Resources on Procurement Reform, Anti-Corruption and Civic Engagement

1. Overviews, Tools kits and guidance notes

Enhancing Integrity on Public Procurement: A checklist
OECD 2008
Location: http://www.oecd.org/dataoecd/5/7/41071845.pdf
Pages : 49

Based on a holistic approach, from needs assessment to contract management, that aims to enhance the integrity of public procurement in the context of national law and organizational structures. This document reviews both policy and implementation issues in enhancing procurement processes.

Policy Framework has four key aspects:
*   **Transparency** – provision of clear and consistent information to potential suppliers and other stakeholders through access to laws and regulations, and publicity, and pre-posting of tendering document to provide early feedback and to identify and management potential issues and key risks. Application of transparency principles to pre and post tendering phases, in addition to the contract process. Use of electronic data management and 'one-stop-shop' portals, as well as record maintenance for a reasonable number of years. Close working relationships between competition and procurement authorities to raise awareness of risks of tender-rigging and well as strategies to prevent and detect collusion. Ensuring that greater controls do not impede efficiency through measure to ensure simplified and coherent procedures. Specific guidelines for restricted tendering in cases of urgency or strategic importance of procurement.
*   **Good Management –** Linking procurement to long term and strategic view to promote value for money. Strengthening oversight by supreme audit agency or parliamentary committees though on annual or semi-annual procurement plans and performance reporting. Links to financial management systems through full disclosure of relevant fiscal information, linking fiscal statements to accountability of office holders and (electronic) systems to allow tracking and reporting on of budgets. Ensuring that procurement officials meet high professional standards of knowledge skills and integrity through incentives, training, and communication of integrity standards.
*   **Prevention of Misconduct, Compliance and Monitoring –** Institutional or procedural frameworks that help protect officials in public procurement against undue political or administrative influence through system for appeal, as well as 'risk mapping' of organizations and their vulnerabilities. Analysis of governance systems to ensure separation of authorization and execution which avoiding the fragmentation of responsibilities. Enhanced collaboration between suppliers and public officials to ensure feedback of information, integrity compliance (trust) and promotion of voluntary regulation. Close monitoring to detect irregularities and corruption in the procurement process through training of public officials and establishment of procedures to report misconduct, supported by transparent systems of punishment and timely complaints handling mechanism.
*   **Accountability and Control**- Clearly defined authority for approval of key stages based on guidelines to establish clear chain of responsibility. Internal control tailored to the type and level of risk; with assure complementarily of internal and external controls to avoid gaps and to maximize the use of information from controls. Timely handling of complaints

and efficiency in review systems.   Empowering civil society organizations, media and wider public to scrutinize public procurement.

Guidance on how to implement: this policy review is supported by a detailed set of general recommendation – in the form of a checklist - relating to the key stages of procurement – needs assessment, planning and budgeting, definition of requirements and choice of procedures – most of which focus on supply side reforms with the intended audience being public agencies.

Partnering to Combat Corruption in Infrastructure Services – A tool kit

M Shoail and S Cavill, WEDC 2007
Location: http://wedc.lboro.ac.uk/research/project.html?p=15
Pages : 212

Major output from a research study by WEDC that sets out issues of corruption and develops an anti-corruption strategy based on a framework comprising of 16 key tools which are supported by 20 case studies from around the world (cases are integrated into analysis):

1. Methods for investigating corruption
2. Training Communities as monitors
3. Access to information and Use of ICTs
4. Whistle-blowing and complaints mechanisms
5. Partnerships between Government, Private sector and civil society
6. Donor mechanisms
7. Integrity Pacts (working with Transparency International)
8. Working with Media to detect and prevent corruption
9. Human Resource Management Strategies
10. National Anti-Corruption Initiatives
11. Civil Service and training institutes
12. Tracking Public Funds in Public Procurement, including disclosure
13. Ensuring transparency in public procurement
14. Codes of conduct, disciplinary procedures and action
15. Citizen's Charters
16. Adherence to international and regional conventions.

Also see:

Accountability Arrangements to Combat Corruption – A literature review
S Cavill and M. Sohail
WEDC 2007
Pages : 67

Review of key issues in infrastructure services (focusing on stakeholder analysis and outputs) and corruption in development (types and review of strategies to control corruption). Review of accountability covers stakeholder analysis, as well as role of decentralization and citizen engagement – based on best practices case studies and theoretical literature.

Synthesis Report and Case Study Survey Reports
Part of Accountability Arrangement to Combat Corruption Study – WEDC
Pages: 135
27 short (2 page) case studies of government and non-government initiatives to combat corruption based on a common format that examines: the specific mechanism, relationship to infrastructure, social and political context, example of the use of the mechanism, who initiated, what are the objectives, and contribution to pro-poor service delivery.

The short synthesis highlights three broad categories of anti-corruption mechanisms:
-    Providing a legislative framework

- Dissemination of information and public consultation
- Citizen feedback or performance rating

The review also highlights the importance of champions in innovations or reforms and the broad lack of a distinctive poverty alleviation focus (tend to focus on educated or computer literate citizens). Process of acceptance of these innovations was often gradual and success was often gauged in terms of a broader awareness of corruption (beyond specific innovation). On the more negative side, cost and political will are often barriers to sustainability and few cases were directed toward diagnosis of the problem. Simplicity is often a key factor enhancing the potential for replication and a suitable (strong) legislative framework is generally a precondition for success.

Handbook for Curbing Corruption in Public Procurement
Transparency International 2006
Location: http://www.transparency.org/content/download/12496/120034

pp 233

This handbook is intended as a basic introduction for all stakeholders to the challenge of overcoming corruption in the field of public procurement based on examples of successful actions that have been taken in a range of Asian countries. The first section sets out an analysis of corruption in procurement (including the various forms of impact) which forms the basis for a review of anti-corruption strategies which are supported by practice recommendations at each stage in the procurement process. The latter half of the second section examines potential strategies that can spearheaded by public authorities (including overview of legal frameworks and anti-corruption conventions), private sector and for the engagement of civil society. The third section reviews experiences from Asia (Indonesia, Malaysia, Pakistan) in the implementation of Integrity Pacts.

Our Money, Our responsibility: A Citizens' Guide to Monitoring Government Expenditures
Vivek Ramkumar, International Budget Project
Location: http://www.internationalbudget.org/resources/expenditure/index.htm

Pages 166

Overview of civil society role in tracking and monitoring based on a model of the budget cycle. The primary audience for this study is civil society groups. Specific sections examine the role of civil society in the following areas, supported by detailed case studies of key innovations and practice:
- **Budget execution** – public expenditure from release from treasury to agencies, agencies initiation of expenditure, payments for goods and services, transaction recording, accounting systems. Examples include MKSS in Rajasthan (India), Public expenditure tracking surveys, Malawi, UDN community based monitoring and evaluation system, Fundar HIV/AIDS program, Mexico
- **Procurement** – from pre-bidding to order, delivery and payments. Examples include Procurement Watch Inc, in the Philippines, G-Watch in the Philippines, TI Integrity Pacts.
- **Impact measurement** – based on the analysis of performance indicators and targets, including use of customer satisfaction surveys and value for money audits, with examples from Public Affairs Centre (report cards) in Bangalore (India), use of PIMA cards in Tanzania,
- **Audit and legislative oversight** – including models of supreme audit institutions, types of audits (financial, performance) and the role of the legislature, with examples of Fundar

(Mexico), HakiElimu in Tanzania, NGO monitoring of public highways in the Philippines. And Publci Service Accountability and Monitoring (PSAM) in South Africa.

Anti-Corruption Practice Note
UNDP 2004
Location: http://www.undp.org/governance/docs/AC_PN_English.pdf
Pages 33

Modifying infrastructure procurement to enhance social development
Engineers Against Poverty/Institution of Civil Engineers
Location: http://www.engineersagainstpoverty.org/_db/_documents/Procurement_Report.pdf

Pages : 69

This research aimed to identity opportunities to improve the delivery of social development objectives by modifying the way infrastructure projects are procured. Two key areas of social development opportunity are explored:
- The impact/performance of the asset and the service it delivers (the product)
- The opportunities during the project's construction and operation (the process)

Based on country case studies of national policy and procurement procedures (India, Indonesia, Kenya, Nigeria) and interviews with 40 major international and national stakeholders the report find that, through procurement reforms are underway, there is limited social development objectives in national process (more in multi-lateral) and many of these are not being met. Some improvements are found, mostly as the consequence of greater private sector participation.

The main inhibitors in the achievement of social development objectives are: lack of public consultation, failure to incorporate SD objectives in project design and appraisal, failure to plan for maintenance, inflexible procurement strategy, intense competition and reliance on lowest price, lack of standards of SD objectives, failure to address corruption at all stages in the procurement process. The report proposed a number of recommendations including: greater participation of local groups in the procurement process, flexible approaches to procurement, enhanced local content at the design stage, allocation of funds to meet SD objectives and the use of social performance audits.

Fighting Bribery in Public Procurement in Asia and the Pacific
Proceedings of the 7th Regional Seminar on making international anti-corruption standards operational - ADB
Location: http://www.adb.org/Documents/Conference/Fighting-Bribery-Public-Procurement/Fighting-Bribery-Public-Procurement.pdf

Pp 247

A collection of short country level case studies and organizational presentation on the following key areas:
- Overviews on Bribery Risks
- Role of Specialized Procurement Authorities in defining policies and overseeing implementation
- Potential of new technologies to prevent bribery
- Preventing bribery through criminal law
- Role of Civil Society in curding corruption
- Supporting international and regional partnerships

The Integrity Pact: The Concept, the model, and the present application, a status report
Transparency International 2002
http://info.worldbank.org/etools/antic/docs/Resources/InitiativeType/Integrity%20Pacts/TI_IntegrityPact_Statue.pdf

Pp 180

Review of the Integrity Pact, a model of implementation with a focus on the role of civil society. Supported by documentation of 11 country experiences.

Measuring Public Integrity
Marianne Camerer
Journal of Democracy Vol 17 No 1 Jan 2006

Describes the process adopted by and NGO called Global Integrity (*www.globalintegrity.org*) to develop measurements of public integrity as a means to support qualitative dimensions of the good governance agenda ("the traditions and institutions by which authority in a country is exercised for the common good."- WBI) Country level score cards have six dimensions with a total of 292 indicators, collected by a network of social scientists at the country level:
- Civil Society, Public Information and the Media
- Electoral and political process
- Branches of government –executive, legislature, judiciary
- Administration and Civil Service – regulation, whistle blowing, procurement, privatization
- Oversight an regulation
- Anti-corruption mechanism and the rule of law.

These indicators, in turn, capture three dimensions relevant to preventing corruption and other abuses of power:
- The *existence* of public integrity mechanisms, including laws and
- institutions, that promote public accountability and limit corruption;
- The *effectiveness* of these mechanisms;
- The *access* that citizens have to the information they need in order to hold public officials accountable.

NGO Corruption Fighters' Resource Book –
How NGOs can use monitoring and advocacy to fight corruption
Richard Holloway – Open Society
Location: http://www.impactalliance.org/ev_en.php?ID=12430_201&ID2=DO_TOPIC

Detailed overview of NGOs role in combating corruption with practical recommendation based on analytical frameworks of civic engagement and corruption. The first chapter examines the 'three sectors of the state' – the government, business and civil society – and examines the specific characteristics of NGOs as a means to assess their comparative advantages and limitation in engaging in anti-corruption activities in two key areas: monitoring and advocacy. The handbook goes to analyze various types of corruption and methods of assessment as a basis for a review of type of anti-corruption activities (control, small government, incentive, political economy, integrity) and argues the need for a combination of strategies. The remainder of the handbook focus on practical advice for NGOs in embarking on anti-corruption work, including ensuring preparedness, management of risks, problem analysis and strategy, and work planning – which are supported by an extensive sets of tools and approach, including in-depth approaches for monitoring and

advocacy – and a broader set of resources and links. This handbook is supported by nine case studies of NGO working on anti-corruption (PSAM, TI, Open Society, CIPPEC, Poder Cuidadano, MKSS, UDN, OTPOR!).

Integrity on Public Procurement – Good Practice from A-Z
OECD 2007
Pp175
Location: http://www.oecd.org/document/60/0,3343,en_2649_34135_38561148_1_1_1_1,00.html
Intended for governments and policy makers, this review focuses on the modernization of procurement processes through:
- Overcoming the risks to integrity at each stage in the procurement process
- Promoting transparency
- Enhancing professionalism among officials
- Ensuring accountability and control in public procurement

The report focuses on specific innovation at each stage in the procurement processes, based on examples of good practice from across the world. The report includes the survey questionnaire used to collect country experience of good practice in procurement systems

Users Guide to Measuring Corruption
UNDP Oslo Governance Centre and Global Integrity
Location: http://commons.globalintegrity.org/2008/09/users-guide-to-measuring-corruption.html

Pp86

This book is targeted at national stakeholders, donors and international actors involved in corruption measurement and anti-corruption programming. It explains the strengths and limitations of different measurement approaches, and provides practical guidance on how to use the indicators and data generated by corruption measurement tools to identify entry points for anti-corruption programming.
The first section provides a critical review of concepts of corruption, indicators and measurement tools, including country context and perception indexes, pro-poor and gender sensitive methods. The second draws on interviews with practitioners (researchers, policymakers and government and donor representatives) to understand the emerging needs from the field in terms of corruption work. The value of corruption (perceptions) indexes for policy makers was clear, but there is a need for actionable data (instead of the existing metrics) with disaggregated indicators that have been generated through internal assessments. Qualitative data was found to be useful in reflecting the complexity of corruption through there is a recognized 'demand for numbers'. The third section looks at good practices with simple, clear checklist that can be used in designing tools and process. An extensive annex details major corruption measurement tools and gives links.

A Handbook on Fighting Corruption
Centre for Democracy and Governance USAID 1999
Location:
http://www.usaid.gov/our_work/democracy_and_governance/publications/pdfs/pnace070.pdf
Pp
This handbook aims to assist USAID missions and their partners develop anti-corruption initiatives. Corruption is understood to arise from **institutional attributes** of the state and **societal attitudes** toward formal political processes. Institutional attributes that encourage corruption include wide authority of the state, which offers significant opportunities for corruption; minimal accountability, which reduces the cost of corrupt behavior; and perverse incentives in

government employment, which induce self-serving rather than public-serving behavior. Societal attitudes fostering corruption include allegiance to personal loyalties over objective rules, low legitimacy of government, and dominance of a political party or ruling elite over political and economic processes. The handbook sets out a wide array of responses to corruption from the institutional perspective (reducing role of government, strengthening transparency and accountability, and improving incentives) and from the societal side (changing attitudes and mobilizing political will).

The Many Faces of Corruption – Tracking Vulnerabilities at the Sectoral Level
Ed. J. Edgardo Campos and Sanjay Pradhan
Book pp 449
The World Bank
2007

Esp: Ch 9. Corruption in Procurement – A perennial Challenge
Campos et al. pp 295-333

Provides an overview of the key vulnerabilities at all stages in the public procurement cycle, supported by practical examples on issues like bid rigging key early warning signals – yellow flags). The chapter goes on to examines the main tools and remedies that are available at the supply and demand side, as well as the broader policy responses to governance failures.

Resources, Citizen Engagements and Democratic Local Governance (ReCitE) : A TOPIC GUIDE
LogoLink, Institute of Development Studies 2004
Location: http://www2.ids.ac.uk/logolink/resources/Recite_topicguide.htm

Pp 69

Resource guide that focus on civic engagement in budgetary processes – points of engagement – from raising resources, allocation and tracking. Outlines all phases of budgetary cycle and emphasizes the role of CS (including donors, political parties and civil society organizations), beyond advocacy and toward the direct engagement of citizens with a specific emphasis on the local level. Draws on lessons from around the world to draw on the unique strategies that citizens have used to influence different phases of the budgeting process to highlight common features of successful experiments: which include, having technical capacity, support of political party or government in power (political will), well-developed civil society, political or organization factors that promote sustained engagement. Including extensive annotated literature review related to local governance and budgetary work.

2. Research reports and analysis

Infrastructure, Governance and Corruption: Where Next?
Charles Kenny
World Bank Policy Research Paper 4331

Location: http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2007/08/27/000158349_20070827144525/Rendered/PDF/wps4331.pdf

 Analyses the interface between two models of reform – the promotion of private sector and the strengthening of governance frameworks, and highlights the need to pursue both models of

reform in tandem – and with consideration of the potential and limits of community based solutions - to improve outcomes. Evidence collected from reviews of infrastructure projects also highlights the dangers of ring fencing – and the need to look beyond narrow models of project levels procurement and to focus on development outcomes and sustainability.

Corruption in Public Procurement – Causes, consequences and cures
Tina Soreide 2002
Chr. Michelsen Institute
Pp43
http://www.cmi.no/publications/file/?843=corruption-in-public-procurement-causes

Analyses the problem of corruption both in terms of rent seeking and broader systemic issues of 'state capture' and distortions in markets before looking at the different contexts of procurement and the ways this may affect incentives and opportunities for corruption and examines the manifestation of these at different stages in the procurement process. The paper then turns to anti-corruption strategies with a particular focus on political and organizational factors with a number of important recommendation in practical steps to overcome these deep seated issues, including: use of performance ratings, interventions into corrupt relationships, importance of communication and trust to achieve transparency and appropriate matching of systems with competencies.

Partnership and Public Procurement: Building Social capital through supply relations
Andrew Erridge and Jonathan Greer
Public Administration Vol 80, No.3 2002 (pp 503-522)

As one means of dealing with an increasingly interdependent or shared power 'noone in charge' world (Bryson and Crosby 1992) and adapting the public sector to the demands of the global economy, successive administrations in the UK have aimed to develop a more strategic approach to public procurement by emphasizing inter–departmental co–ordination and establishing long–term partnership relations with suppliers. This has proved to be a difficult task, however, as the operating framework and culture of the public sector has hindered the development of interorganizational relationships and trust. By focusing on the co–operative processes and interaction within central government departments and between departments and the private sector, this paper aims to analyze and identify the obstacles to, and opportunities for, implementing long–term supply relations and facilitating departmental co–ordination. While the paper argues that partnership relations can build social capital, it also shows that these resources can have both positive and negative effects for public procurement. To conclude, lessons for developing collaborative arrangements in public procurement are identified.

Community Contracting: A review of stakeholder experiences
Samantha De Silva 2000
World Bank
Pp 30
http://www.worldbank.org/html/fpd/water/pdf/ccpaper.pdf

Based on a 'participatory consultation' on community contracting with World Bank task team leaders, this report aims to offer a broad overview of the challenges of community based contracting (sub-project implementation) and contemporary good practice. The first section outlines the concept of community based contracting and its role in promoting decentralization. The second examines the key stages of the project cycle – preparation, implementation, capacity

building and monitoring and evaluation. The third section examines the key risks and pre-condition for success.

3. Useful Websites

Anti-Corruption Resource Centre U4
Corruption in public procurement
http://www.u4.no/themes/procurement/main.cfm

Comprehensive review of issues and strategies, with focus on health and education sectors.

Partnership for Transparency Fund
http://www.partnershipfortransparency.info/

Global Integrity
http://www.globalintegrity.org/

United Nations Procurement Capacity Development Centre
http://www.unpcdc.org/english/pcdc-home.aspx

OECD Anti-bribery instruments
http://www.oecd.org/document/13/0,3343,en_2649_34859_39884109_1_1_1_1,00.html

WEDC project portal: Accountability Arrangements to combat corruption using partnerships
http://wedc.lboro.ac.uk/projects/new_projects3.php?id=191

Transparency International
http://www.transparency.org/

International Budget Partnership
http://www.internationalbudget.org/

Institution of Civil Engineers
http://www.ice.org.uk/homepage/index.asp

ADB procurement guidelines
http://www.adb.org/Procurement/documents.asp

Public Procurement – Research papers
http://www.eipa.nl/Topics/Procurement/art.htm

Affiliated Network for Social Accountability
http://www.ansa-africa.net/

logoLink - www.logolink.org/
LogoLink is a global network of practitioners from civil society organizations, research institutions and governments working to deepen democracy through greater citizen participation in local governance. LogoLink encourages learning from field-based innovations and expressions of democracy which contribute to social justice
http://www2.ids.ac.uk/logolink/index.htm

4. Specific Innovations

Business Partnering Against Corruption
http://www.unglobalcompact.org/docs/issues_doc/7.7/BACtextcoversmallFINAL.pdf

Bantay Lansangan – citizen engagement to improve quality of roads
http://www.bantaylansangan.org

Grievance redressal (in the context of public works)
Report cards to the Mayor (Korea)
http://english.seoul.go.kr/gover/initiatives/inti_12cor_01.htm

Oxfam Ethical Purchasing
http://www.oxfam.org.uk/resources/suppliers/ethicalpurchasing.html

Targeted Procurement – South Africa
http://www.targetedprocurement.com/

ADB procurement guidelines
http://www.adb.org/Procurement/documents.asp

Nigeria – PACT Nigeria – part of US based PACT – (www.pactnigeria.org) alliance of NGO, including media,