVE Foundation](#), Nigeria

Please refer questions and comments to PTF at info@ptfund.org or vbhargava@ptfund.org.

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6. [Civil Society Budget Advocacy Group \(CSBAG\)](#), Uganda
7. [Community Initiative Action Group \(CIAG\)](#), Kenya
8. [Congo Basin Forests Global Initiative](#), Democratic Republic of Congo
9. [Empower India](#), India
10. [Government Accountability Project](#), USA
11. [Integrity First](#), Germany
12. [Integrity Organisation Ltd. \(Gte\)](#), Nigeria
13. [NGO ADRAH-Tchad](#), Republic of Chad
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15. [Réseau Nigerien Anti-Corruption \(RENAC\)](#), Nigeria
16. [SAVE Ghana](#), Ghana
17. [SEND-Ghana](#), Ghana
18. [Students Against Corruption](#), Liberia
19. [Transparency International Sri Lanka](#), Sri Lanka
20. [Transparency International Deutschland](#), Germany
21. [Transparency International Georgia](#), Georgia
22. [Transparency International Zambia \(TI-Z\)](#), Zambia
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