



3

TRAINING MANUAL ON WATER INTEGRITY

MODULE 3: IDENTIFYING CORRUPTION RISKS





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Session 1:

Why assess corruption risks?¹

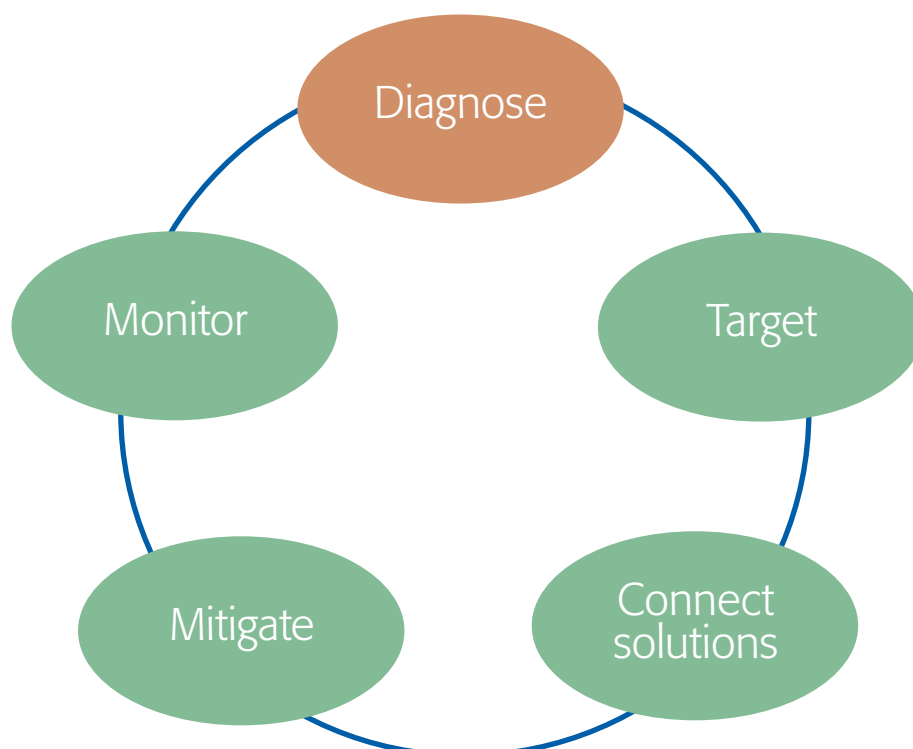
- A key recommendation of the Global Corruption Report 2008 was that the water sector needs to be much better informed on corruption risks through appropriate assessments. It should become standard practice, just as during the 1970s and 80s Environmental Impact Assessment became a mainstream tool to consider and mitigate the potential environmental impacts of projects.
- Assessing potential corruption risks and putting preventative measures in place is easier and much more cost effective than trying to clean up corruption after it becomes established.
- Corruption risk assessments need to be linked to actions that prevent corruption. But It is necessary to 'look before you leap' (Stalgren 2006) as poorly planned anti-corruption activities can backfire and instead result in only shifting how and where the corruption occurs. This can even make it more difficult to confront (Plummer 2008).
- There is no single agreed upon methodology for corruption risk assessment in the water sector. However, many useful frameworks and tools have been recently developed and to some extent

tested, and new sets of guidelines and better quality case studies provide most of the elements required for users to undertake a tailored corruption risk assessment.

- Understanding different types of corruption and where and how they occur is the key to a useful corruption risk assessment. This allows early warning indicators to be identified that can be used to diagnose potential problems, and to link problems to the right kind of preventative actions. Janelle Plummer (2008) has developed a series of frameworks that have been quite widely used and adapted.

Diagnosis informs targeted, connected solutions which mitigate the impacts of corruption and enable us to monitor the effectiveness of planned and implemented interventions.

¹ Most of the material in this session is from Butterworth, John (2010), Corruption risk assessment, draft section of the update on IRC's Transparency Thematic Overview Paper, Unpublished.



Session 2:

Using the corruption interactions framework

Some useful definitions

Some types of corruption include:

- Bribery: the giving of some form of benefit to unduly influence an action or decision. Individual amounts may be small (petty corruption) or large.
- Collusion: an arrangement between two or more parties designed to achieve an improper purpose, such as when bidders for contracts agree among themselves on prices and “who should win.” This may involve paying bribes to public officials to “turn a blind eye”.
- Embezzlement and theft: the taking or conversion of money, property or other valuables including for example the diversion of public funds to a personal bank account.
- Fraud: the use of misleading information to induce someone to turn over money or property voluntarily, for example, by misrepresenting the amount of people in need of a particular service.
- Extortion: involves coercive incentives such as the use of threat of violence or the exposure or damaging information in order to induce cooperation.

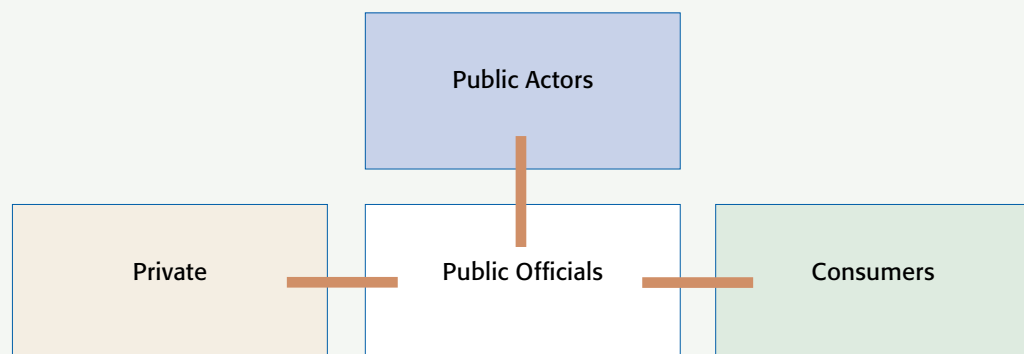
Office holders may be either the instigators or the victims of extortion.

The extent of corruption may be:

- Petty corruption: Involving the exchange of small amounts of money or the granting of minor favours, at the level of service provision. Although the sums are low, the frequency of such transactions means that the aggregate amounts can be very large
- Grand corruption: involving a relatively small number of individuals but large amounts of money is the most significant risk in major infrastructure projects.
- State capture: extending to such a high level that national policy setting is influenced and encourages decision making that favours the types of activity that provide most potential for corruption.

For more definitions see Transparency International's plain language guide www.transparency.org/publications/publications/other/plain_language_guide

Corruption occurs between public officials and three different sets of actors



Elsewhere?

The 'corruption interactions framework' below was originally published by Plummer and Cross (2007) and has been widely used and adapted, and also published in a simplified form in the opening chapter of the *Global Corruption Report (2008)*.

Its strengths are that it distinguishes between:

- different functions/levels in the water sector at which different types of corruption are likely to be found or the scale of malpractice different; and
- public-public, public-private and public-consumer interactions. The nature of corruption is likely to be different at these interfaces.

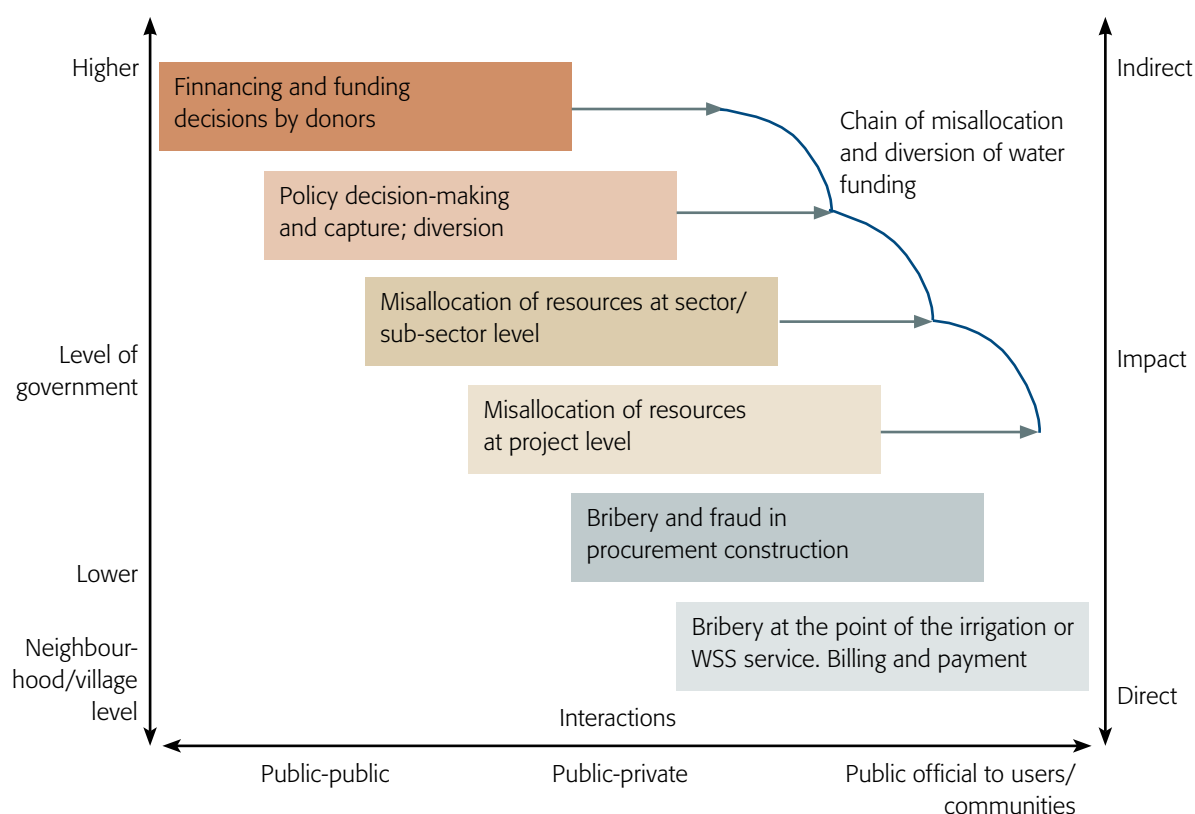
Using the framework involves locating types of perceived or known corruption to the appropriate cell, specifying the type of corruption (checking definitions) and the parties (always at least two) involved. Specific types of corruption may well span one or more levels, and more than one column. Typically aspects of state capture and grand corruption will cluster in top left corner of the framework and petty corruption towards the right hand corner. Early warning signs and potential actions/ tools to prevent different types of corruption can be identified in additional columns.

Value Chain Framework: Corrupt Interactions in the Water Sector

	Public-to-public	Public-to-private	Public-to-consumers
Policy making and regulation	<ul style="list-style-type: none"> • Policy capture (competition and monopolies) 	<ul style="list-style-type: none"> • Policy capture • Regulatory capture (waivers to regulations and licensing) • Extortion over licensing 	
Planning and budgeting	<ul style="list-style-type: none"> • Distortion in decision making by politicians (affecting location and type of project investments) • Corruption in national and sector planning and budget management (misuse of funds, interministerial bribery for fund allocation, collusion or bribery in selection and project approval) • Corruption in local budget management (fraud, falsification of accounts or documents, village-level collusion) 	<ul style="list-style-type: none"> • Bribery to influence allocation of resources • Bribery in sector budgeting management (influencing, distortions in funding allocation) at national and local level 	
Donor financing	<ul style="list-style-type: none"> • Donor-government collusion in negotiation to meet spending/funding targets • Donor-government collusion/fraud with respect to progress and quality 	<ul style="list-style-type: none"> • Donor and national private operator collusion (outside legal trade agreements) 	
Fiscal transfers	<ul style="list-style-type: none"> • Bribery, rent seeking, and kickbacks to ensure fund transfers between finance ministry and WSS sector ministries, or subnational levels 		
Management and program design	<ul style="list-style-type: none"> • Corruption in personnel management, such as payments for preferred candidates (e.g. utility directorships); payments for promotions, transfers, and salary perks • Distortionary decision making (collusion with leaders in selection and approval of plans) • Corruption in local government in program design 		<ul style="list-style-type: none"> • Influence project decision making • Bribery for preferential treatment, elite capture • Distortionary decision making (project-level site selection equipment, construction)

Value Chain Framework: Corrupt Interactions in the Water Sector (continued)

	Public-to-public	Public-to-private	Public-to-consumers
Tendering and procurement	<ul style="list-style-type: none"> Administrative corruption (fraud, falsification of documents, silence payments) Interdepartment or agency collusion over procurement 	<ul style="list-style-type: none"> Bribery to influence contract/bid organization Corruption in delegating management: fraud involving over/under-estimating assets; selection, type, award of concessions; decisions over duration, exclusivity, tariffs, subsidies Corruption in procurement: inflated estimates for capital works, supply of chemicals, vehicles, equipment Falsification of documentation 	
Construction	<ul style="list-style-type: none"> Administrative corruption (fraud, falsification of documents, silence payments) 	<ul style="list-style-type: none"> Corruption in construction: bribery and fraud involving failure to build to specification; concealing substandard work materials; failure to complete works; underpayment of workers – Fraudulent invoicing. Including marked-up pricing, overbilling by suppliers 	<ul style="list-style-type: none"> Corruption in community-based construction (with similar types of practices as for public-private interactions)
Operation and maintenance		<ul style="list-style-type: none"> Overbilling by suppliers, theft/diversion of inputs (chemicals) Avoiding compliance with regulations, specifications, health and safety rules Extortion to gain permits and licensing (speed money) Falsification of accounts 	<ul style="list-style-type: none"> Administrative corruption to obtain access to water, such as installing or concealing illegal connections, avoiding disconnection, illicit supply using utility vehicles Administrative corruption for speed (or preferential treatment) in obtaining repairs or new connections
Payment (for services)			<ul style="list-style-type: none"> Administrative corruption regarding payment and billing: fraudulent meter reading, avoidance or partial payment, overcharging



Public to public interactions	Early warning indicators	Anti-corruption Measures
Policy-making/Regulating <ul style="list-style-type: none"> • Diversion of funds • Distortions in decision-making, policy-making 	<ul style="list-style-type: none"> • Monopolies / tariff abnormalities • Lack of clarity of regulator/provider roles 	<ul style="list-style-type: none"> • Policy and tariff reform • Separation • Transparent minimum standards • Independent auditing
Planning and budgeting <ul style="list-style-type: none"> • Corruption in planning and management • Bribery and kickbacks in fiscal transfers 	<ul style="list-style-type: none"> • Embossment in budgeting, planning, fiscal transfers • Speed / complexity of budget processes • No signatures • % spending on capital intensive spending 	<ul style="list-style-type: none"> • Citizen oversight and monitoring • Technical auditing • Participatory planning and budgeting
Management and Program Design <ul style="list-style-type: none"> • Appointments, transfers • Preferred candidates • Selection of projects 	<ul style="list-style-type: none"> • Unqualified senior staff • Low salaries, high perks, HH assets • Increase in price of informal water 	<ul style="list-style-type: none"> • Performance based staff reforms • Transparent, competitive appointments

Public to private to interactions	Early warning indicators	Anti-corruption Measures
Procurement <ul style="list-style-type: none"> • Bribery, fraud, collusion in tenders 	<ul style="list-style-type: none"> • Same tender lists • Bidders drop out • Higher unit costs 	<ul style="list-style-type: none"> • Simplify tender documents • Bidding transparency • Independent tender evaluation • Integrity pacts • Citizen oversight and monitoring • Technical auditing • Citizen auditing, public hearings • Benchmarking • SSIP support mechs
Construction <ul style="list-style-type: none"> • Fraud/bribes in construction 	<ul style="list-style-type: none"> • Variation orders • Low worker payments 	
Operation <ul style="list-style-type: none"> • Fraud/bribes in construction 	<ul style="list-style-type: none"> • Single source supply • Change in quality and coverage 	

Public to consumer interactions	Early warning indicators	Anti-corruption Measures
Construction <ul style="list-style-type: none"> • Community based WSS – theft of materials • Fraudulent documents 	<ul style="list-style-type: none"> • Loss of materials • Infrastructure failure-roles 	<ul style="list-style-type: none"> • Corruption assessment • Citizen monitoring and oversight • Report cards • Transparency in reporting
Operations <ul style="list-style-type: none"> • Admin corruption (access, service, speed) 	<ul style="list-style-type: none"> • Low rate of faults • Lack of interest in connection campaigns • Night time tanking 	<ul style="list-style-type: none"> • Citizen oversight and monitoring • Complaint redressal • Reform to customer interface (e.g. women cashiers)
Payment systems <ul style="list-style-type: none"> • Meter, billing and collection – fraud and bribery 	<ul style="list-style-type: none"> • Unexplained variations in revenues 	

Session 3:

Corruption risk mapping

Conducts considered criminal offences by the UN Convention against Corruption

Illicit Conducts	
Bribery of public national officials	<ol style="list-style-type: none"> 1. The promise, offering or giving, to a public official, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties; 2. The solicitation or acceptance by a public official, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties.
Bribery of foreign public officials and officials of public international organizations	<ol style="list-style-type: none"> 1. The promise, offering or giving to a foreign public official or an official of a public international organization, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties, in order to obtain or retain business or other undue advantage in relation to the conduct of international business. 2. When committed intentionally, the solicitation or acceptance by a foreign public official or an official of a public international organization, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties.
Embezzlement, misappropriation or other diversion of property by a public official	The embezzlement, misappropriation or other diversion by a public official for his or her benefit or for the benefit of another person or entity, of any property, public or private funds or securities or any other thing of value entrusted to the public official by virtue of his or her position.
Trading in influence	<ol style="list-style-type: none"> 1. The promise, offering or giving to a public official or any other person, directly or indirectly, of an undue advantage in order that the public official or the person abuse his or her real or supposed influence with a view to obtaining from an administration or public authority of the State Party an undue advantage for the original instigator of the act or for any other person; 2. The solicitation or acceptance by a public official or any other person, directly or indirectly, of an undue advantage for himself or herself or for another person in order that the public official or the person abuse his or her real or supposed influence with a view to obtaining from an administration or public authority of the State Party an undue advantage.
Abuse of functions	The abuse of functions or position, that is, the performance of failure to perform an act, in violation of laws, by a public official in the discharge of his or her functions, for the purpose of obtaining an undue advantage for himself or herself or for another person or entity.
Illicit enrichment	Significant increase in the assets of a public official that he or she cannot reasonably explain in relation to his or her lawful income.

Illicit Conducts (continued)	
Bribery in the private sector	<ol style="list-style-type: none"> 1.1. The promise, offering or giving, directly or indirectly, of an undue advantage to any person who directs or works, in any capacity, for a private sector entity, for the person himself or herself or for another person, in order that he or she, in breach of his or her duties, act or refrain from acting; 2. The solicitation or acceptance, directly or indirectly, of an undue advantage by any person who directs or works, in any capacity, for a private sector entity, for the person himself or herself or for another person, in order that he or she, in breach of his or her duties, act or refrain from acting.
Laundering of proceeds of crime	<ol style="list-style-type: none"> 1. The conversion or transfer of property, knowing that such property is the proceeds of crime, for the purpose of concealing or disguising the illicit origin of the property or of helping any person who is involved in the commission of the predicate offence to evade the legal consequences of his or her action; 2. The concealment or disguise of the true nature, source, location, disposition, movement or ownership of or rights with respect to property, knowing that such property is the proceeds of crime.

Corruption risk mapping exercise

Introduction

The aim of this methodology is to identify the actors and institutions in the water sector, their interrelationships, activities, and procedures. The water sector comprises different processes, namely policy-making and regulation, planning and budgeting, donor financing, funding and fiscal transfers, management and programme design, tendering and procurement, construction, operation and maintenance, and payment for services. Each of these processes usually comprises three steps, called 'sub sectors' in the corruption risk matrix.

The corruption risk map is comprised of four main steps. In this session, we will practice the first three of these four steps. Step 4 will be covered in the forthcoming Modules.

The **first step** is aimed at providing an overview of the water sector in your country by focusing on the existing institutions and actors and how they interact. Afterwards, you will define the main processes and sub processes in the water sector.

The **second step** identifies corruption cases and matches them with the illicit conducts portrayed in the UN Convention against Corruption.

The **third step** identifies what processes are harmed by the corrupt conduct, with precision on what sub-processes are involved. The aim of this exercise is for the participant to identify processes and sub-processes at risk of corruption.

The **fourth step** involves identifying the tools or actions that could prevent or mitigate corruption and will be covered in the forthcoming Modules.

Step 1 – Identification

Framing questions

1. Could you describe how the water sector in your country is organised? (Note this was done in session 3 of Module 1). Who are the main actors with respect to the different processes outlined in the risk map?
2. Could you please define the three main sub-processes within each of the processes in the table below?

Example of the Most Common Processes in the Water Sector

Processes	Sub-process 1	Sub-process 2	Sub-process 3
Policy-making and regulation	Design	Implementation	Evaluation
Planning and budgeting	Planning	Monitoring	Evaluation
Donor financing, funding and fiscal transfers	Reception of funding/ transfer	Project implementation	Report of account
Management and programme design	Planning	Implementation	Monitoring
Tendering and procurement	Planning	Procurement	Payment
Construction	Design	Bid	Build
Operation and maintenance	Planning/Definition	Implementation	Monitoring/Payment
Payment (for services)	Service Provision	Verification	Payment

Step 2 – Assessment

Framing questions

1. Do you know of any case of corruption that has affected the water sector in your region/ district/ country? (use selected example)
2. Could you point out the possible cause(s) of the corrupt practice? In module 2 we identified some of the causes of corruption. Please refer to these, e.g. institutional weaknesses, lack of checks and balances, weak systems and capacity, monopolies, etc.

Step 3 – Risk Map

Framing questions

1. What were the processes or sub-processes affected by corruption?
2. What type of corruption was it?
3. What would be early indicators that could be used alert decision-makers, investigators or the public to the possibility of corrupt practises using. This can be noted in an additional column.

Example of Corruption Risk Map in the Interactions of Different Actors²

Processes	Sub-process 1	Corruption Risks	Sub-process 2	Corruption Risks	Sub-process 3	Corruption Risks
Policy-making and regulation	Design	Policy capture (competition and monopolies)	Implementation	Government-utility collusion/fraud	Evaluation	Bribery
Planning and budgeting	Planning	Bribery to influence allocation of resources	Monitoring	Fraud, falsification of accounts	Evaluation	
Donor financing, funding and fiscal transfers	Reception of funding/transfer	Influence project decision-making.	Project implementation	Donor-Government collusion/fraud progress and quality.	Report of account	Donor-Government collusion in negotiations to meet spending /funding targets
Management and programme design	Planning	Distortionary decision-making (collusion with leaders in selection + approval of plans/schemes)	Implementation	Payments for promotions, and transfers, salary perks. Collusion between agency staff and consultants to bias the result of design and cost studies etc. as well as environmental and social assessments	Monitoring	
Tendering and procurement	Planning	Bribery to influence allocation of resources organization.	Procurement	Corruption in award of concessions; decisions over duration, exclusivity, tariffs, subsidies.	Payment	Falsification of accounts
Construction	Design		Bid	Bribery to influence contract /bid organization	Build	Fraudulent invoicing
Operation and maintenance	Planning/Definition		Implementation		Monitoring/Payment	Falsification of accounts

²This table is based on Plummer 2008.

Step 4 – Proposed Measures

Framing questions

1. According to the identified corruption case, what would it be the best anti-corruption tool to prevent that type of corruption from happening again?

By the end of the full process, the corruption risk map would look similar to the example below.

Process	Sub-process 1	Corruption Risk S-p 1	Tool/Action to Reduce Corruption Risk	Sub-process 2	Corruption Risk S-p 2	Tool/Action to Reduce Corruption Risk	Sub-process 3	Corruption Risk S-p 3	Tool/Action to Reduce Corruption Risk
Policy-making and regulation	Design	Policy capture	Lobbyist Registration Access to public information law	Implementation	Government-utility collusion/fraud	Conflict of Interest Law Disclosure of Income and Assets	Evaluation	Bribery	Code of Ethics Whistleblower Protection
Planning and budgeting	Planning	Bribery to influence allocation of resources.	Participatory Budgeting E-Government	Monitoring	Fraud	Independent Audit Agency Ombudsman	Evaluation	Falsification of accounts	Whistleblower Protection
Donor financing, funding and fiscal transfers	Reception of funding/transfer	Influence project decision-making.	Lobbyist Registration Access to public information law E-Government	Project implementation	Donor-Government collusion/fraud in progress and quality.		Report of account	Donor-Government collusion in negotiations to meet spending /funding targets	Code of Ethics Whistleblower Protection Independent Audit Agency
Management and programme design	Planning	Distortional decision-making (collusion with leaders in selection + approval of plans/scheme schemes)	Lobbyist Registration Access to public information law	Implementation	Payments for promotions, and transfers, salary perks. Collusion between agency staff and consultants to bias the result of design and cost studies	Disclosure of Income and Assets Code of Ethics Independent Audit Function Media training	Monitoring	Collusion between agency staff and consultants to bias the result of assessments	Disclosure of Income and Assets Code of Ethics Independent Audit Function

Process	Sub-process 1	Corruption Risk S-p 1	Tool/Action to Reduce Corruption Risk	Sub-process 2	Corruption Risk S-p 2	Tool/Action to Reduce Corruption Risk	Sub-process 3	Corruption Risk S-p 3	Tool/Action to Reduce Corruption Risk
Tendering and procurement	Planning	Bribery to influence contract /bid organization.	Lobbyist Registration Access to public information law	Procurement	Corruption in award of concessions; decisions over duration, exclusivity, tariffs, subsidies.	Disclosure of Income and Assets Code of Ethics Independent Audit Function Whistleblower Protection	Payment	Falsification of accounts	Whistleblower Protection Independent Audit Agency
Construction	Design	Bribery to influence design	Lobbyist Registration Access to public information law E-Government	Bid	Bribery to influence contract /bid organization	Disclosure of Income and Assets Code of Ethics Independent Audit Function Whistleblower	Build	Fraudulent invoicing	Independent Audit Agency
Operation and maintenance	Planning/ Definition	Bribery to Influence planning	Lobbyist Registration Access to public information law E-Government	Implementation	Fraud	Independent Audit Agency Ombudsman	EMonitoring/ Payment	Falsification of accounts	Independent Audit Agency

*Table 4 Example of Risk Map
Examples of corruption risks and anti corruption measures, from Making anti corruption approaches work for the poor, PPT presentation by Janelle Plummer, the World Bank, Stockholm World Water Week 2007.*

Other examples of corruption mapping tools:

Example 1:

The Water Integrity Network: Annotated Water Integrity Scan (AWIS)

The Annotated Water Integrity Scan (AWIS) methodology includes single-day workshops wherein recognised sectoral experts representing the various stakeholder groups of a country's water sector score and discuss various indicators. The AWIS is a fast and relatively inexpensive way to gain a picture of the level of integrity of the water sector of a given country. This assessment can help to identify main areas for action as well. Furthermore, its repetition can indicate whether progress is being made year to year.

The AWIS includes assessment tools for the main parts of the water sector – water resource management, water supply, irrigation and hydro power – which can be explored together or separately. In each of these areas, the scan looks at the integrity of four main aspects of the water sector:

- Policy and legislation
- Regulation
- Investment projects and programmes
- Service provision

For the purposes of the scan, integrity is defined as 'practices impeding corruption and promoting respect for the rule of law'; therefore, rather than measuring corruption directly, it looks more at risks that could lead to corruption, and in a sense, also measures institutional weakness. For each of the four above mentioned aspects, three main dimensions of integrity are explored:

- **Transparency** particularly relating to the existence of written information about procedures and agreements, as these are considered to set the basis for understanding the rights and obligations by the actors.
- **Accountability** relating to the way in which the written procedures and agreements are being applied, where feasible also looking at possible compliance.
- **Participation** of the public, the users or their representatives relating to their access to information, their role in decision making and their right and possibilities to effectively file complaints and be heard.

In addition the scan looks at:

- **Anti-corruption measures** are the specific measures organisations and governments take internally and externally to reduce the risk of corruption, where feasible also looking at application of sanctions. This is done at national level while also looking at the specific situation per sector.

Resulting scores and annotations can be analysed to reveal areas of particular risk or institutional weakness, and can form a basis for strong recommendations for action.

(For more detailed information, including the complete methodology and training materials for the AWIS, contact the Water Integrity Network: info@waterintegritynetwork.net)

Example 2:

Improving Water Integrity through a Multi Stakeholder Approach – Learning from Uganda

As part of its efforts to improve integrity in the water sector, the Ministry of Water and Environment (MWE) in Uganda established a multi stakeholder 'Good Governance Working Group' in 2006 tasked to identify and recommend measures to promote and monitor transparency, accountability and good governance in the water sector. In 2008, the Good Governance Working Group (with the support of the Water and Sanitation Program (WSP) Africa in partnership with the Water Integrity Network) initiated two water integrity studies which were to serve as the basis for updating the sector's anti corruption action plan. The first study undertaken was a Risk and Opportunity Mapping Study designed to understand accountability processes in the water sector, and review recent sector progress reports. The second study was a nation-wide quantitative Baseline Survey that examined how citizens, contractors, private operators and local government officials and NWSC staff experience integrity in the provision of water, covering both rural and urban areas. The study showed that inadequate integrity in the Uganda water sector has resulted in many negative impacts, such as: losses in investment, exploitation of contractors, compromised professionalism, contracts issued for personal gain rather than competence or merit, resources lost on shoddy and

incomplete works and political decisions to target services and investments for the most affluent at the expense of the poor. Promoting integrity is critical if investments made in the sector are to reach the poor. Reaching the MDGs on water and sanitation will be delayed so long as money meant for new, maintained or improved services are delayed by corrupt practices.

In September 2009, the studies were launched during a National Water Integrity Workshop where over 100 sector stakeholders renewed their pledge to promote accountability and combat corruption in the Uganda water sector. The delegates drafted an umbrella rallying statement supported by a 10 point action plan to guide enhanced accountability in the sector over the next 3 years. The high level participation by senior officials ensured the discussions were taken seriously, solutions proposed were endorsed at a senior level and that there would be ownership for follow up actions at all levels of the water services sector. During the annual Joint Sector Review, the action plan was approved by the Water & Sanitation Sector Working Group, the highest decision making body in the sector. As a result, all sub-sectors are now required to report progress on a quarterly basis.

Lessons learned

Leadership

- The central role of the MWE provided the initiative with stable and sustained support, which ensured that institutional memory who hold over the long term.
- The Good Governance Working Group is a best practice because it (i) is chaired by the MWE which provides legitimacy, centralized leadership and anchors the initiative institutionally; in turn it is structured hierarchically to feed into the progress reporting of the wider sector working group (ii) provides accountability by not being managed by one institution only; it includes representatives from civil society, development partners, utilities and sector departments who are important actors to catalyse action (iii) mobilises partnership and resources, and stimulates broad based ownership of challenges and solutions.

Partnership with Integrity / Anti-corruption Agencies

- Partnership with the Water Integrity Network brought excellent specialised anti corruption human resources and skills to the initiative, complemented WSP's water experience and long established relationships with the Government contributed to the overall success of the project. Partnership with development partners ensured that WSP did not have to work as a lone voice.

Example 3: The Utility Checklist

The utility checklist focuses specifically on the management system and aims to assess the vulnerability of the system to abuse of authority and resources.

The purposes of the utility checklist are:

- To identify and begin to focus on the different areas of vulnerability to abuse of authority and management of resources that a utility might have.
- To provide a common base of information and understanding for all parties interested in knowing about and improving the effectiveness of the water utility. The dissemination of this information helps to promote transparency.

The ultimate goal is to have the results of the checklist to serve as a basis for change within the organisation. This can only happen with certainty when the leadership is committed to good governance and has in place the systems that will enable it to act effectively.

Examples of questions covered in a Utility Checklist

Ethical Framework

1. Is there a code of conduct for the senior managers?
2. Is it used and thought to be effective?
3. Are the assets and incomes of senior managers disclosed annually to the public through effective means?

Public Complaints

4. Is there an independent complaints office within the utility?
5. Is it known to the public and to staff?
6. Is it effective and respected?
7. Is there retaliation against whistle-blowers or are they protected?
8. Can anonymous complaints be made?
9. Is there a program for testing the integrity of the various departments or business units?
10. Is the program publicized and is it effective?

Leadership

11. Is the senior leadership committed to the fight against corruption and how has this been demonstrated in both words and deeds?
12. Does the public respect the work of the utility?

Human Resources

13. Is there respect for work rules by all staff, including supervisors?
14. Is the system for recruiting, disciplining, and promoting staff fair?
15. Are pay scales and benefits fair?
16. Is the internal administrative system for appeals of staff decisions considered fair?

Service Levels & Targets

17. Are service levels in different areas monitored on a regular basis?
18. Are targets for service improvements set on an annual basis in consultation with the affected public?
19. Are actual service levels and service targets made public?
20. Are budget allocations clearly linked with service targets?

Budgeting

21. Is the budgeting process well publicized and open to the public?
22. Does the public actively and directly participate in shaping the utility's budget priorities?

Procurement

23. Is the procurement system reputed to be fair?
24. Is it based on competitive principles?
25. Are procurements advertised in advance and made known to the public?
26. Is the process for selecting a bidder thorough and fair?
27. Are conflict of interest rules enforced?
28. Does the utility make its investments through a competitive process?

(World Bank Institute, Transparency International 2009)

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Additional reading:

The UNDP Water Governance Facility at SIWI are engaged in a Water Governance Benchmarking Project focusing on WRM and developing a methodology for assessing the quality of water governance based on features such as Participation, Transparency, Integrity, Rule of law and Responsiveness. The project has been piloted in the Middle East and North Africa region. You can read more about this on the project website <http://rewab.net/id01.htm> where they have uploaded a lot of useful material.

In Tajikistan, a Water Sector Integrity Vulnerability Assessment is undertaken modelled after the water integrity studies piloted in Uganda. All the presentations and exercises from a workshop that outlines this methodology can be downloaded on <http://www.gaportal.org/support/workshops/assessing-integrity-water-sector-tajikistan>

