The Helpdesk is a knowledge service offering the TI network and selected stakeholders on-demand research on corruption within a guaranteed timeframe. Answers typically consist of a 4 to 8 page brief synthesising the state of knowledge on a particular topic. The Helpdesk is a key component of TI’s Anti-corruption Solutions and Knowledge Programme (ASK).

All answers listed below can be accessed on request at: tihelpdesk@transparency.org.

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ANTICORRUPTION LAWS

Comparative analysis of the UNCAC and the OAS convention
Question submitted by EU, October 2013

The United Nations Convention against Corruption and the Inter-American Convention against Corruption are respectively the most far-reaching and the first international legal instruments to combat corruption. They are equally strategic and are largely similar in their purpose and thematic coverage. The UNCAC is a more detailed and more comprehensive document. It covers some topics not contained in the OAS Convention such as prevention of money laundering and a number of the offences described and establishes extensive standards regarding asset recovery. Both conventions are equipped with a respective implementation review mechanism. Both of these start with a self-assessment which is then reviewed by government-nominated experts. The OAS Convention review mechanism is however more open, transparent and participatory.

Anti-corruption clauses in constitutions
Question submitted by TI-S, September 2013
There is a broad consensus that the constitutional design of a country can either promote or hinder anti-corruption reforms. Corruption can be addressed implicitly in the constitution by setting up a well-functioning governance framework that provides for the rule of law, separation of power, fundamental freedoms, among others. In addition, corruption can also be addressed explicitly by including corruption specific clauses in the constitution. Such provisions can refer to integrity and the primacy of public interest as governing principles of the state, explicitly proscribe corruption and mandate the state to combat it and/or cover issues relating to the integrity and accountability of public officials. Some constitutions also provide for the creation of a specialised anti-corruption body.

**Electoral campaign reporting rules and the role of supervisory bodies**
*Question submitted by TI Slovenia, August 2013*

Reporting and disclosure requirements are instrumental to ensure fairness and avoid undue influence in the political process. Political parties and candidates should therefore regularly report on donations received and expenditures during electoral campaigns. The frequency of reporting however varies from country to country. The Helpdesk has not found any country where daily reporting requirement is in place. The United Kingdom requires political parties and candidates to make weekly returns of donations during elections. In Latvia, donations have to be reported online within 15 days of receipt. In order to guarantee the effective implementation of the law, independent and well-resourced supervisory bodies should be established. These bodies should be able to pro-actively conduct investigations throughout and after the elections to ensure political parties and candidates follow campaign finance rules. In the majority of countries, however, bodies responsible for overseeing elections rarely exercise their powers, either due to a lack of political will or lack of resources, staff and/or technical expertise.

**INSTITUTIONS**

**Best practices for ombudsman offices**
*Question submitted by TI Cambodia, August 2013*

The Ombudsman Office represents a link between citizens and their government and administration, with the mandate to protect citizens’ rights against human rights violations and maladministration. The Ombudsman has been defined as “the most popular contemporary innovation in the field of administrative accountability”. Given its role and mandate, it is essential that the Ombudsman is independent neutral and impartial. Lastly, the Ombudsman needs to maintain confidentiality to the extent possible. This paper gives an overview of the structure and role of the Ombudsman Offices in Indonesia and Pakistan, both considered by experts to be relatively strong examples.

**UNDERSTANDING CORRUPTION**

**Linkages between academic fraud and professional misconduct**
*Question submitted by TI Australia, November 2013*

Many studies produced in the last 20 years have demonstrated a link between the lack of academic integrity within the students’ group and future dishonesty in their professional life. Without focussing specifically on corruption, many of the articles featured in this literature review show that an inclination to cheating or plagiarism can be a predictor of potential unethical decision-making in professional practice. Turning the problem around, some researchers, arguing for ethics to be included in university curricula, have also worked to prove that exposing students to the issue of business or professional ethics can influence their behaviour and responsibility in the workplace.
Literature review on the linkages between illicit economy and corruption
Question submitted by U4, October 2013

There is a growing consensus in the literature over the reciprocal causality of illicit economic activities and corruption. The prevalence of an underground economy and illicit financial flows and the intrinsic opacity of such activities create a fertile ground for corruption to thrive. Corruption is in turn an enabling factor for illicit economic activities. This becomes a vicious cycle, with illicit trade damaging the state structure and legitimate economy, then using these poor conditions to facilitate more trafficking and laundering of dirty money. This paper presents a selection of recent publications examining the linkages between corruption and the shadow economy, illicit financial flows, organised crime and trafficking as well as illicit exploitation of natural resources.

Overview of the linkages between corruption, migrant smuggling and human trafficking
Question submitted by TI Mexico, August 2013

Corruption is one of the main factors explaining the persistence of human trafficking and smuggling of migrants. Corruption stretches across all phases of the trafficking chain (recruitment, transport and exploitation) and manifests itself through various forms, ranging from occasional bribery of low-level officials to the capture of policies or even the state through financing of political parties and partnerships between organised criminal groups and high-level politicians and government officials. Moreover, traffickers use the spectre of corruption in destination countries to reinforce their vulnerability and discourage them from resisting. Practitioners recognise the need to connect and coordinate more closely the fight against corruption and against human trafficking.

Literature review on corruption in cross-border business
Question submitted by U4, August 2013

The globalisation of the economy has led to an increase in cross-border transactions between countries with different rules and norms regarding bribery and corruption, thus creating vulnerabilities, grey areas and further opportunities for corruption. This paper provides an overview of literature regarding corruption in public authorities involved in cross-border business, namely border control and customs; corruption in the supply chain; corruption risks related to cross-border financial flows and money-laundering; and companies involvement in bribery.

ANTI-CORRUPTION TOOLS AND APPROACHES

Best practice for gift, entertainment and travel for businesses
Question submitted by TI Malaysia, December 2013

Gifts and entertainment expenses are normal business practices and the boundary between gifts and bribes is subtle. International standards such as therefore urge companies to develop Gifts, Entertainment, and Travel (GET) policies that provide guidance to employees on what is considered acceptable. There are no detailed best practices with regards to gifts, entertainment and travel expenses. Experts emphasise the importance of having a policy in place that prevents the offering or receipt of extravagant gifts that might influence the outcome of a business deal and are made with an improper purpose. The thresholds will depend both on the locations and on the nature of the activities. Each company should set its own limits on size and type of gifts, entertainment and travel expenses. A GET policy should be supported by implementation and risk mitigation measures, such as dissemination strategies, trainings of staff, approval procedures and recording and monitoring systems.

Methodologies for assessing anti-corruption legislation
Question submitted by TI Mongolia, December 2013
Such exercises typically rely on self-assessments and broad consultative processes involving important local stakeholders, coordinated by a national expert team and supported in some cases by international experts. The publication and wide dissemination of the findings to key stakeholders is also important to secure support to implement the priority areas of reforms identified through this exercise. Other methodologies to assess anti-corruption regulations have been developed by civil society organisations, or the Global Integrity Report.

**Salary top-ups and their impact on corruption**  
*Question submitted by U4, November 2013*

Salary top-ups are a way to increase civil servant salaries. They can be used by governments to compensate for hardship jobs or increased workloads. Top-ups are also used by donors to retain local staff. The extent to which salary top-ups can be used as an anti-corruption strategy must be seen in the context of how salaries can reduce or increase incentives for corruption. Evidence in this regard remains largely inconclusive. There is an emerging consensus that increasing salary may not be sufficient for reducing corruption, in the absence of effective controls and management of staff and resources. There are a number of challenges posed by salary top-ups, including that they might prevent necessary civil service reform, can generate warranted and unwarranted perceptions of corruption due to differences in payment, and could undermine accountability and management. If donors are inclined to use salary top-ups, steps can be taken to address these risks, including: harmonising donor practice, adapting to local conditions, strengthening transparency and information-sharing, creating robust management and accountability systems, offering in-kind/non-monetary benefits, and ensuring sustainability of the intervention.

**Transparency and disclosure of public spending and salaries**  
*Question submitted by TI Cambodia, November 2013*

Transparency and openness of government expenditures enables oversight bodies and the public to monitor the allocation of public resources and the compliance with policy objectives. It budget and public expenditure transparency has been advocated for and encouraged for over ten years and there are some interesting practices and commitment in South East Asia, more specifically in the Philippines and Indonesia. Personnel costs are one of the main expenditure of governments all over the world and therefore necessitate particular attention. Official payroll monitoring encourages fairer treatment in the management of public human resources, prevents the maintenance of ghost workers and strengthens the accountability of the government to its tax payers. It is however not yet a widespread practice. This paper provides an overview of existing practices of payroll and public expenditure monitoring and disclosure as well as a few relevant country examples.

**Overview of practices for the collection of corruption data and statistics in EU member states**  
*Question submitted by EU, October 2013*

There are neither documented best practices nor standardised ways for EU member states to collect data and produce statistics about corruption. Very limited research has been conducted on this topic. Corruption-related data collection, meaning criminal cases reported to law enforcement authorities as well as administrative cases of corruption, can be centralised or decentralised. Governments opting for centralising the data collection often delegate this task to their anti-corruption commission or the national statistics bureau. Corruption statistics produced generally restricts analyse to criminal cases of corruption. Only in a few instances are administrative cases being included in the analysis. Data is oftentimes collected regarding the source of detection of corruption cases as well as their outcome (criminal or administrative sanctions).

**Examples of donor agencies’ online reporting mechanisms**  
*Question submitted by U4, October 2013*

Many donors have established complaints mechanisms in recent years to allow for the reporting of wrongdoings in development cooperation. Such mechanisms typically offer several options for reporting corruption, including but not exclusively online reporting mechanisms. The technical option for reporting matters less than the safety, independence, protection offered to whistle-blowers. It is also important to communicate and provide whistle-blowers with some guarantee that the report will be acted upon to build trust in the credibility of the reporting system.

**Anti-corruption business-related reforms in selected ASEAN countries**
Question submitted by TI Vietnam, September 2013

This paper provides information on Indonesia, Thailand, the Philippines and Cambodia’s legal framework against corruption, efforts to reform certain administrations, and private sector initiatives against corruption. Reforms typically include strengthened anti-corruption laws, transparency and integrity regulations for public procurement and the introduction of new technologies in the proceedings of the administration. In spite of progress made, there are significant gaps in structure and enforcement. The business community in these various ASEAN countries seems to increasingly realise the risks connected to corrupt behaviours and the negative effects of corruption more generally. Indonesia and the Philippines in particular have seen a rise of collective action and business-led initiatives.

Experiences from disclosing donor assessments
Question submitted by EU, August 2013

There is a broad consensus that it is good practice to involve government counterparts in conducting assessments and share the findings with the partner countries, not the least to develop a sense of ownership of the findings and identify areas of reforms, in line with the 2005 Paris Declaration on aid effectiveness. It underlines that diagnostic assessments are an important source of information both for donors and partner countries and that mutually agreed assessment frameworks should be preferred and become an integral part of development strategies. The specificity of the context as well as the purpose of the donor assessment should always be considered. In some settings, the disclosure of assessments might be a source of conflict and tension. In such settings, partial disclosure can be considered, and results can be selectively made available.

Examples of national anti-corruption strategies
Question submitted by EU, August 2013

There is no one size fits all when it comes to the design and implementation of anti-corruption strategies. Experience has shown that the effectiveness of a national anti-corruption strategy will depend to a great extent on whether it has been designed taken into consideration the country’s context and main corruption challenges. Furthermore, political will and coordination with other on-going efforts to fight corruption and improve governance in the country is instrumental. In addition, anti-corruption strategies should include a strong and manageable monitoring and evaluation system that provides for the participation of civil society organisation and other external stakeholders. While many countries have adopted strategies that aim at coordinating government efforts in different sectors and institutions, and monitoring and evaluating progress, there are not so many successful examples when it comes to implementation. This answer thus looks at the new strategy enacted in Romania, which takes into consideration the lessons learned and failures from previous anti-corruption strategies, and seems to be a more concise document that emphasises coordination and monitoring and evaluation.

SECTOR SPECIFIC INFORMATION

Literature review on corruption and human right abuse in the garment industry
Question submitted by TI Germany, October 2013

The export-oriented ready-made garment industry (RMG) is a major economic player and employer in South and Southeast Asia. For many countries in the region, the garment industry represents the main source of income. With the many human disasters linked to the garment industry that occurred in recent years, research has mainly focused on human rights and labour law violations in the sector. The poor health and safety standards and repeated workers’ rights violations point to structural issues such as the lack of political will to improve workers conditions and of government oversight. There is limited research specifically looking at the impact of corruption on the sector’s working conditions and human right violations. However, a number of journalistic reports attribute weak enforcement of existing regulations and standards to endemic corruption in the enforcing domestic institutions, as
well as to collusive relationships between public officials and industry leaders and conflicts of interest. Some articles featured here make the link between low levels of domestic compliance with standards and the influence of large international retailers. The pressure to keep prices at the lowest possible level and the threat to withdraw from domestic markets is argued to prompt local enterprises to save money on wages, safety expenditure, overtime payments etc.

**Corruption risks and mitigation strategies in SME lending**  
*Question submitted by U4, October 2013*

Small and medium sized enterprises (SMEs) are driving forces of national economies in many countries of the world, but they face significant challenges to access finance. Standard corporate credit procedures impose a disproportionate burden on SMEs, mostly due to financial information requirements and high interest rates to limit credit risks. This may encourage them to remain outside of the formal financial sphere or resort to bribery to access loans. Combined with the informal nature that often characterises SMEs and given high levels of discretion within financial institutions, the challenges in access to finance create a fertile ground for corruption. Mitigation strategies, such as internal control mechanisms, four-eye principles, codes of conduct or training, have to take into account standard anti-corruption principles as well as the necessity to avoid the development of a situation in which SMEs are excluded from getting loans.

**The role of business associations and chambers of commerce in the fight against corruption**  
*Question submitted by U4, October 2013*

Companies are most likely to behave ethically and act against corruption if they are confident that their competitors also adhere to the same ethical standards. Business associations and chambers of commerce can potentially offer a good platform for companies operating in a given sector to collectively engage in the fight against corruption. There are several ways in which business associations and chambers of commerce can support anti-corruption efforts. They can facilitate collective action, collectively advocate for reforms and encourage more transparency and accountability in government decisions, as well as promote good corporate integrity among its members. Examples show that chambers of commerce and business associations have played an important role particularly in setting integrity and anti-corruption standards for businesses mainly through certification programmes and the adoption of codes of conduct. Other areas of intervention include trainings, awareness raising and advocacy.

**Best practices in identifying and fighting corruption in the forestry sector**  
*Question submitted by TI Madagascar, September 2013*

Corruption in the forestry sector has enormous financial, environmental and human costs. It is widespread phenomenon that is fuelled by a lack of accountability, discretionary powers, geographical features (remoteness) and the influence of criminal groups. Assessing corruption in the forestry sector requires a good understanding of the various dimensions of the sector; the actors involved; and the potential corrupt practices. A corruption analysis can take the form of a corruption risk assessment or an evaluation of the legal compliance and law enforcement to identify weaknesses. Building on the need to go beyond the forestry sector as such, best practices encourage governments to rationalise their policy environment, strengthen the capacity of relevant institutions, increase available data and knowledge and align economic policies with social and environmental objectives. Civil society can play an important role in monitoring forestry governance and management, and identifying corruption practices and risks.

**Illegal, Unreported and Unregulated Fishing and Corruption**  
*Question submitted by U4, September 2013*

There is very limited public available information on corruption and illegal, unreported and unregulated fisheries in Africa. Corruption in fisheries is still an under-researched area although it is known that IUU fishing is most likely to happen and also more detrimental in countries where governance is weak and corruption is rampant, such as many African countries. There is evidence that corruption takes many forms and facilitates IUU fishing in Africa
Throughout the fisheries chain. From the payment of bribes to use prohibited fishing gears or to continue fishing in illegal areas without punishment, to conflict of interest between law enforcement officials and IUU fishers, corruption is hampering law enforcement in Africa and allowing IUU fishers to operate in detriment of small-scale fishers, the environment and citizens in general. Information on illicit financial flows related to corruption in the fisheries sector is also very scarce. But a few actors, such as the OECD, and INTERPOL have demonstrated interest in working on related issues.

**Codes of Conduct for revenue administration**
*Question submitted by TI Mauritius, August 2013*

A key element of any effective integrity programme is the development, acceptance and effective implementation of a comprehensive code of conduct which sets out in very practical and unambiguous terms the behaviour expected of all revenue administration officials. Codes of conduct for revenue administration often include issues that are directly related to officials’ daily tasks, such as use of confidential information, conflicts of interest, the acceptance of gifts and favours or other illegal payments. Penalties for non-compliance should be articulated in the code and proportional to the seriousness of the violation. In addition, to ensure the effective implementation and adherence to the code it is fundamental that the process of development of the code takes place in consultation with relevant public officials and stakeholders. Moreover, regular trainings on the content of the code should be provided.

**Sources of information on judicial independence, accountability and integrity**
*Question submitted by TI Chile, August 2013*

This answer provides resources on good practices in judicial independence, transparency and accountability as well as integrity. It covers a wide range of issues which may have an impact on judicial independence and integrity such as the fair appointment of judges, work conditions, administration of courts, remuneration and trainings, and access to court documents, among others.

**Overview of chapter activities on mining**
*Question submitted by TI Cameroon, August 2013*

This answer provides an overview of the initiatives conducted by Transparency International chapters to prevent and reduce corruption in the mining sector. The mining sector is considered to be one of the business sectors particularly vulnerable to corruption. TI chapters in resource rich countries have been advocating for more transparency and accountability in the mining sector in a variety of ways, including: oversight of procurement processes and concessions decisions; awareness raising and engagement of local communities; expenditure tracking; advocacy for the disclosure of mining contracts; engagement with the international community, as well as with other domestic actors, coalitions and governments.

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**COUNTRY SPECIFIC INFORMATION**

**Gender and corruption in Latin America and the Caribbean**
*Question submitted by TI Guatemala, November 2011*

Corruption exacerbates existing inequalities and discrimination and has a differentiated impact on men and women. Recent findings from Latin America and the Caribbean (LAC) show that women generally pay less bribes than men but tend to perceive higher levels of corruption. Contrary to global trends, women are as prone as men to report corruption in the region. Women in the LAC region perceive political parties, the parliament, the police and the judiciary to be the most corrupt institutions in their country. According to the 2013 Global Corruption Barometer,
women in Latin America have been most exposed to police and judicial corruption in the last twelve months. This situation is worsened by the problem of organised crime that plagues the region.

Ghana: Overview of corruption and anti-corruption
Question submitted by EU, December 2013

Since its return to democratic rule in 1993, Ghana has made progress in consolidating its democracy and is often referred to as a success story of democratisation in Africa. Successive administrations since Ghana’s return to multi-party democracy have declared their commitment to curbing corruption, resulting in strengthening the legal framework against corruption, simplifying many bureaucratic procedures and establishing several anti-corruption bodies. Despite these efforts, there are still important gaps in the legal framework and the country continues to face major corruption challenges. In particular, the Freedom of Information Law is still pending, patronage networks are deeply rooted, petty corruption also seems to be on the rise.

Panama: Corruption challenges in the judiciary and prosecution services
Question submitted by U4, December 2013

The legal system in Panama faces serious challenges to its integrity. There is political interference in appointing judges, particularly to the Supreme Court. There is no independent body to investigate corrupt acts of public officials: Supreme Court judges investigate corrupt acts of National Assembly members and vice versa, with the result that they protect each other. Anti-Corruption Prosecution Offices are underfunded and understaffed. State institutions do not cooperate with prosecutors in corruption cases involving unjust enrichment of public officials.

Anticorruption challenges and entry points in Latin America and the Caribbean
Question submitted by EU, October 2013

The major governance indicators identify corruption as widespread and persistent in many countries of the region. In spite of a wave of democratisation, reduction of inequalities and economic growth in recent years, only few countries have made progress in controlling corruption. Complicated bureaucratic procedures, complex legal and regulatory frameworks, weak public administrations, deficient law enforcement systems and weak government oversight mechanism are some of the underlying challenges that fuel corruption in the region. In addition, state capture by business elites and organised crime further undermine regional governance systems. In spite of such challenges, some progress has been made in certain sectors. Most countries in the region have ratified hallmark international anticorruption agreements and passed Access to Information Laws. However, the low implementation capacity remains an important hurdle in the fight against corruption.

Afghanistan: Overview of corruption and anti-corruption
Question submitted by EU, October 2013

Afghanistan faces major governance and corruption challenges that threaten the country’s state building process, undermining government’s legitimacy, stability, and rule of law. The problem of corruption in the country is exacerbated by the prevalence of illicit drug activities, a weak public administration and the large amounts of international aid flowing into the country. Corruption permeates most of the government sectors and institutions, and to guarantee that money is well spent and services delivered effectively, it is crucial that Afghanistan’s public financial management system functions in an accountable and transparent manner. With the support of the international community the government of Afghanistan has made major progress with regards to budget planning and execution, public procurement processes, and revenue collection and management. However, in spite of the improvements, Afghanistan still lacks the capacity to continue progressing in these areas without external (technical and financial) support.

Armenia: Overview of corruption and anti-corruption
Corruption in Armenia is endemic and widespread, permeating all levels of society. The public administration, particularly the judiciary, the police and the health sector, are particularly vulnerable to corruption. This situation is echoed by Armenia’s poor performance in most areas assessed by governance indicators. The political crisis that followed the 2008 elections unveiled the need for deep reform of the country’s governance structure and sparked a new political will for change in the government. This led to a wave of reforms being adopted with the aim to modernise the State, such as the adoption of an anti-corruption strategy, a new Electoral Code, a new Law on Public Service etc. Entrenched corruption, strong patronage networks, a lack of clear separation between private enterprise and public office as well as the overlap between political and business elites render the implementation of anti-corruption efforts relatively inefficient. What’s more, the governance deficiencies of Armenia are made worse by and at the same time also feed a pervasive political apathy and cynicism on the part of citizens, who do not see an impactful role for themselves in the fight against corruption. A largely controlled media environment further aggravates this situation.

Liberia: Overview of public procurement

Question submitted by U4, August 2013

Since the end of the civil war, Liberia has taken important steps to reform its procurement system. Nowadays, the country has a robust legal framework on public procurement. There are however serious implementation challenges due to a severe lack of professional workforce and infrastructure in both the public and the private sector. The Liberian government is already addressing these issues through basic and advanced staff training in procurement, but despite the steps taken in sensitising and training public procurement practitioners and the progress made, there is still a long list of issues that need to be addressed in order to guarantee an efficient and transparent procurement process. The role of civil society and the public in public procurement should also be strengthened. Civil society can play an important role providing additional oversight and monitoring, but the government of Liberia has not yet taken full advantage of this possibility.

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