The Prevention of Corruption: Tools, Methodologies and Good Practices – UNDP Experiences

1st Meeting of the Open-Ended Intergovernmental Working Group on Prevention

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Coordinator of UNDP Global Programme on Anti-Corruption
Outline

1. Background: UNDP’s work on prevention

2. UNCAC and UNDP areas of programming

3. Tools, methodologies, and good practices on the prevention of corruption
Background

- UNDP work on the prevention of corruption since early 1990s: The first generation of work on ATI; 1999 flagship manual *Fighting Corruption to Improve Governance*
- Since then, UNDP has been a leading provider of TA on corruption prevention within governance portfolio
Examples of Service Areas under DG:
(during MYFF: 2004 – 2007)
Then Came Int’l Standards

8th Crime Congress

GA Res.51/191 UN Declaration

TOCC Negotiation

GA Res.55/61 Establishment of Ad Hoc Committee

Merida Conference

Ad Hoc Committee (1st – 8th Sessions)

GA Res.58/4 Adoption of Asset Recovery

1996 OAS Convention

1997 EU Convention

1997 OECD Convention

1999 CoE Conventions

2003 AU Convention

2003/5 UNCAC

Then Came Int’l Standards
Why anti-corruption? For UNDP, corruption is a major bottleneck to the realization of its mandates (such as the MDGs).
Responsive Institutions
Inclusive Participation
International norms and principles
Human rights - Gender equality – Accountability & transparency
Aid Effectiveness
National Ownership
South-south Cooperation
Capacity Development

For UNDP, UNCAC a Governance and Development Framework
The Four Pillars of the UNCAC and Technical Assistance

**Technical Assistance “UNCAC”**

- Strengthening State Institutions
- International Cooperation
- Asset Recovery
- Criminalization Law Enforcement

UNDP’s comparative advantage is “Preventive Measures”
UNDP Niche: Prevention

**Sustainable Development**

**Cooperation for development**
- Democratic consolidation
- State reform & modernization
- Economic development
- Institution building
- Infrastructure
- Rural development

Good governance – integrity, accountability, proper management of public affairs

**Cooperation for corruption prevention**

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<thead>
<tr>
<th>Technical Assistance</th>
<th>Financial Support</th>
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<td>AC-policies</td>
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<td>AC bodies</td>
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<td>AC mechanisms</td>
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<td>Private sector</td>
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<td>Civil Society</td>
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<td>Media</td>
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**Cooperation for the combat of corruption**

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<th>Technical Assistance</th>
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<td>National</td>
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<tr>
<td>- Criminalization</td>
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<td>- Enforcement authorities</td>
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<td>- Between nat. authorities</td>
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<td>- With private sector</td>
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<tr>
<td>International</td>
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<td>- Mutual legal assistance</td>
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<td>- Asset recovery</td>
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<td>- Extradition</td>
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## UNCAC A Governance and Development Framework

<table>
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<th>UNCAC Articles</th>
<th>Demand for Programming</th>
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<tr>
<td>Article 5: Preventive anti-corruption policies and practices</td>
<td>Policy framework, strategies, coordination, and consultation</td>
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<td>Article 6: Preventive anti-corruption body or bodies</td>
<td>TA to establish/strengthen oversight institutions</td>
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<td>Article 7: Civil service capacity-building</td>
<td>Public sector reform</td>
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<td>Article 8: Code of conduct</td>
<td>Promotion of integrity, honesty and responsibility among public officials</td>
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<td>Article 9: Public procurement and management of public finance</td>
<td>Promoting a transparent effective system of public procurement and public finance mgt</td>
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<td>Article 10: Public reporting</td>
<td>Media and civil society empowerment</td>
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<td>Article 12: Private sector</td>
<td>Private sector in delivering services</td>
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<td>Article 11: Judiciary/prosecutions</td>
<td>Access to justice, rule of law programmes</td>
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<td>Article 13: Civil society</td>
<td>Social audit, and budget tracking</td>
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Tools, Methodologies and Good Practices: Preventive AC Policies (Article 5)

1. Guidance Note: UNCAC Self-Assessments
   – Going Beyond the Minimum

   – Prepared by UNDP, UNODC, GTZ, Basel Institute on Governance, and IGS to provide a methodology for UNCAC self-assessments

   – “Optional tool” that complements the “Treaty Based Mechanism”

   – Builds on the self-assessment checklist and UNCAC Gap Analyses conducted in Bangladesh, Kenya and Indonesia

   – Encourages broad national stakeholder consultations; prepare the country for review mechanism

   – Aim to help information gathering and policy reform for those countries which wants to go beyond the minimum

   (E.g., Bhutan, Lao PDR, Maldives and Mongolia)
A lot of criticism about the effective functioning of the ACAs; debate is often on the issue of independence, resources, competency, legal framework, coordination, political will, etc.

1. Methodology for Assessing Capacities of AC Agencies to Perform Preventive Functions
   - Led by Bratislava Centre and successfully piloted in Montenegro, Kosovo, Moldova and Turkey
   - Methodology based on UNDP’s capacity development methodology (e.g., HR institutions)
   - Planning to roll out to it in the other parts of the world (Initiative with U4 and the World Bank)

2. Institutional Arrangement to Combat Corruption: A Comparative Study, 2005
Civil service capacity-building/public sector reform: Article 7, 8 and 9

• Public administration reform:
  – One of the largest area of UNDP support, PAR programme in almost all COs (civil service reform, code of conduct, improve in mgt/performance)
  – Emerging area on public finance: Illicit Financial Flows (with Norway and Global Financial Integrity)

• Support to public sector reform also provided through e-governance and local governance

• Access to justice/judicial integrity
  – UNDP’s two global programmes (BCPR and BDP) (E.g., UNDP and GTZ partnership - Lusaka workshop)
E-Gov & Access to Information

Justice & Human Rights

Decentralization & Local Governance

Parliaments

Public Administration Reform & Anti-Corruption

Elections

PAR/AC 41% of total DG exp in 2006
## Illicit Financial Flows: Hidden Resource for Development

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<th>Illicit Financial flows (GFI estimates in USD)</th>
<th>Resources required annually for the MDGs (UN estimates in USD)</th>
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<td>• Capital outflows about $1 trillion (10 times the amount of OECD-DAC ODA)</td>
<td>1. Education for all targets: 30bn</td>
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<td>• Estimates of the funds held offshore- USD11.5 trillion (Annual loss of tax revenue USD 250 bn)</td>
<td>2. HIV/Aids: $25bn</td>
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<td>• Commercial trade mispricing $100bn annual</td>
<td>3. Water and sanitation: $18bn</td>
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<td>4. Infrastructure investment: $55bn</td>
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Resources lost from the illicit financial flows are more than enough to fund the resources estimated for meeting the MDGs; but discussion so far is up-scaling resources not preventing leakages.
Anti-Corruption in Sectors: Methods, Tools and Good Practices!

FIGHTING CORRUPTION IN THE EDUCATION SECTOR
METHODS, TOOLS AND GOOD PRACTICES
A UNDP Commissioned Study

FIGHTING CORRUPTION IN THE HEALTH SECTOR
METHODS, TOOLS AND GOOD PRACTICES
A UNDP Commissioned Study

FIGHTING CORRUPTION IN THE WATER SECTOR
METHODS, TOOLS AND GOOD PRACTICES
A UNDP Commissioned Study
What we wanted to know; what we came to know?

1. Are there enough tools/methodologies? (diagnostic; remedies tools available – but with major limitations)

2. Are there enough good practices? If so, how can we define them? (No: poor documentation, output-based measurement, not so much on impact)

3. What can we say on what works and what doesn't?

4. Do the practitioners have enough knowledge and tools to guide them? (enough for a start, lack of incentives)

5. What would be the next step in term of improving anti-corruption programming in sectors? (Use tools and methodologies for programming; collect good practices/cases from Asia-Pacific, Africa, Europe and CIS)
Findings:

Problem with dealing corruption in sector

1. So far corruption in sectors is usually dealt as mismanagement (solution prescribed are management solutions, e.g. firing); not corruption problem (ACAs/parliamentarians do not understand the sector)

2. Sector finance and sector grants are captured through evaluation and reporting tools; Usually do not capture monitoring of budget process, payroll leakages, absenteeism

3. Gaps: tools usually do not monitor the whole process (e.g., school books or medicine at the health post) (Hence UNDP’s initiatives on sectors and good practices)
Strengthening Civil Society and Media

--Involving civil society to government expenditures (e.g., India, Bolivia, Uganda, Zambia)
-- Empowering community to monitor services (The Philippines, Uganda, etc.)
--Training for CSOs on reporting and monitoring corruption (e.g., with UNECA)
--Training on investigative journalism – South-South Cooperation (MISA, PCIJ)
--Anti-Corruption and UNRED+
Strengthening reporting, community monitoring, multi-stakeholder engagement in Climate Change
Conclusion

- UNDP together with UNODC notes with satisfaction that 70% of reporting States Parties had reported full compliance with all the provisions of Chapter II (As of 8 June 2009)

- UNDP, one of the largest providers of TA on prevention, will continue its work directly or indirectly contributing to the implementation of Chapter II

- How can states access UNDP support?
  - The support is primarily channeled through COs
  - Know your focal point at the country level and bring anti-corruption in the agenda of UNDAFs and CPDs, CCAs
  - Some other windows: DGTTF, UNDP global programmes, regional programmes, UNDEF, etc.
Thank You!

Prevention is better than cure!