



Preventing corruption in humanitarian aid

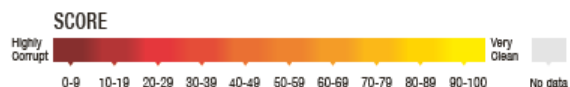
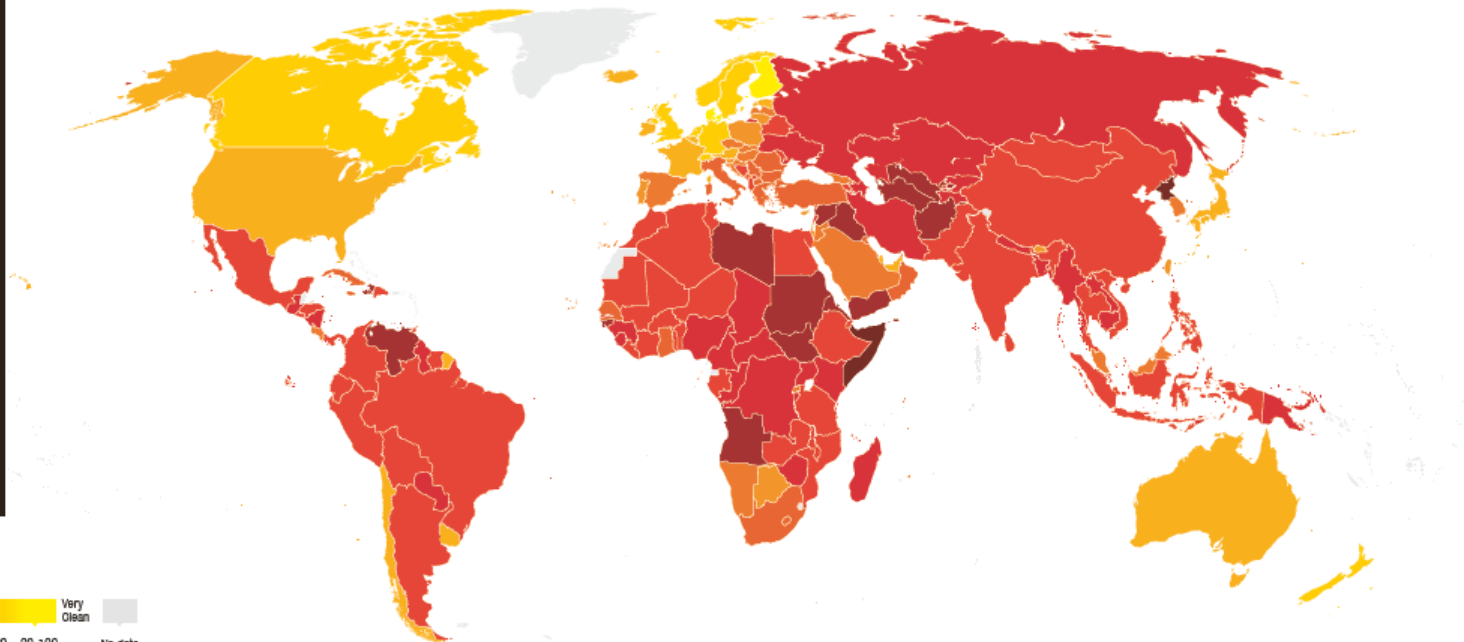
**Presentation at AIDF Africa Summit 2016
Conference**

2 February 2016

Anne Signe Hørstad
Transparency International Norway

CORRUPTION PERCEPTIONS INDEX 2015

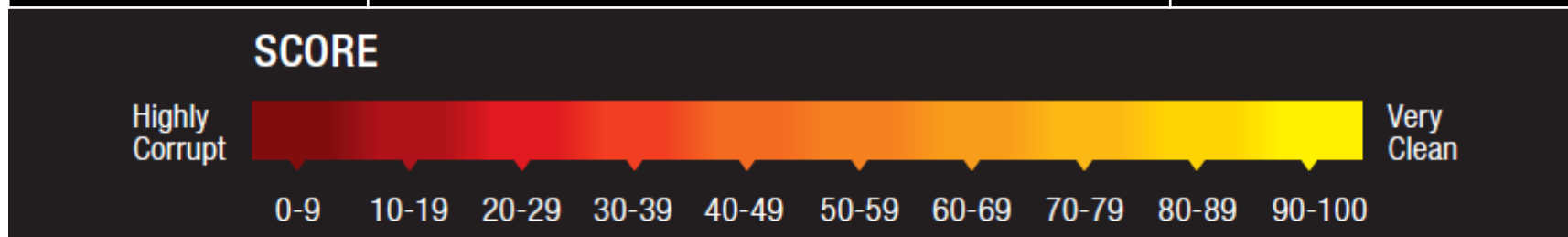
The perceived levels of public sector corruption in 168 countries/territories around the world.



RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE
1	Denmark	91	21	Uruguay	74	61	Italy	44	99	Djibouti	34	139	Guinea	26
2	Finland	90	22	Qatar	71	61	Lesotho	44	99	Gabon	34	139	Kenya	26
3	Sweden	89	23	Chile	70	61	Montenegro	44	99	Niger	34	119	Russia	29
4	New Zealand	88	23	Estonia	70	61	Senegal	44	103	Dominican Republic	33	119	Sierra Leone	29
5	Netherlands	87	23	France	70	61	South Africa	44	103	Ethiopia	33	123	Gambia	28
5	Norway	87	23	United Arab Emirates	70	61	Sao Tome and Principe	42	103	Kosovo	33	123	Guatemala	28
7	Switzerland	86	27	Bhutan	66	66	The FYR of Macedonia	42	103	Moldova	33	123	Kazakhstan	28
8	Singapore	86	28	Botswana	63	66	Turkey	42	107	Argentina	32	123	Kyrgyzstan	28
9	Canada	83	28	Portugal	63	69	Bulgaria	41	107	Belarus	32	146	Congo Republic	23
10	Germany	81	30	Poland	62	69	Jamaica	41	107	OÙte d'Ivoire	32	147	Chad	22
10	Luxembourg	81	30	Taiwan	62	71	Serbia	40	107	Ecuador	32	123	Madagascar	28
10	United Kingdom	81	32	Cyprus	61	72	El Salvador	39	107	Togo	32	123	Timor-Leste	28
13	Australia	79	32	Israel	61	72	Mongolia	39	112	Honduras	31	130	Cameroon	27
13	Iceland	79	32	Lithuania	61	72	Panama	39	112	Iran	27	130	Iran	27
13	Belgium	77	35	Slovenia	60	72	Trinidad and Tobago	39	112	Nepal	27	130	Nepal	27
16	Austria	76	36	Spain	58	76	Boenia and Herzegovina	38	112	Mauritania	31	130	Nicaragua	27
16	United States	76	37	Czech Republic	56	76	Brazil	38	112	Mozambique	31	130	Paraguay	27
18	Hong Kong	75	37	Korea (South)	66	88	Greece	46	112	Vietnam	31	130	Ukraine	27
18	Ireland	75	40	Malta	66	95	Burkina Faso	38	117	Pakistan	30	136	Comoros	26
18	Japan	75	40	Cape Verde	66	95	India	38	117	Tanzania	30	136	Nigeria	26
						99	Philippines	36	119	Azerbaijan	29	136	Tajikistan	26
												139	Bangladesh	26

Cpi 2015: The top

RANK	COUNTRY/TERRITORY	SCORE
1	DENMARK	91
2	FINLAND	90
3	SWEDEN	89
4	NEW ZEALAND	88
5	NETHERLANDS	87
5	NORWAY	87



Denmark is in first place with score of 91, helped by strong access to information systems and rules governing the behaviour of those in public positions.

Cpi 2015: The bottom

RANK	COUNTRY/TERRITORY	SCORE
161	IRAQ	16
161	LIBYA	16
163	ANGOLA	15
163	SOUTH SUDAN	15
165	SUDAN	12
166	AFGHANISTAN	11
167	KOREA (NORTH)	8
167	SOMALIA	8

0-9 10-19 20-29 30-39 40-49 50-59 60-69 70-79 80-89 90-100

SCORE

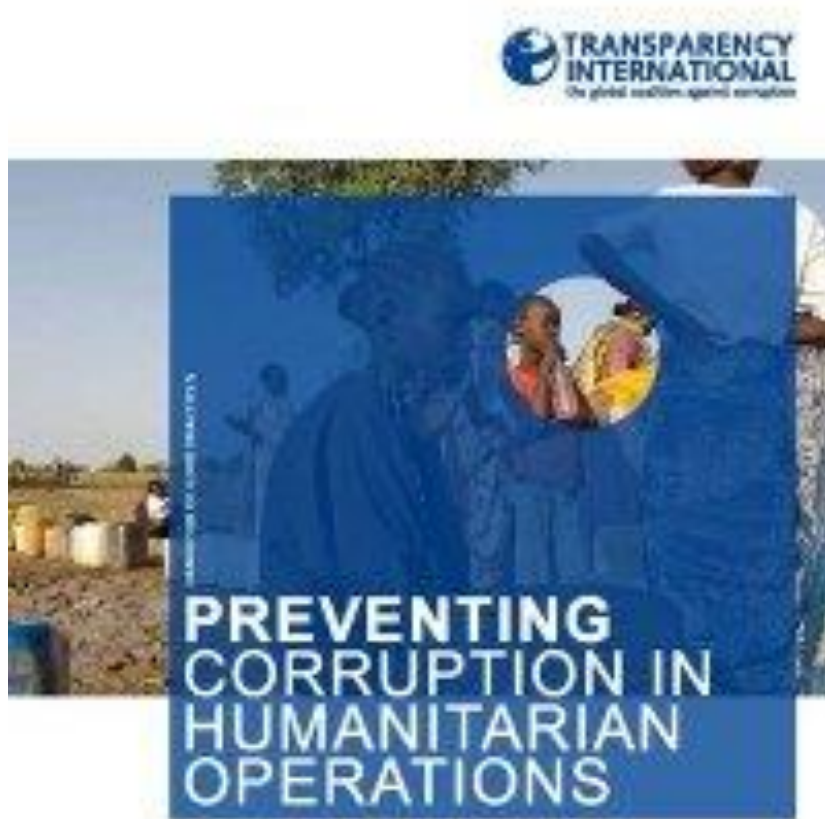
Highly
Corrupt



Very
Clean

0-9 10-19 20-29 30-39 40-49 50-59 60-69 70-79 80-89 90-100

Preventing corruption in humanitarian operations



TI Handbook and Pocket Guide of Good Practices

New edition 2014

IFRC, Catholic Relief Services,
Lutheran World Federation, Care,
Islamic Relief, World Vision,
Save the Children

Background

- Asian Tsunami crisis 2004
- Corruption Risk Map prepared by the Humanitarian Policy Group (ODI) in 2006
- Field research in partnership with seven leading humanitarian INGOs
- Technical assistance from Feinstein International Center (Tufts Univ.) and ODI
- Staff interviews in HQs and selected field operations of partner agencies; Research Report published July 2008
- Complemented by case studies on perceptions of aid recipients
- Evidence base for TI Handbook on Good Practices and TI Pocket Guide published in 2010

What's new in the updated TI Handbook?

The current 2014 electronic version include an updated list of references and links as well as the following new tools:

- 1) Remote Management
- 2) Reputation Management
- 3) Communication with Disaster-Affected Communities
- 4) Information and Communication Technology.
- 5) Construction and Reconstruction
- 6) Cash as an Alternative

The substantial increase in the last few years of materials on these topics led us to create entirely new tools.

Handbook organized in three sections:

- 1 Institution-wide anti-corruption policies and guidelines
- 2 Corruption risks in programme support functions
- 3 Corruption risks encountered during the operational programme cycle

Elements of the tools

- Corruption risk
- Watch out for (red flags)
- Prevention measures
- You'll need (resources)
- Be prepared for (challenges)
- Reference material

Programme support functions

- Supply Chain:
 - Procurement (incl. substandard goods/services)
 - Transport and storage (incl. payment for access to goods or beneficiaries)
 - Asset management (vehicles, fuel)
- Human Resources (incl. nepotism/cronyism, conflict of interest)
- Finance (incl. special issues in cash programming)

Why focus on the supply chain?

- Corruption can lead to major economic and reputational consequences for companies/organizations involved. Investments in preventive work will make companies less vulnerable for such consequences. Companies/organizations heavily involved in procurement activities have lately made strong efforts with A-C work within their organisation.
- **Companies/organizations are increasingly acknowledging the liability they may have for unethical activities in the supply chain**

The procurement process

(pre-qualification – invitation to bid – bid evaluation – award of contract – contract administration)

Pre-qualification

- Due diligence
- Improvement plan

Invitation to bid

- A satisfactory code of conduct
- A good anticorruption programme involving own employees and sub-suppliers

Contract Administration

- Supply Chain Management System (ethics and a-c)

BEST TO HAVE THE ETHICS IN PLACE FROM BEGINNING

Key recommendations

- Corruption mainly viewed as financial issue, not abuse of power. Importance of “non-financial corruption”.
- Integrate corruption risk analysis into emergency preparedness and disaster risk reduction work. Build into staff training programs
- Intensify on-site monitoring, essential to deterring and detecting corruption
- Provide greater information transparency and accountability to beneficiaries, affected country governments and local CSOs
- Break the taboo

Trade offs

There is no magic formula!

- Reputational risk vs. open discussion
- Urgency/need for speed vs. safeguards
- Pressure to spend vs. getting things right

Trade offs






- Too many vs. too few controls
- Transparency vs. staff and beneficiary security
- Sanctions and information sharing vs. legal issues

E-learning

Preventing Corruption in Humanitarian Aid



Click a section below to launch it. After completing each section, we strongly encourage you to take a break to reflect on your experiences before returning to complete another section.

Introduction	Disaster Response	Dilemmas and Choices	Identifying Corruption Risks and Signs	Final Disaster Response
				
RETRY	RETRY	RETRY	RETRY	CONTINUE

E-learning programme content

- 1. Disaster simulation**
- 2. Dilemmas and choices**
 2. What is corruption?
 3. Facilitation payments/bribes
 4. Conflict of interest
 5. Gifts
 6. Exploitation
- 3. Identifying corruption signs and risks**
 2. Risks office scene
 3. Risks outside office scene
 4. Risks map scene
 5. Prevention scene
- 4. Disaster simulation**

Instructor Led Training (ILT)

Preventing Corruption in Humanitarian Aid Course Manual

