

INTERNATIONAL ANTI-CORRUPTION CONFERENCE 2024

Vilnius, Lithuania 18-21 June 2024

SESSION REPORT

Mainstreaming Anti-Corruption across Policies, Portfolios and Sectors; Good Practice and Challenges

Date: 19 June 2024

Time: 15:30 PM - 17:00 PM (GMT +3)

Report prepared by: Ms. Jeanette Klangefeldt
Policy Officer and Quality Management Officer for Anti-Corruption
The European Commission, DG INTPA

Moderated by: Dr. Monica Kirya
Deputy Director at U4 Anti-Corruption Resource Centre

Panelists:

- Mr. Martin Seychell (Keynote Speaker)
Deputy Director General
EU Commission, DG International Partnership (INTPA)
- Mrs. Lora Ujkaj
Policy Officer Rule of Law and Anti-Corruption
EU Commission, DG Neighbourhood and Enlargement Negotiations (NEAR)
- Ms. Molly Lien
Head of Controlling and Investigation
Sweden- Swedish International Development and Cooperation Agency (Sida)
- Dr. Verena Zoppei
Advisor on Anti-Corruption and Integrity
Germany-German Development Cooperation Agency (GIZ)
- Mr Harald Mathisen
Senior Adviser, Department for Human Development Section for governance
Norway-Norwegian Development Cooperation (NORAD)
- Ms. Claudia Baez Camargo,
Head of Prevention, Research, and Innovation
Basel Institute on Governance
- Ms. Shreya Basu
Chief, Country & Local Programs
Open Governmental Partnership-OGP

Share the thematic focus of the session, its purpose and corruption risks?

The overall goal is to show the importance of mainstreaming anti-corruption in policy, sectors, and interventions. Global players and donors as the EU, Germany and Sweden spoke about the significance of mainstreaming anti-corruption and showed the progress that they have done so far. WHO assists member states strengthening their health systems including through better governance by shifting the focusing from reactive measures to anti-corruption efforts. Basel Institute on Governance will talk about the experience of conducting an “all of portfolio” anti-corruption mainstreaming exercise on behalf of Swiss Development Corporations in Albania. OGP, mainstreaming anti-corruption in Governments.

Summary of panelists’ contributions & discussion points (please be as detailed as possible)

Martin Seychell communicated that the EU fights corruption in its external actions with a holistic approach through targeted instruments and budget support. The Human-Rights Based Approach working principles guides the work in all EU development instruments and the EU is very committed in implementing the UN Convention against Corruption. 2023, became an essential year for anti-corruption at the European Union with the New Directive on anti-corruption, Council Conclusions on Corruption as an Obstacle to Development, and advanced work with the Global Gateway. Action-plan, Sectorial guidelines, helpdesk, and the TED. With the new focus of mainstreaming anti-corruption, there will also be new trainings building on the sectorial guidelines emphasizing the value of a robust anti-corruption view in development. Important to reflect that working on mainstreaming AC is not a sprint, it is an ultra-marathon.

DG NEAR (Lora UJKAJ), explained that Enlargement is the process whereby states join the European Union, after they have fulfilled a set of political and economic conditions. Tangible results in the fight against corruption are a key requirement for moving forward in the EU integration process. The EU revised enlargement methodology brought a stronger focus throughout the accession process on “fundamental” reforms, namely the rule of law, fundamental rights, the functioning of democratic institutions and public administration reform, as well as on economic criteria. Enlargement negotiations around “fundamentals” will be opened first and closed last and progress on the “fundamentals” will determine the overall pace of negotiations. The concept of “anti-corruption mainstreaming” has been introduced to ensure that measures to fight corruption are undertaken by enlargement countries across all negotiations” Chapters” and sectors. Lastly, the EU anticorruption framework is being modernised and this ultimately also applies to Enlargement countries.

Verena Zoppei presented the [Anti-Corruption and Integrity mainstreaming strategy](#) released in March 2022 by the German Federal Ministry for Economic Cooperation and Development (BMZ). The strategy is called “Quality criteria” because the BMZ considers Anti-Corruption and Integrity as one of six quality seals that can make German development cooperation more efficient, forward-looking, and sustainable. Verena Zoppei shared some insights from the first results of the ongoing monitoring system, which has been introduced through the strategy to track if anti-corruption and integrity are rigorously incorporated as a cross-cutting issue into all BMZ strategies and policies, across the entire project cycle and at national, regional, and international level. The results she presented stem out of a combination of documents analysis and surveys conducted in 2023. Mainstreaming Anti-

Corruption and Integrity in strategies and policies, including in government negotiations has been very successful thanks to the existence of clear and binding guidelines. Less satisfying results are seen regarding the integration of Anti-Corruption and Integrity within the portfolio. Only half of analyzed projects proposals entailed a proper risk analysis, 40 % identified adequate mitigation measures, and only one third included a long-term impact assessment of anti-corruption on the whole sector of action. A main lesson learned is that guidelines are in this case not enough, colleagues with different sectoral and regional backgrounds need to be trained to distinguish between various forms of corruption, to assess the damage they cause to development processes and particular population groups, and to identify possible starting points and opportunities for anti-corruption in appraisals. For this purpose, the U4 online courses and the different U4 publications offer a great support.

In the dialogue with multilateral organisations, it is difficult to apply a one-size-fit-all solution. For instance, in the field of climate finance the BMZ has managed to successfully include specific corruption risk analysis in new project proposals of the Global Environmental Facility (GEF), recommending applying mitigating measure, such as an additional scrutiny of beneficial company ownership.

Overall, one of the main challenges is breaking silos and developing integrated and digitalized solutions that incorporate other cross-cutting issues, such as gender, human rights, poverty reduction, conflict sensitivity and environmental protection in the design of anti-corruption mainstreaming approaches.

Molly Lien gave an overview of the journey of mainstreaming anti-corruption for Sida: In the 1990s, AC was not talked about a lot in development cooperation. Now it's recognized as a major cause of poverty and an obstacle to development. Initially the focus of anti-corruption was protecting and safeguarding Swedish funds. Today this is still very important, but Sida now has a more holistic approach to corruption. Research and new foras for sharing experiences and learning from each other played an important role.

Progress has been made when it comes to mainstreaming AC in Sida, here are some examples:

- Strategies, over half of state strategies to partner country support contains explicit targets for Sida to contribute in the fight against corruption;
- Direct interventions: Today Sida is supporting TI local chapters in 11 countries, plus core support to TI-S.
- Sida has a compulsory AC rule which states that corruption both as a risk and an obstacle must be considered in all Sida's activities.
- There is an internal thematic knowledge sharing network within Sida on anti-corruption.
- However, some challenges remain, we are competing with many different goals within development cooperation, Anti-corruption is not always at the top of the agenda, and we still need to increase the understanding of the political dimension and concrete drivers of corruption.
- Furthermore, Sida would like to further develop the portfolio on Illicit financial flows.

Norway has 5 billion USD turnover yearly in funding for development, AC is mandatory, and there is very solid training, guidance notes, and politicians make statements on the topic. After run-through on portfolio, AC is not integrated deeply in the portfolio – even in high-risk countries – not even 10% of proposals have it. The competing of issues in development is a cause of this, diverting funds from the core mandate is not a wish of any program manager.

Mid-level management is important in this regard. At a Geneva meeting in 2019, discussing AC with multilaterals, and this was a start of a new network on anti-corruption that NORAD is funding in the health sector, GNACTA, led by Secretariat at WHO.

Claudia has supported the Swiss Development Corporation (SDC) with many different processes and documents for several years, including the drafting of the SDC [anti-corruption strategic guidance](#), which includes mainstreaming as one of the four key pillars necessary for developing strategic anti-corruption actions. In 2023 Claudia received a request from the Swiss embassy in Albania to undertake an all-of-portfolio mainstreaming. The assessment covered 12 projects which covered very varied thematic areas: from agriculture to health, public finance management, vocational training, etc.

The assessment looked at corruption risks confronting the projects as well as identifying possible entry points to amplify the anti-corruption impact of the projects.

The high-level lessons learned from this process include:

- High-risk corruption areas shared across projects include procurement as well as human resource management, especially concerning appointments.
- The assessment revealed manifold examples of successes achieved by the projects. For example, in one project the team lead developed a concise guide on how to prevent corruption in strategic procurements in the energy sector.
- Other cross-cutting themes included the insight that developing clear, robust rules and SOPs is an effective mechanism to prevent corruption. These can be quite simple and inexpensive but emerged as crucial for holding stakeholders accountable and nourishing resilience to resist corruption.
- The findings across projects suggest the desirability of scaling up successful approaches and methodologies across the entire portfolio.

Shreya from OGP spoke on how the Open Government Partnership supports governments and civil society to mainstream transparency, accountability and participation in policy making; with anti-corruption being at the heart of the reforms members are encouraged to make. Ten years of evidence from OGP proves that involving civil society throughout the policy cycle – from planning to implementation and monitoring leads to more ambition and stronger results, with anti-corruption reforms more likely to deliver results compared to other areas. As part of its 2023-2028 strategy, OGP is calling upon members to respond to the Open Government Challenge, ten areas crucial for strengthening democratic resilience. Anti-corruption being one of them, where members are asked to develop whole-of-government anti-corruption strategies. In practice mainstreaming needs to entail; a) interoperability of different anti-corruption measures – beneficial ownership. Open contracting, asset, and income disclosures, political party financing – to ensure one can follow the money and demonstrate results of anti-corruption measures. OGP members like North Macedonia, Kenya, Armenia, and Slovakia are take steps towards this, b) involving all branches and levels of government, as well as oversight institutions, in the fight against corruption and providing support for their efforts. Chile's National Integrity Strategy is a good example of this, c) mainstreaming the role of civil society and citizens in anti-corruption measures given the crucial role they can play in oversight and feedback. For example: the Commission on Audit engages citizens in the audit of procurement contracts and in different public services in the Philippines, helping identify fraud and leakage, d) ensuring that mainstreaming efforts are backed by adequate resourcing – otherwise there's a risk of governments and donors simply paying lip service to mainstreaming.

Main outcomes of the session (include quotes/highlights and interesting questions from the floor)

Mainstreaming is imperative to several large donors, multilaterals, and CSOs. It is not an easy undertaking but an essential one due to the enormous cost of corruption.

1. Comprehensive Integration of Anti-Corruption Measures:

- Presentations: Across the board, speakers emphasized the importance of integrating anti-corruption (AC) measures into all policies and programs. Mr. Seychell discussed the EU's multi-faceted approach involving legal frameworks, integrity, and accountability, and support for civil society and media. Lora Ujkaj highlighted the inclusion of AC in the EU enlargement process, and Verena Zoppei noted BMZ's sector-specific guidelines and mandatory AC strategies.

2. Need for Tailored Guidance and Continuous Improvement:

- Presentations: GIZ presentation pointed out the need for sector-specific guidance and the importance of updating corruption management systems. Claudia from the Basel Institute emphasized the development of robust rules and standard operating procedures (SOPs) tailored to specific projects and contexts.

3. Importance of Collaboration and Involvement of Civil Society:

- Presentations: Speakers such as Molly Lien from Sida and OGP highlighted the critical role of civil society in achieving stronger anti-corruption outcomes. Collaborative efforts with international organizations like OECD, OSCE, and local chapters of Transparency International were noted as essential.

“The EU is in the beginning of working with the mainstreaming anti-corruption perspective, and realises that this is not a short sprint, not even a marathon, it is an ultra-marathon, and we are putting our running shoes on.”

“The pace of negotiation is determined by progress on fundamental reforms, with the fight against corruption being a top priority in the EU’s enlargement policy” and “tangible results in the fight against corruption are a central element for moving forward in the EU integration process”.

Question: “Negative consequences of mainstreaming of AC could stop funding going to local organizations. Money staying in large CSOs means money lost to small organizations. “

Answer from Seychell: “The objective is not only working with “safe” organizations. Capacity needs to be developed in the local partners too.”

Question: “TI: How is anti-corruption mainstreaming undertaken in the defense sector?”

Answer from DG NEAR: “Defense being a sector with large budget allocations and secrecy rules, it might be prone to corruption. In the enlargement process countries are asked to identify risks and undertake adequate measures to tackle corruption their defence and security sectors (so-called “Chapter 31” on Defence and Security Policy) in the accession negotiations”. The EU has also partnered with the NATO on the “Building Integrity” programme, which aims at improving transparency and accountability in the Defense sector.

Key recommendations for the future and concrete follow-up actions

- Importance of sustained funding to support the fight against corruption across sectors.
- Identifying and mapping areas of risk is key to effective anti-corruption action.
- Further analysis and improve AC mainstreaming in our policies, programmes, sectors, and engagement with the authorities. This includes the development of sector-specific guidelines, mandatory corruption risk assessments, and robust frameworks to ensure integrity and accountability.
- Holistic thinking and comprehensive approach in the fight against corruption is about efficiency and achieving results.
- The necessity for further training of colleagues to distinguish between various forms of corruption, to assess the damage they cause to development processes and particular population groups, and to identify possible starting points and opportunities for anti-corruption in appraisals.
- Speakers like Molly Lien from Sida and Sriaya from OGP underscored the importance of involving civil society and international organizations in anti-corruption efforts.
- Collaborative efforts with entities like the OECD, OSCE, and local chapters of Transparency International were deemed essential for achieving stronger anti-corruption outcomes and ensuring broad-based support.
- Realising the complexity of these actions and knowing that mainstreaming will not happen overnight

What can be done to create opportunities for scaling up the solutions discussed in the session? And by whom?

Good analysis and due diligence to really understand what drives corruption in the country, region, sector, process, and initiative.

Digitalisation offers a great opportunity to scale up the monitoring system. The GIZ is piloting a machine learning system to analyse project documents to monitor the implementation of the mainstreaming strategy in the project cycle. The idea is to use artificial intelligence to analyse not only quantitatively but also qualitatively the documents. The BMZ is working on the possibility of using complex language models to monitor documents from all implementing agencies. Here the main challenge is not the technology available, but rather the limits provided by internal regulations and the data storage.

Increase capacity, and capacity development, practical Guidelines, follow up workshop, studies, and policy papers on the matters.

Strengthen Partnerships and Collaborative Networks by Governments, International Organizations, and Civil Society. The action is to form robust partnerships and networks among governments, international bodies like the OGP, OECD and OSCE, NGOs, and civil society organizations. These collaborations can facilitate the sharing of best practices, resources, and support, enabling the broader implementation and scaling of successful anti-corruption initiatives across various sectors and regions. Collective action,

Is there a specific call to action to key stakeholders, such as governments, businesses, funders, civil society, young people, journalists, or any other stakeholder that should be noted? Please specify if relevant.

Continue the fight against corruption and involve the mainstreaming of anti-corruption in policies, sectors, and portfolios.

To avoid the competition among topics and work rather on integrated solutions for cross-cutting issues like anti-corruption, human rights, gender, digitalization, poverty reduction, climate assessment.

Facilitate access to funding for grass-root organisations, support their capacity building and anti-corruption measures.

We are in it for the long haul, and don't expect results immediately. It is an ultra-marathon.

Rapporteur's name

Jeanette Klangefeldt

Policy Officer and Quality Management Officer for Anti-Corruption

The European Commission, DG INTPA

Draft 1: Date submitted, 21 June 2024

Draft 2: Date submitted, 1 July 2024