Outline:
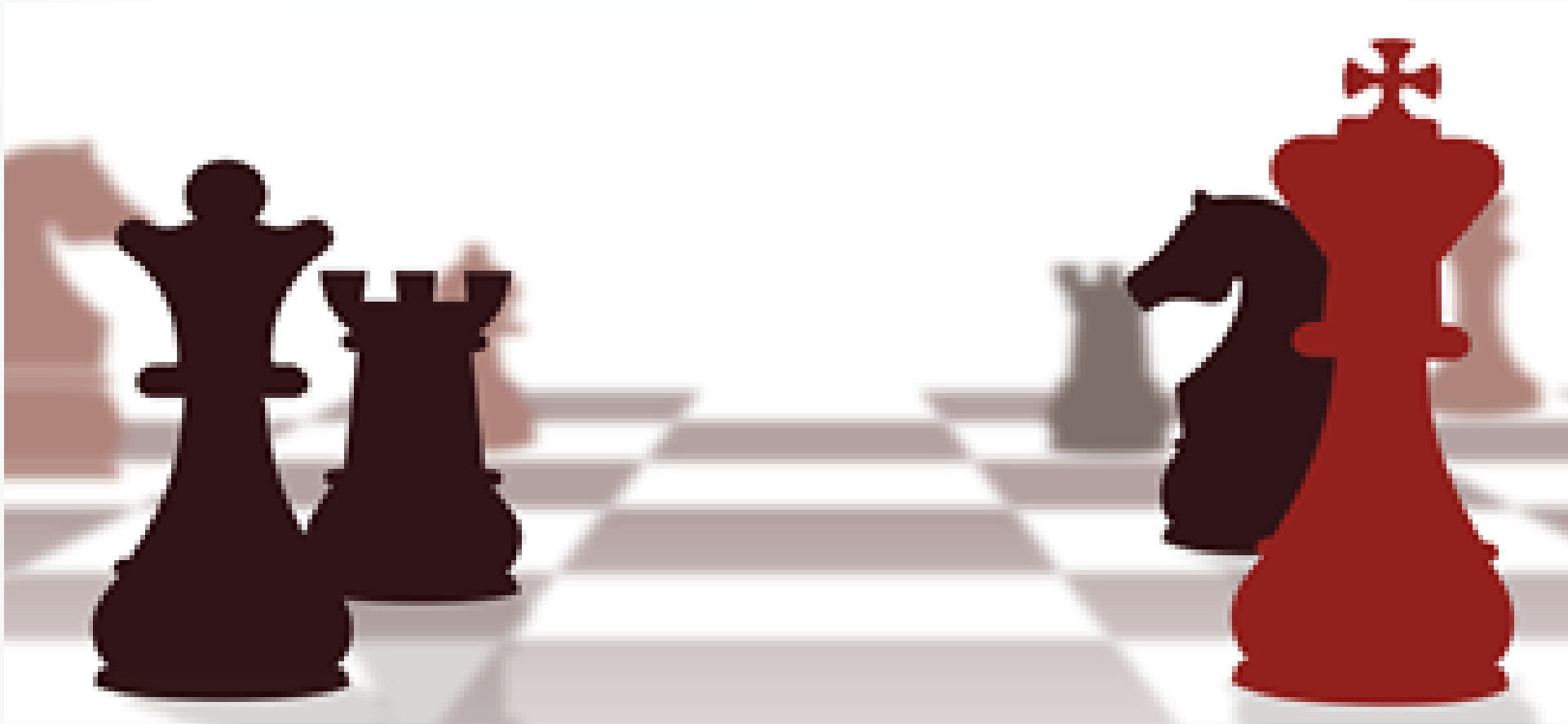
1. **Where is the global integrity & anti-corruption movement at this moment? What is working and what is not working?**

2. **What is UNDP's approach? What are UNDP's priorities?**

3. **A few key take aways**

1. Let us begin with this key question: Are we winning or losing the battle against corruption?

Are we winning or losing a battle against corruption?

- Depends on who you ask (Academia vs. practitioners); and which aspects of anti-corruption we examine

- Depends on how you define and measure success.

- In econometrics, usually the null hypothesis is a statement of 'no effect' or 'no difference'

- The issue of evaluating the success of AC is similar to evaluating the overall development effectiveness (e.g., the graduation of LDCs)

- We don't have enough data and evidence to know what is working and what is not working.
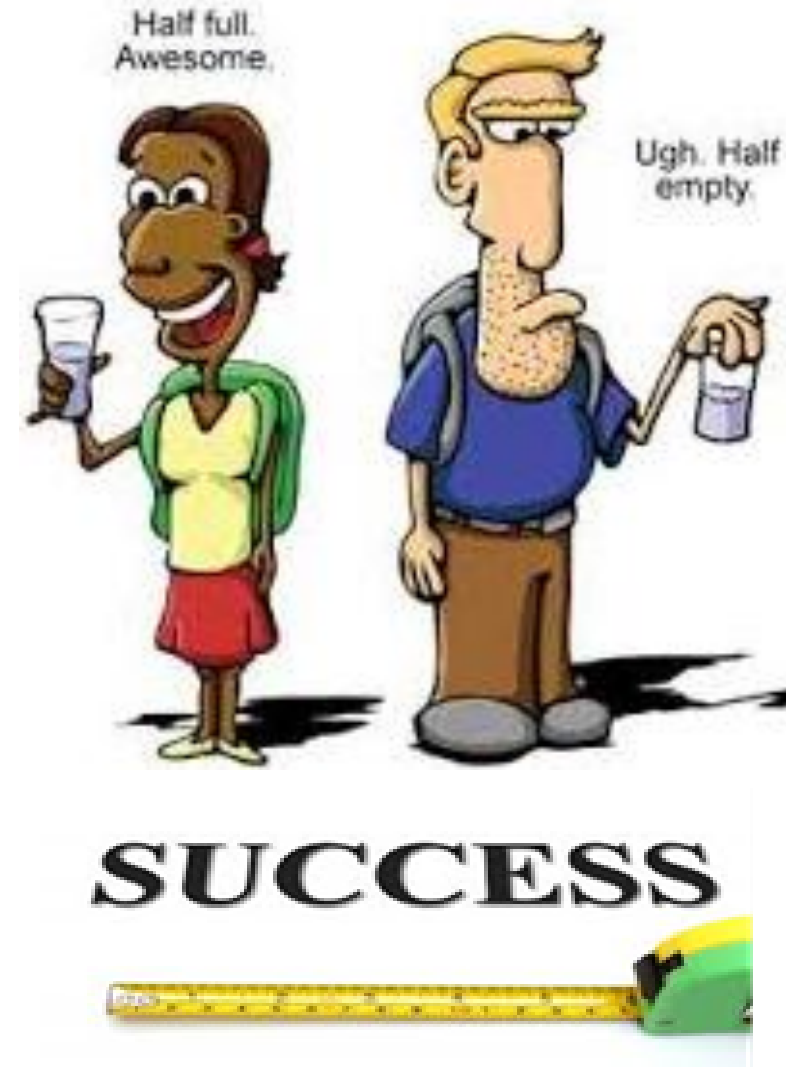
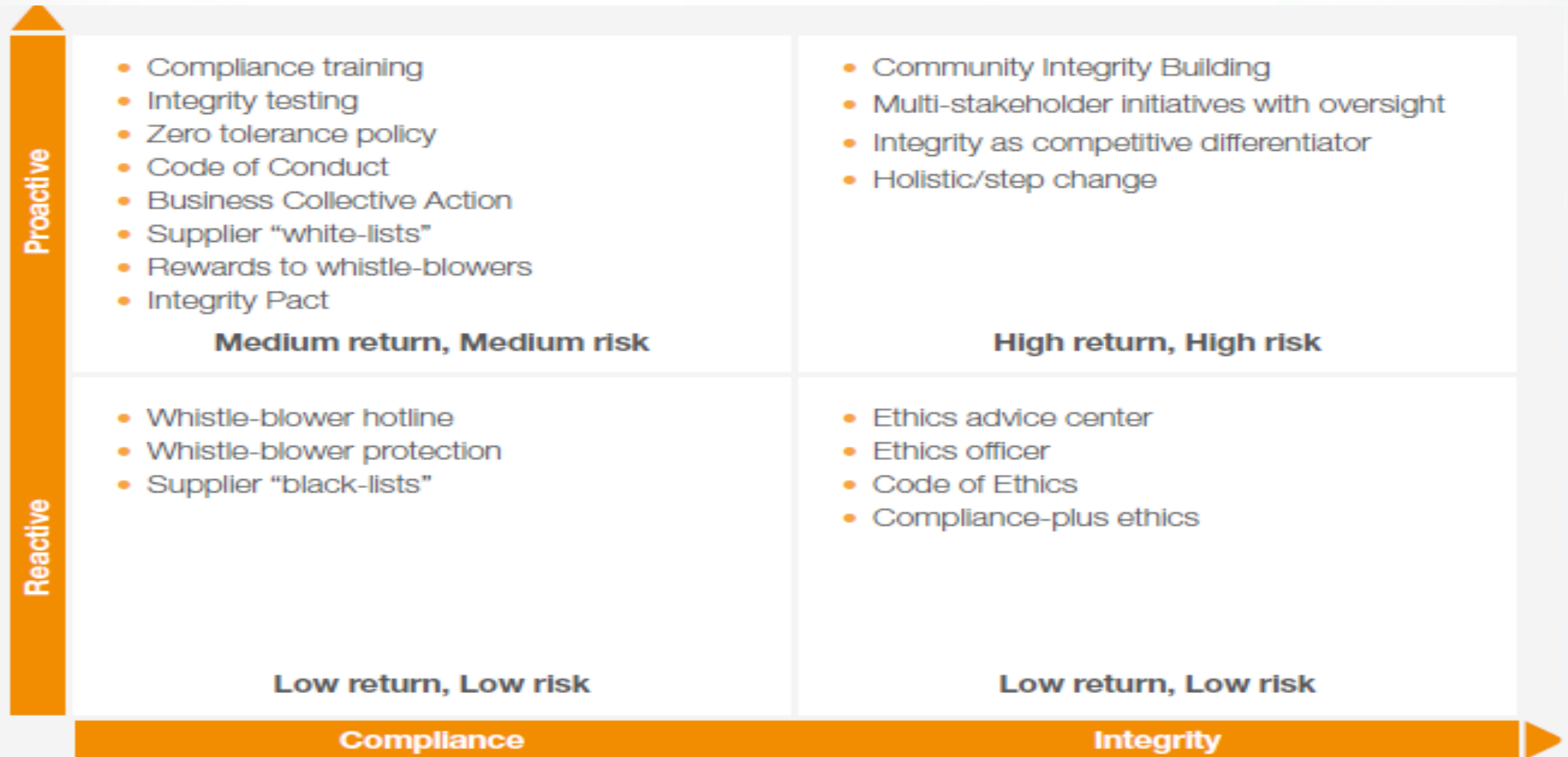The evidence on the effectiveness of the four selected direct anti-corruption interventions is mostly weak.

IMPACT OF THE INTERVENTIONS

Effective

Contested

NACS

AC Laws

FIUs

Ineffective

ACAs

Weak   Fair   Strong

STRENGTH OF THE EVIDENCE
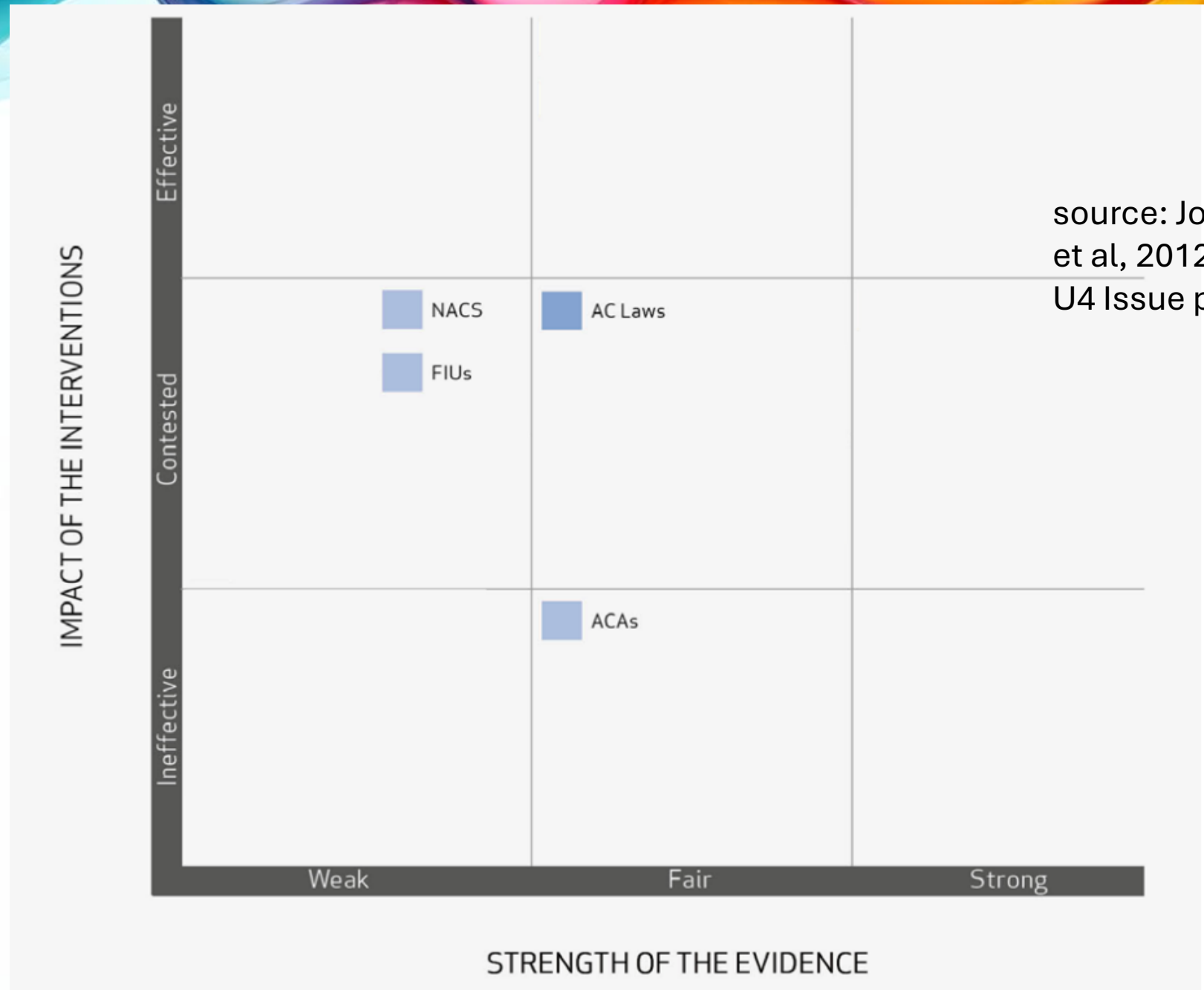
Reactive compliance & reactive integrity versus proactive compliance & proactive integrity building

Proactive

- Compliance training
- Integrity testing
- Zero tolerance policy
- Code of Conduct
- Business Collective Action
- Supplier "white-lists"
- Rewards to whistle-blowers
- Integrity Pact

Medium return, Medium risk

- Community Integrity Building
- Multi-stakeholder initiatives with oversight
- Integrity as competitive differentiator
- Holistic/step change

High return, High risk

Reactive

- Whistle-blower hotline
- Whistle-blower protection
- Supplier "black-lists"

Low return, Low risk

- Ethics advice center
- Ethics officer
- Code of Ethics
- Compliance-plus ethics

Low return, Low risk

Compliance — **Integrity**

Source: Joy Saunders, 2014

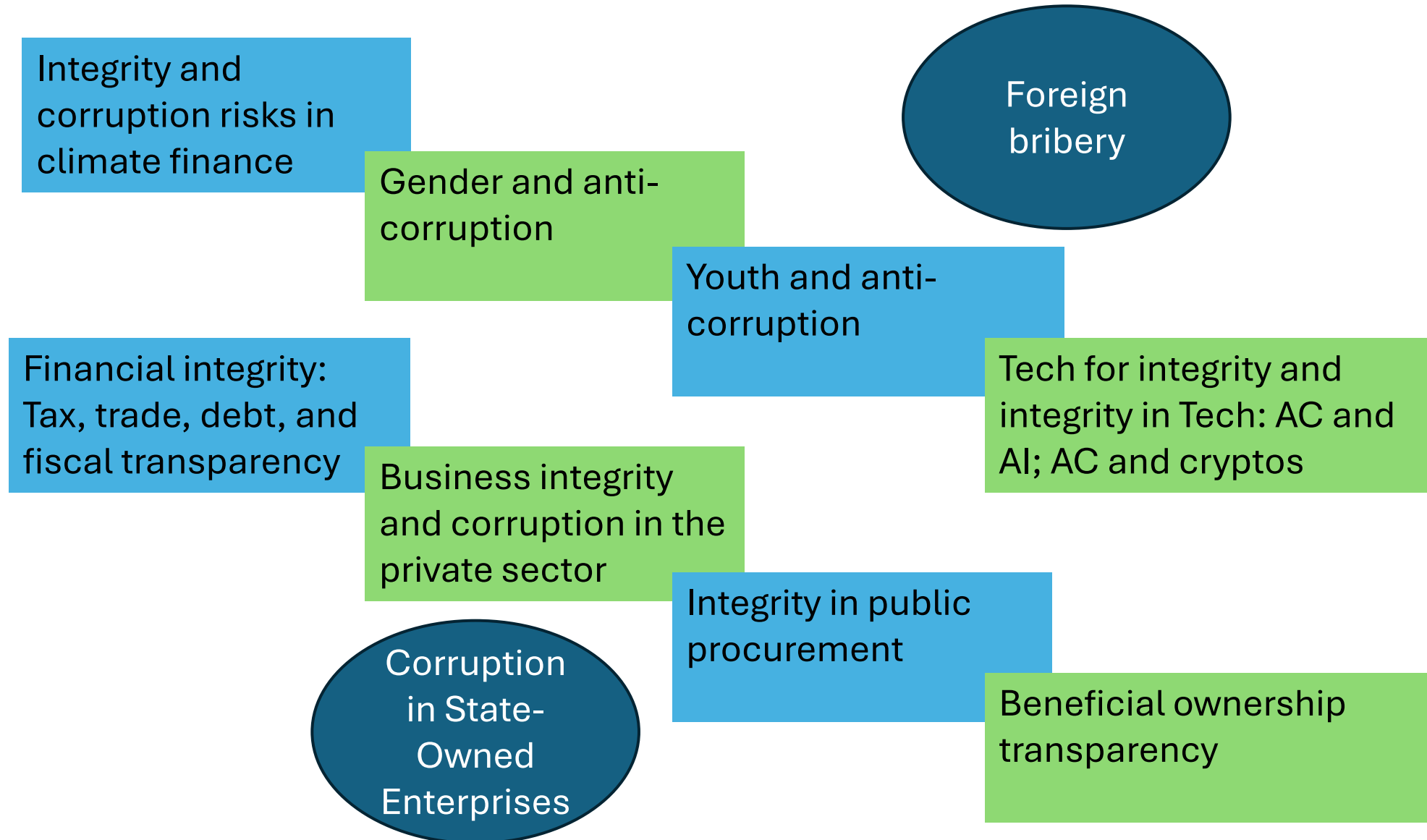# Is corruption going up — or are we just more aware of it?

Manifestations and the level of sophistication of corruption has changed, but....

Advocacy, media freedom, and digital transparency have grown, making it easier to report, expose, and discuss corruption.

Perception of increased corruption can be driven by increased reporting and awareness, not necessarily by a real rise in incidence.
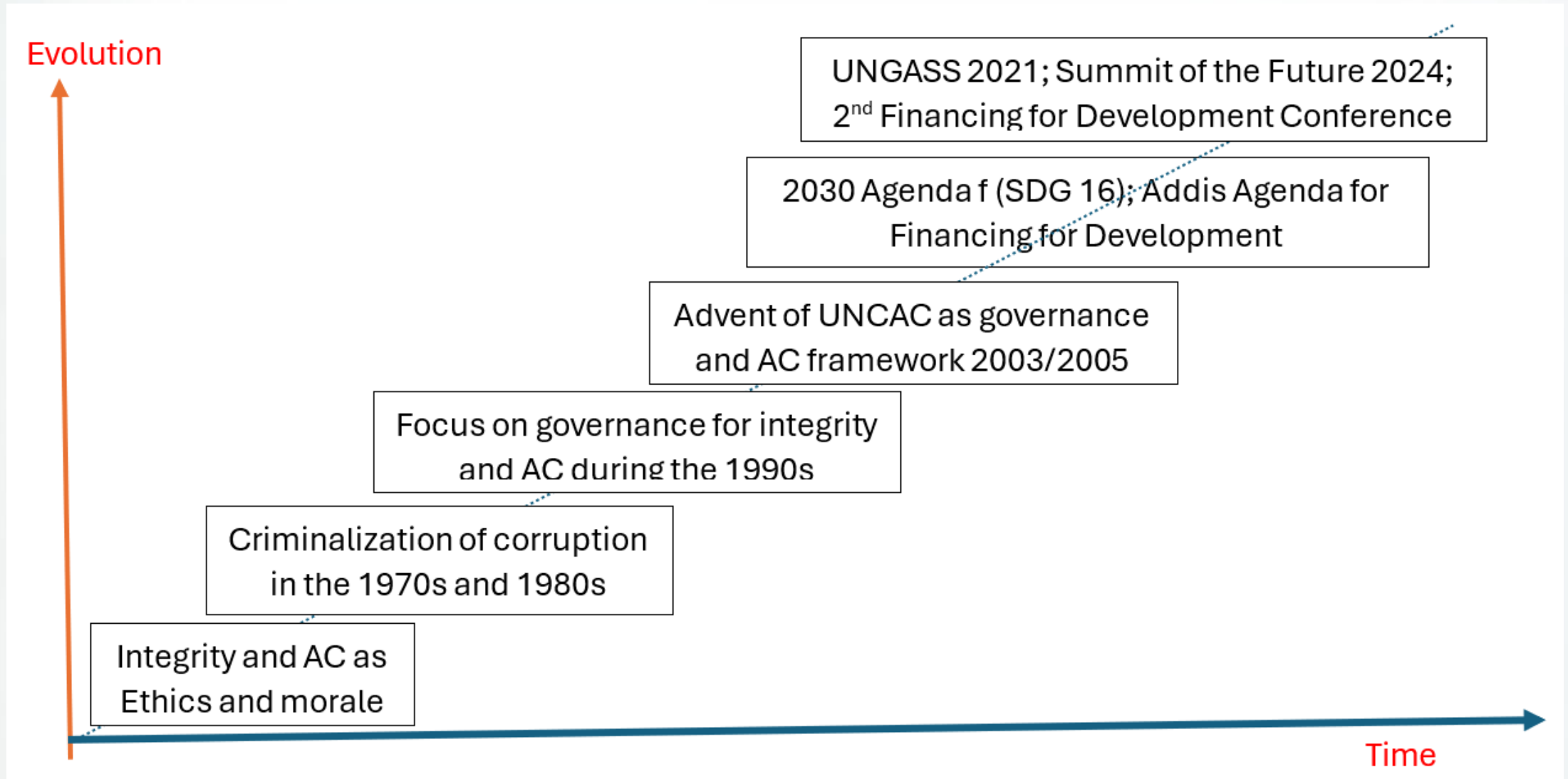
A spike in corruption discussion might mean anti-corruption, oversight institutions, journalists, and civil society are getting better at anti-corruption.

Emerging integrity and anti-corruption issues:

Integrity and corruption risks in climate finance

Gender and anti-corruption

Foreign bribery

Youth and anti-corruption

Financial integrity: Tax, trade, debt, and fiscal transparency

Tech for integrity and integrity in Tech: AC and AI; AC and cryptos

Business integrity and corruption in the private sector

Integrity in public procurement

Corruption in State-Owned Enterprises

Beneficial ownership transparency

Historical evolution: Integrity and anti-corruption

Evolution

UNGASS 2021; Summit of the Future 2024; 2nd Financing for Development Conference

2030 Agenda f (SDG 16); Addis Agenda for Financing for Development

Advent of UNCAC as governance and AC framework 2003/2005

Focus on governance for integrity and AC during the 1990s

Criminalization of corruption in the 1970s and 1980s

Integrity and AC as Ethics and morale

Time

Progress on integrity and anti-corruption

1. Recognition of critical role of governance and anti-corruption in enhancing sustainable development and development financing.

2. UNCAC and other international norms and standards have been instrumental for the review of institutional setup and arrangements.

3. More laws, institutions, policies and mechanisms to promote integrity and combat corruption.

4. More knowledge, networks, connectivity, and lesson leaned; increased global advocacy

5. AC movement benefited from various transparency movements, (OGP, OCP, EITI, open budget, open contracting, open procurement, open data, tax/revenue transparency)
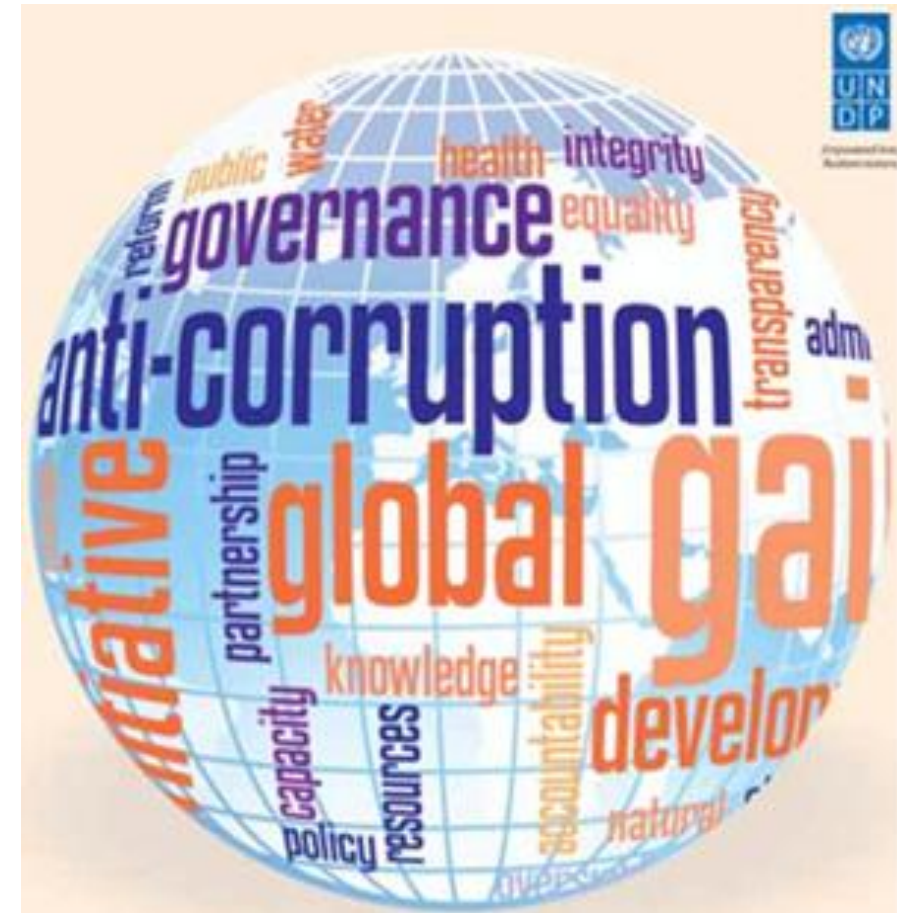
Challenges and lessons learned: Integrity & Anti-corruption

1. **Bridging the enforcement gap**: Huge gap between laws, policies, institutions and their effectiveness; moving from compliance to effectiveness; weak capacity of ACAs to build integrity

2. **Catching up with emerging issues**: BOT, business integrity, foreign bribery, political finance gender/youth, integrity and corruption issues related to new technologies (e.g., cryptos), financial integrity (tax, debt, expenditure, trade, procurement transparency), etc.

3. **Integration is easier said than done** (needs deliberate efforts to integrate AC in various levels – national/local, and sectors)

4. **Engaging on bigger and sustained impact** – from producing knowledge to actually applying it, from project to programming/portfolio approach, and from pilots to system approach/long-term capacity development,.

5. **Tapping into innovation and technology** (but also being mindful of digital divide, concerns about privacy, human rights, trust, ethics)

6. **Measuring corruption and anti-corruption:** Not enough data.

2. What is UNDP approach? What are UNDP's priorities?

UNDP's Work on Integrity & Anti-Corruption:

An integral part of our governance work since 1999 when UNDP published its first corporate policy paper, 'Fighting Corruption to Improve Governance'.

UNDP approach to promoting Integrity and tackling corruption

- Sustainable development
- Human development

Financing for development, including climate finance (tax, trade. debt. investment. etc.)

Climate change, environment, biodiversity, energy transition

Governance institutions, mechanism and processes;

Public goods and services (e.g., health, education and water)

Public trust in government, Social contract

Digital transformation (use of ICTs & emerging technologies)

Preventing corruption and Illicit financial flows IFFs)

Mitigating corruption risks in all major areas of development

Building integrity; (enhancing transparency, accountability)

Integrating anti-corruption and integrity measures in all major areas of development

Source: Author

Integrity and anti-corruption – UNDP priorities/programming entry points:

1 **Providing directed and dedicated anti-corruption support**

⟷

2 **Strengthening governance mechanisms, systems and institutions**

⟷

3 **Mainstreaming/ integrating anti-corruption in specific sectors (sectoral approach)**

⟷

4 **Strengthening financial integrity and economic governance**

⟷

5 **Leveraging digital technologies (ICTs and new technologies)**
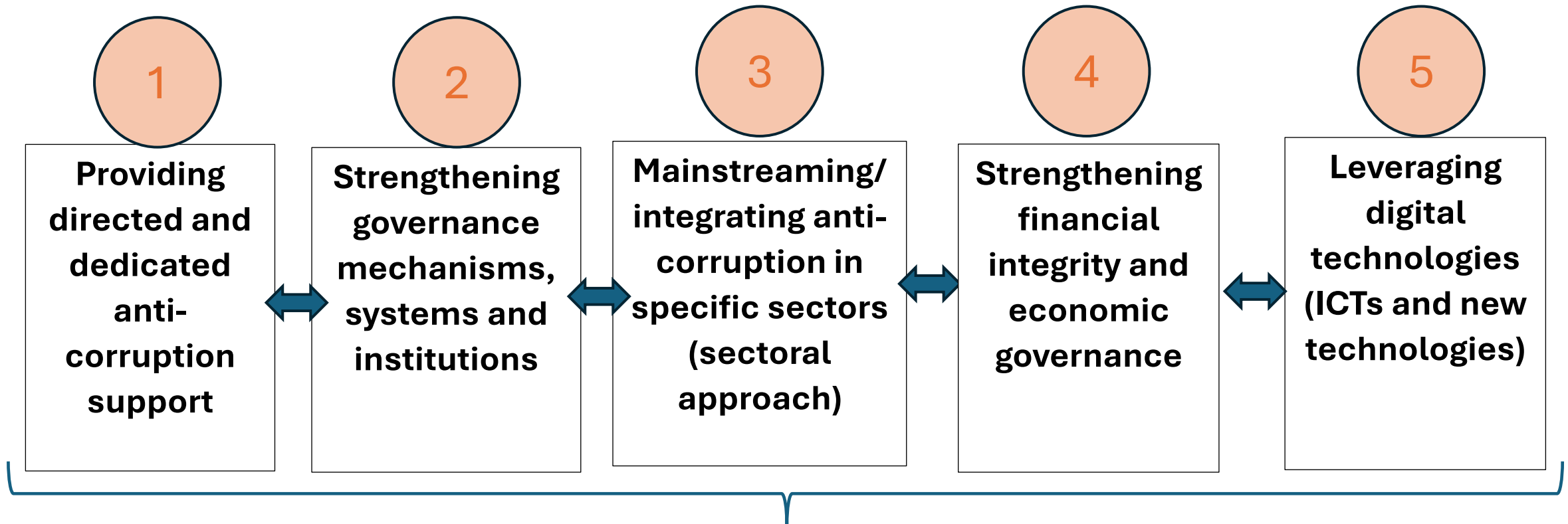
Data, statistics, measurement, monitoring, evaluation

Key take aways:

1. Developing a common language for mainstreaming/integrating anti-corruption (e.g., risk management, integrity-building, oversights, audits, transparency)

2. Getting out of the 'corruption trap' experienced by vast majority of middle-income countries

3. Focusing on strengthening entire ethics and integrity infrastructure; balancing the role of ACAs in terms of their mandates

4. Tapping into a vast potential of new technologies (e.g., AI)

5. Producing objective and actionable data on corruption and anti-corruption measurement

What does it mean to integrate anti-corruption in development?

Anti-Corruption Policy/Plan/Strategy

- Anti-corruption policies/strategies, NACS, integrity plans/strategies
- UNCAC review and its implementation
- Sectoral anti-corruption policies/strategies/plans
- Other anti-corruption policy/strategy/plan/reform

Transparency, accountability, integrity, openness, participation, inclusion, etc.

Development Policy/Plan/Strategy

- Development vision (long-term plan)
- National development plan (medium term)
- National SDG framework (2030 Agenda)
- Sectoral development plans
- Local development plans

In practice, integrating anti-corruption still has a missing middle-problem:

- Anti-corruption strategies not effectively targeting the sectoral integrity-building (or mitigating corruption risks in specific sectors)

- Sectoral plans/initiatives not adequately integrating anti-corruption measures

Integrity and anti-corruption

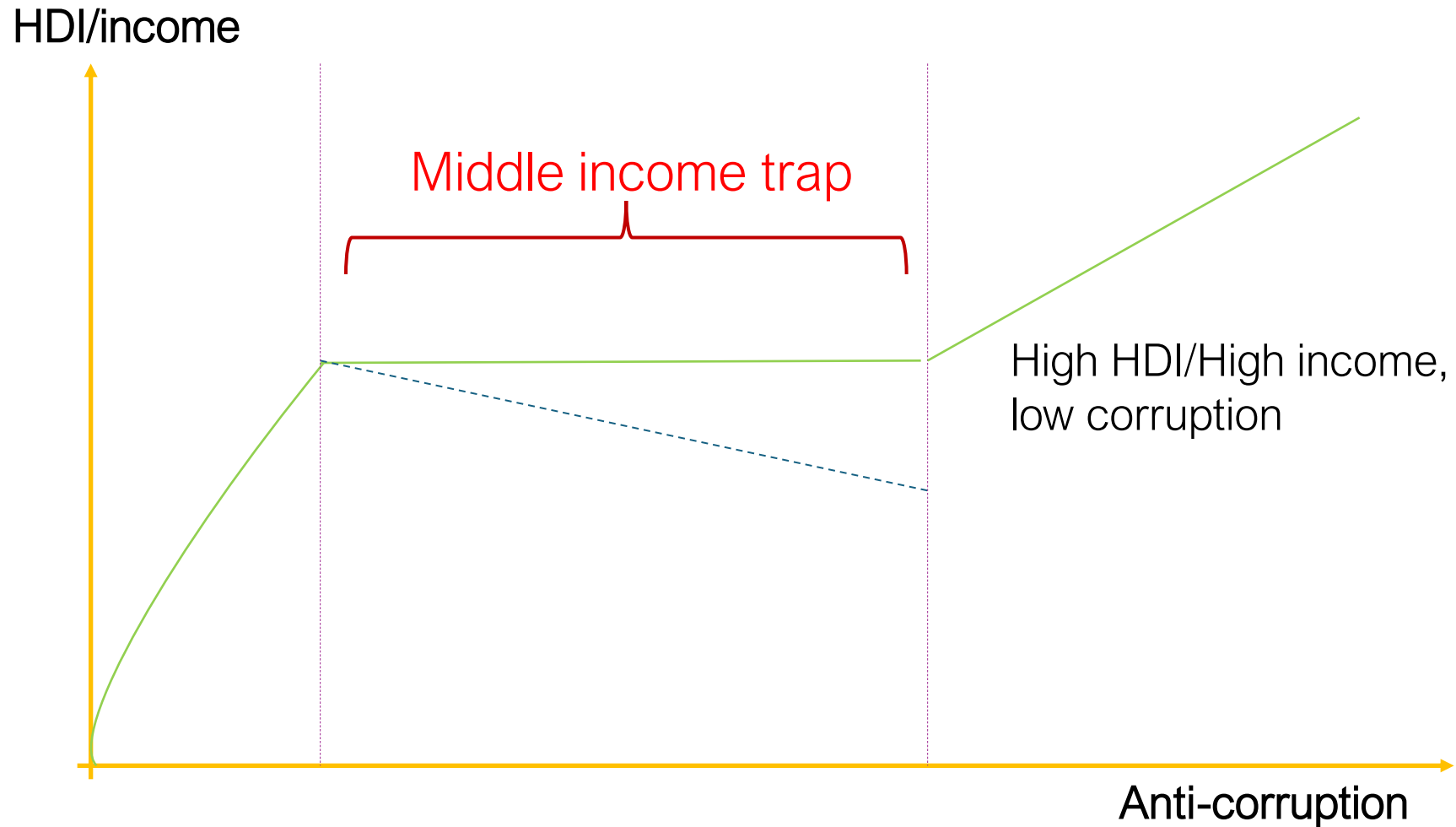**Various areas of development (service delivery, climate change, peace-building, etc.)**

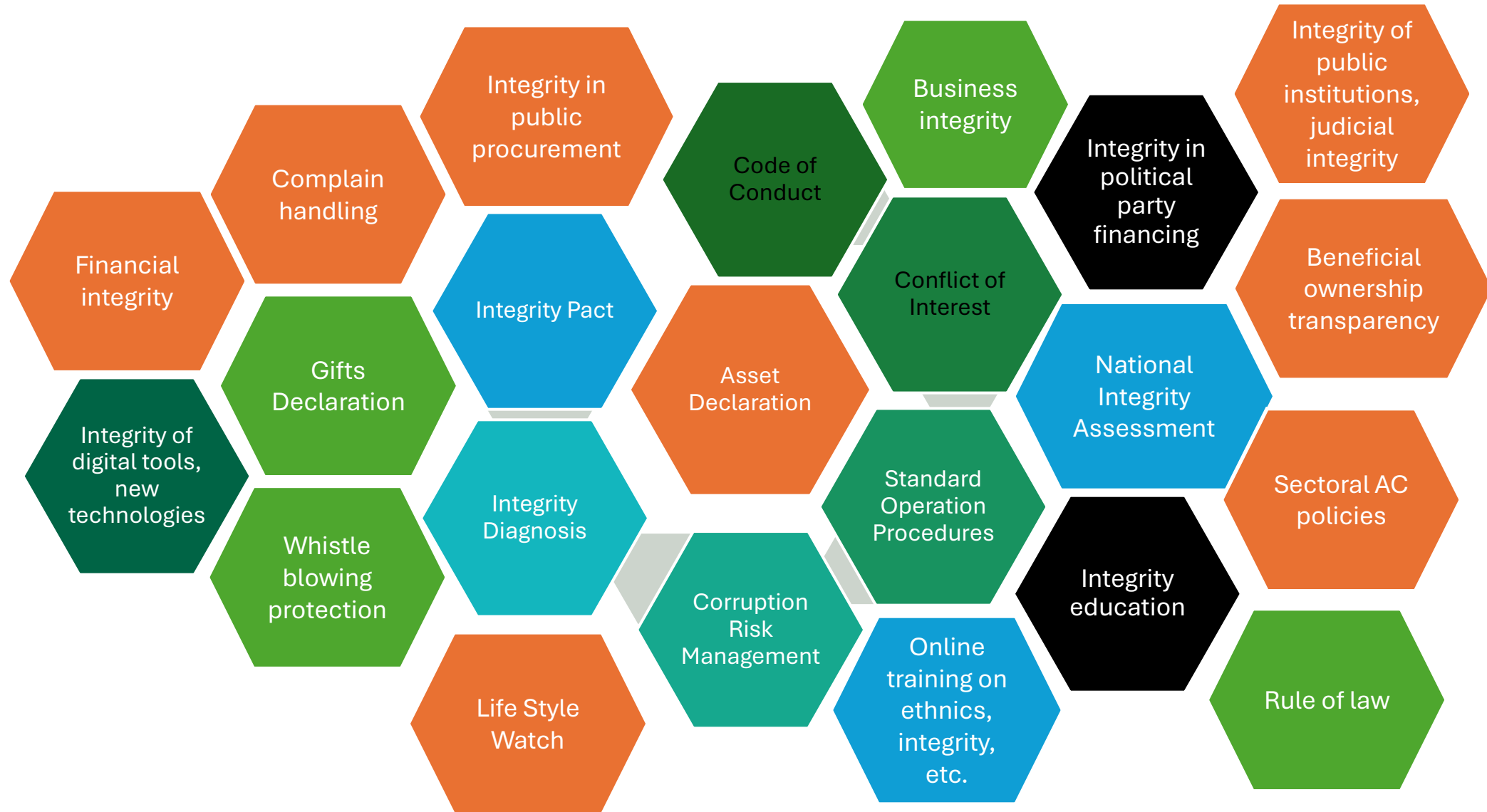Corruption and human development : Explaining the corruption trap?
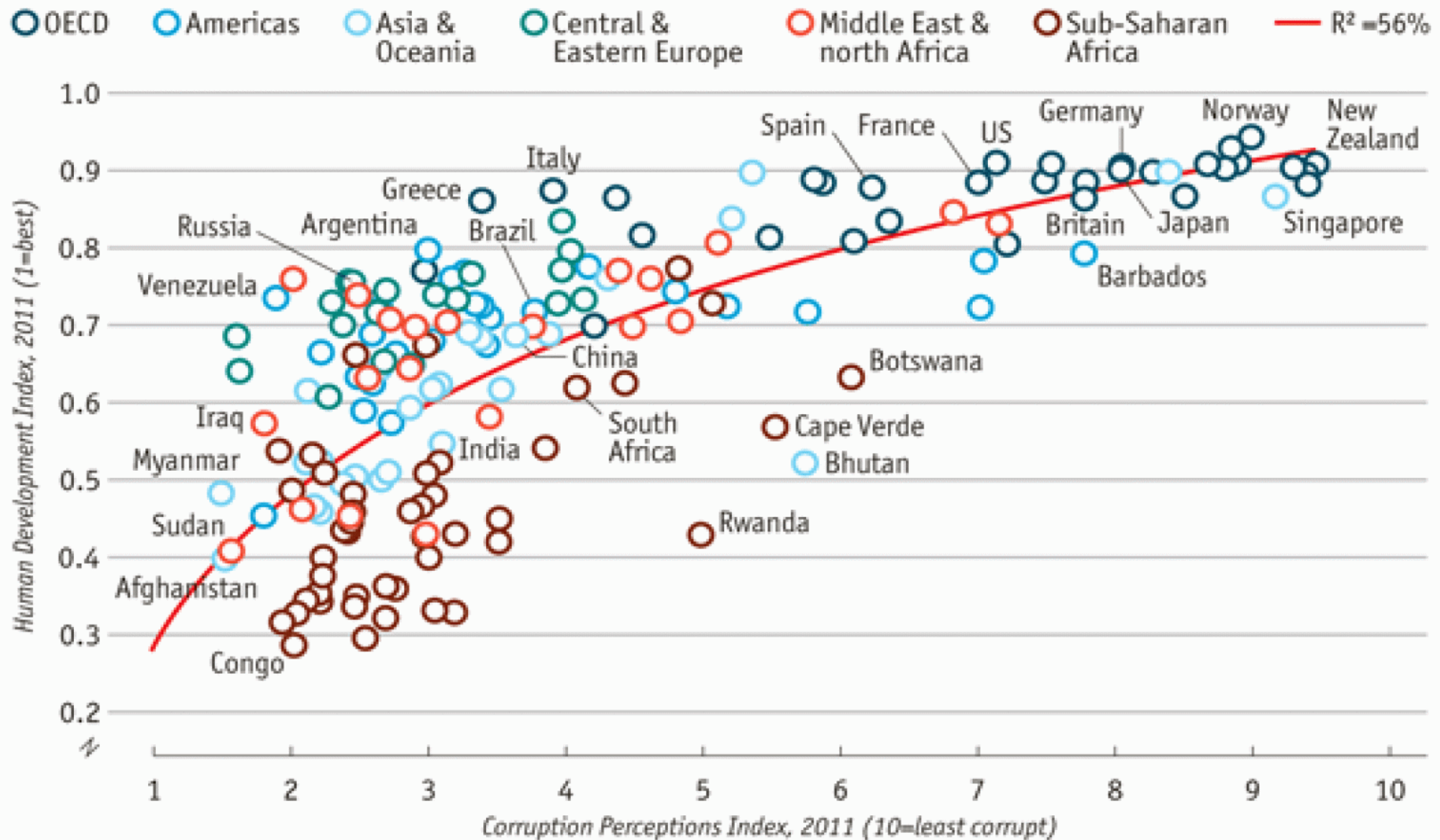
Sources: Transparency International; UN Human Development Report

Explaining the middle-income corruption trap

Anti-corruption is about strengthening the entire 'ethics and integrity infrastructure'.

- Integrity in public procurement
- Complain handling
- Financial integrity
- Integrity Pact
- Gifts Declaration
- Integrity of digital tools, new technologies
- Whistle blowing protection
- Integrity Diagnosis
- Life Style Watch
- Code of Conduct
- Business integrity
- Asset Declaration
- Conflict of Interest
- Corruption Risk Management
- Standard Operation Procedures
- Online training on ethnics, integrity, etc.
- Integrity in political party financing
- National Integrity Assessment
- Integrity education
- Integrity of public institutions, judicial integrity
- Beneficial ownership transparency
- Sectoral AC policies
- Rule of law

The future has many names:
For the weak it is unattainable,
For the fearful it is unknown,
For the bold it is opportunity.

--Victor Hugo

Thank you!

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- anga.timilsina@undp.org

UNDP

16 PEACE, JUSTICE AND STRONG INSTITUTIONS