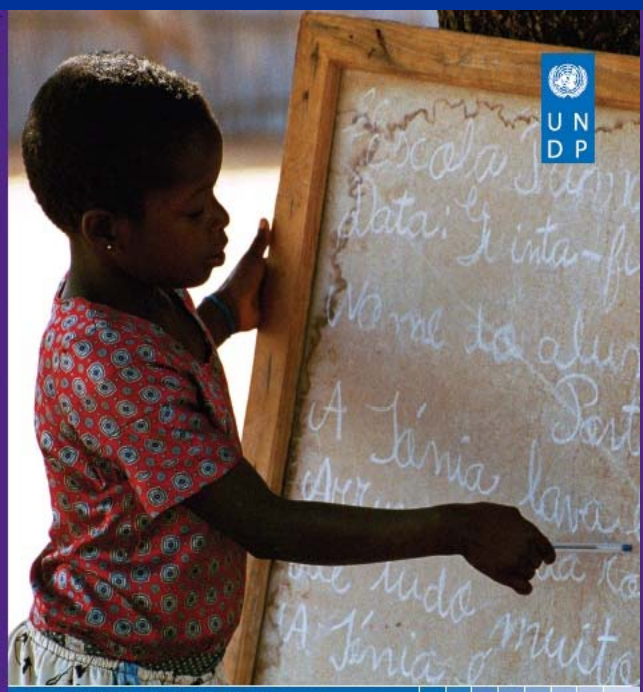


The public sector and prevention of corruption: Strengthening institutional and sectoral integrity



Presentation on UNDP's Initiatives on Anti-Corruption in Sectors
By Anga Timilsina, Programme Manager, UNDP's Anti-Corruption
Global Programme, 22-25 August 2011, Vienna, Austria



United Nations Development Programme

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

United Nations Development Programme

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

United Nations Development Programme

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

Why anti-corruption in sector?



Prevention is better than cure!

Prevention is better than cure!



Quotable quote

- ▶ Wang an Shih, 11th century, blamed corruption on bad men and bad laws
- ▶ Klitgaard and Baser, 'not primarily a problem of bad people but of bad systems'

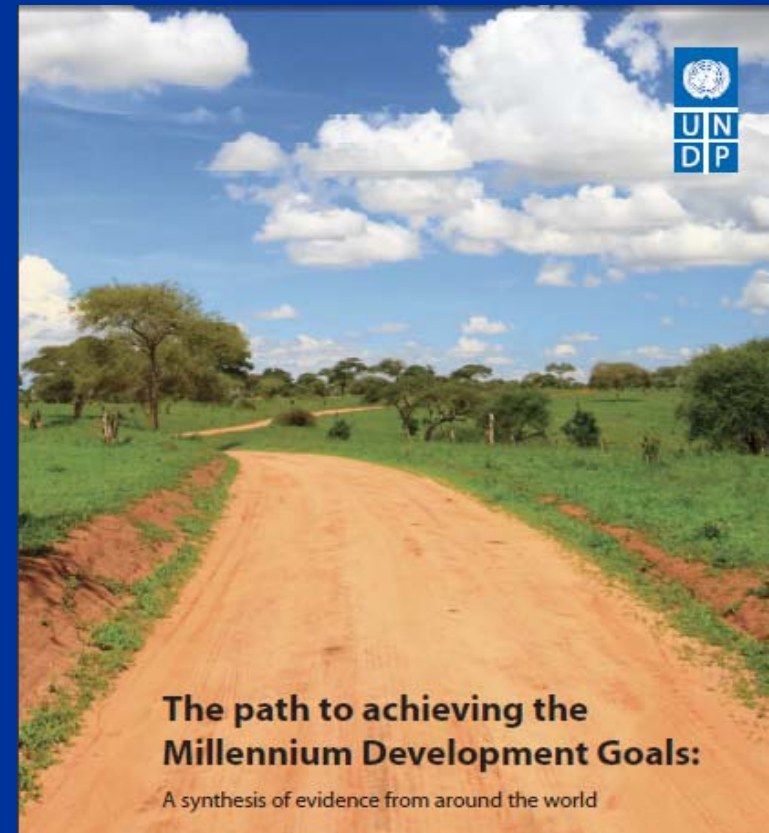
Why Anti-Corruption in Sector? (contd.)



To accelerate progress on the MDGs, there is a need to mainstream AC in sectors (MDG synthesis report 2010)

Common bottlenecks and constraints

- Transparency, accountability and integrity issues



Major Challenges



Sectoral practitioners and AC practitioners working in parallel (not quite sure of how their work impact each other: **“Missing middle”** (expertise, methodologies, etc.)



1. Need for capacity development on sectoral and institutional integrity
2. Need for the tools and methodologies to guide how AC and sectors interrelate and work together

Major Challenges (contd.)



1. So far corruption in sectors is usually dealt as mismanagement (e.g. firing) problem; not a governance/anti-corruption problem
(ACAs/parliamentarians have limited understanding of sectors)
2. Sector finance and sector grants are captured through evaluation and reporting tools; Usually do not capture monitoring of budget processes, 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)

UNDP's ongoing initiatives in sectoral and institutional integrity

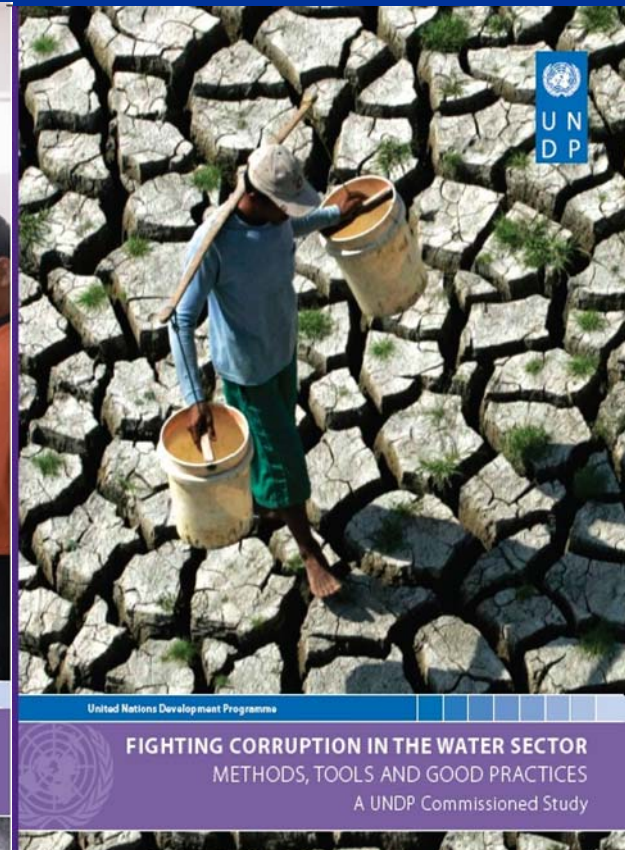
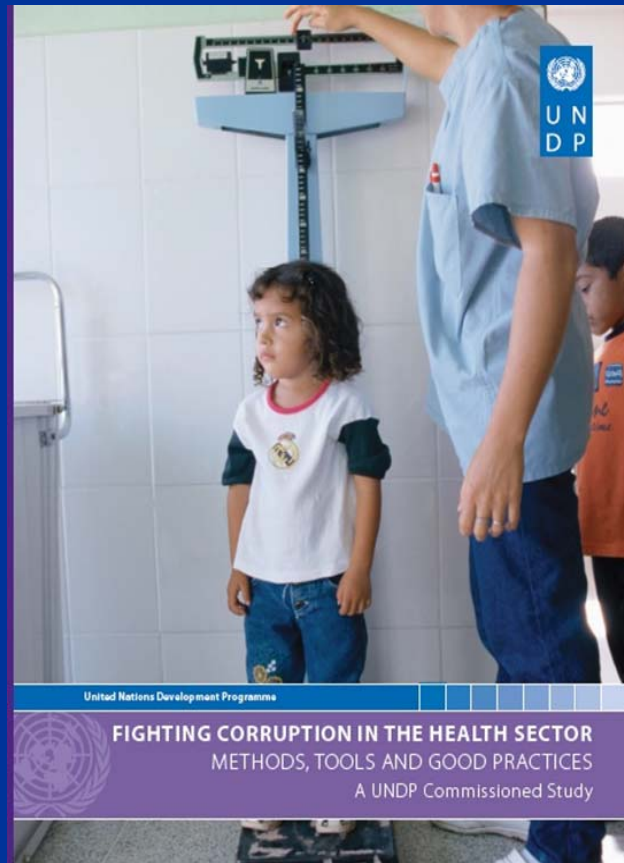
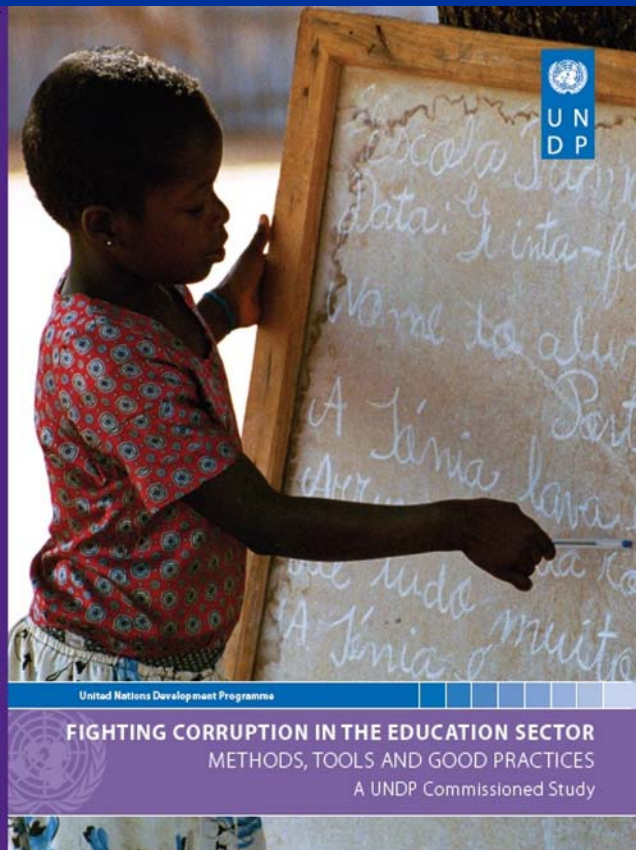


Sectoral and Institutional Integrity Training for AC Practitioners in Eastern and Southern Africa, 27-28th July 2011, Windhoek, Namibia (**South-South Exchange**)

- 54 participants (20 ACAs)
- Discussion: Education sector, Botswana; Integrity system Kenya; AC & CRC's integrity assessment, Republic of Korea
- Development of corruption risk maps and risk reduction plan (in land administration, public works and health sectors)



UNDP's ongoing initiatives in sectoral and institutional integrity (Contd.)



Anti-Corruption in Sectors: Methods, Tools and Good Practices (in Water, Health and Education Sectors)

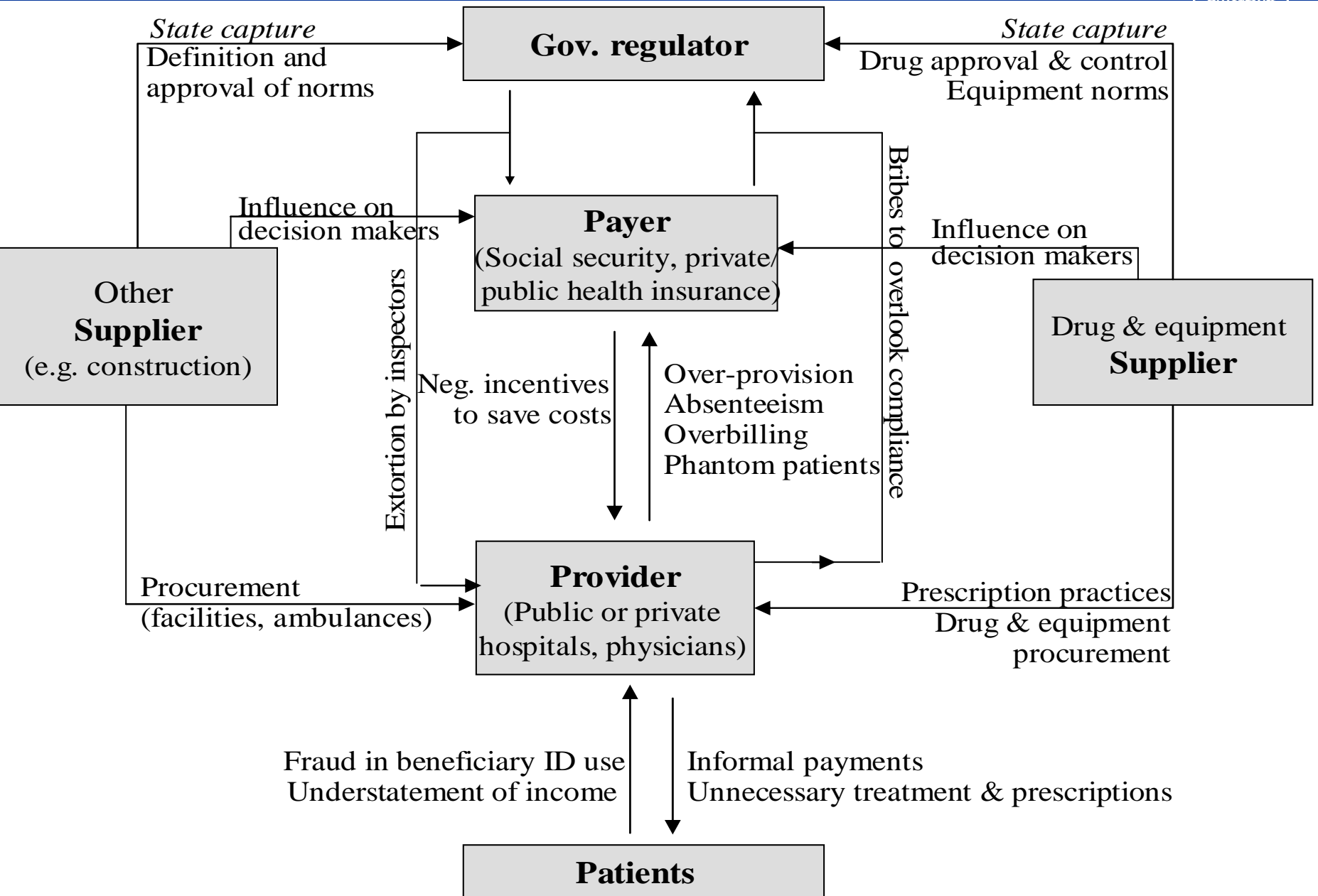
What these three knowledge products are all about?



1. Summarize available tools and methodologies used to mainstream anti-corruption in sectors (analyze their effectiveness)
2. Map out corruption risk factors or areas in each sector (education, water and health)
3. Define what a good practice is.
4. Provides examples of some good AC practices in sectors:
 - Water and sanitation: Kenya, Tajikistan, the Philippines, Zambia
 - Education: Botswana, Ghana, Malawi, Romania, Uganda, Vietnam
 - Health: Albania, Armenia,, Malawi, Montenegro, Tanzania

Areas	Corrupt practices in the education sector
Finance	Transgressing rules/procedures; Inflation of costs and activities in budget estimates; Embezzlement
Specific allowances (fellowships, subsidies, etc.)	Favouritism, nepotism; Bribes; Bypassing criteria; Discrimination (political, social, ethnic)
Construction, maintenance and school repairs	Fraud in public tendering; Collusion among suppliers; Embezzlement; Manipulating data; Bypass of school mapping; Ghost deliveries
Distribution of equipment, furniture and material (incl. Transport, textbooks, canteens, school meals)	Fraud in public tendering; Collusion among suppliers; Siphoning of school supplies; Purchase of unnecessary equipment; Bypass of allocation criteria; Manipulating data; Ghost deliveries
Writing of textbooks	Fraud in the selection of authors (favouritism, bribes, gifts); Bypass of copyright law; Students forced to buy materials
Teacher appointment, management, payment and training	Fraud in the appointment and deployment of teachers (favouritism, bribes, gifts); Discrimination (political, social, ethnic); Falsification of credentials/use of fake diplomas; Bypass of criteria; Pay delay
Teacher/school staff behaviour (professional misconduct)	Ghost teachers; Absenteeism; Illegal fees (for school entrance, exams, assessment, private tutoring, etc.); Favouritism/nepotism/acceptance of gifts; Discrimination (political, social, ethnic); Private tutoring; Sexual harassment or exploitation; Bribes or favours during inspector visits
Information systems	Manipulating data to misrepresent; Selecting/suppressing information; Irregularity in producing and publishing information; Payment for information that should be provided free
Examinations and diplomas, access to universities	Selling exam information; Examination fraud (impersonation, cheating, favouritism, gifts); Bribes (for high marks, grades, selection to specialized programmes, diplomas, admission to universities); false credentials
Institution accreditation	Fraud in the accreditation process (favouritism, bribes, gifts)

Core areas of health sector and corruption risks



Corruption in Water Sector

- Water supply and sanitation
- The irrigation
- Water resource management
- Hydropower

Corruption risks (some examples)

- Collusion (kickbacks or bid-rigging) and extortion in the procurement procedures for construction and maintenance works
- Collusion during the quality control of construction and rehabilitation of water infrastructure works
- Capture of profitable contracts and (re)negotiations by private companies for water concessions
- Embezzlement of government and foreign aid funds and assets
- Bribery of utility officials to evade water fee payments or allow illegal connections
- Political mismanagement of municipality utilities to win votes with low tariffs
- Nepotism and kickbacks in the appointment and promotion to lucrative positions
- Officials profit from giving “licenses” to informal water providers



Next steps:

1. Formal launch of 'AC in sector' reports in Marrakech, 24-28 October 2011
2. Ongoing pilots in India, Kenya, Nigeria and the Philippines: More pilots in 2012



Thank You!