Building an Integrity Framework Experiences of OECD Countries

Ethics in Prevention of Corruption in Turkey Start-up Conference

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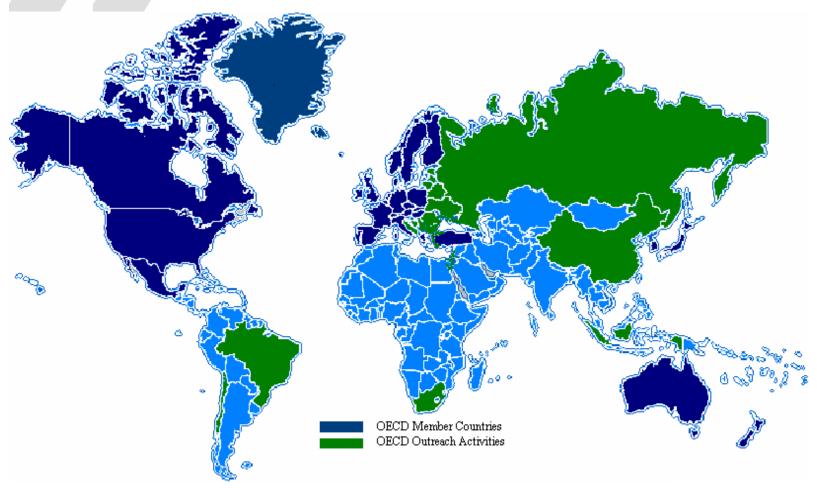OECD Public Governance and Territorial Development Directorate
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OECD ❮❮ 1 OCDE

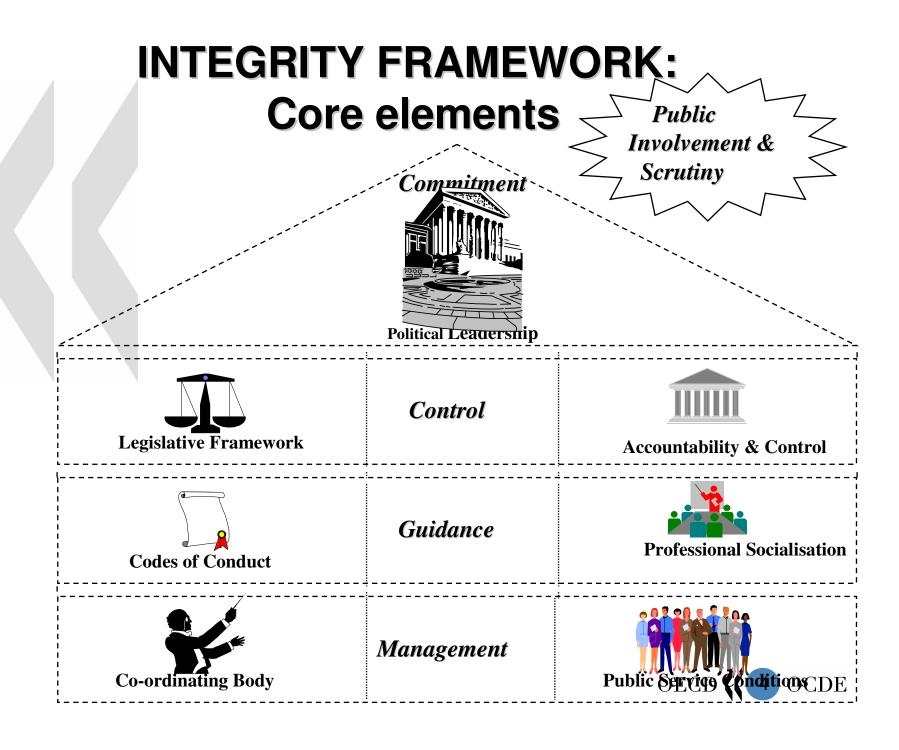# OECD: "A Hub for Global Dialogue"

➢ Addresses economic and social challenges of interdependence and **globalisation**

➢ Provides **comparative data, analysis and forecasts** and formulates **standards** at the international level:

- FATF

- Anti-Bribery Convention

- Integrity Framework -- instruments & tools:
  - ➢ Guidelines and Tools for Managing Conflict of Interest in the Public Service,
  - ➢ Checklist for Enhancing Integrity in Procurement
  - ➢ Best Practice Guidelines for Budget Transparency

OECD
Organisation for Economic Co-Operation and Development

OECD Member Countries
OECD Outreach Activities

INTEGRITY FRAMEWORK:
Core elements

Public Involvement & Scrutiny

Commitment

Political Leadership

Control

Legislative Framework

Accountability & Control

Guidance

Codes of Conduct

Professional Socialisation

Management

Co-ordinating Body

Public Service Conditions

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Integrity Framework

Core elements

➢ Setting standards, values, principles

➢ Providing guidance – e.g. training

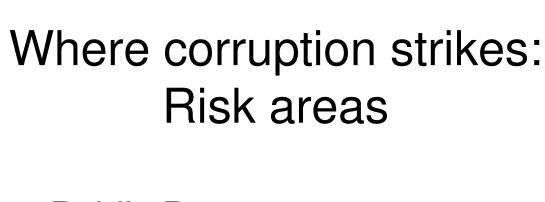➢ Ensuring compliance through monitoring and enforcement

Corruption resistance involves

➢ Mapping out situations & areas vulnerable to corruption–e.g. public/private sector interface

➢ Adjustments – e.g. specific standards, control

Supportive management/governance conditions

➢ Ensuring consistency – co-ordination

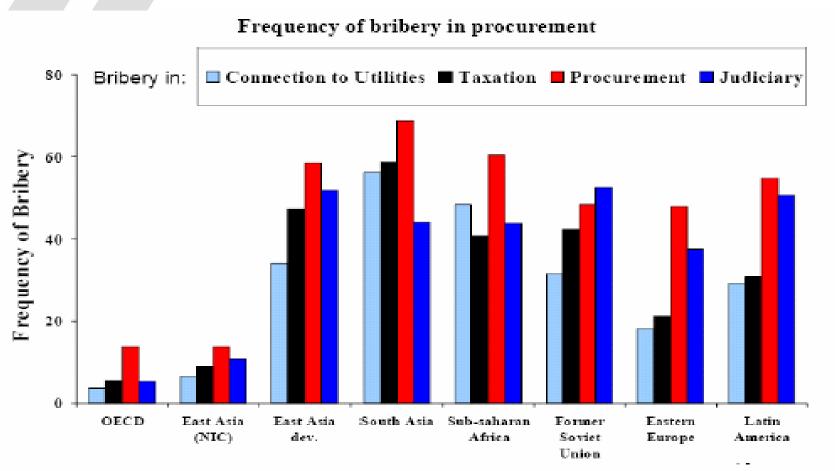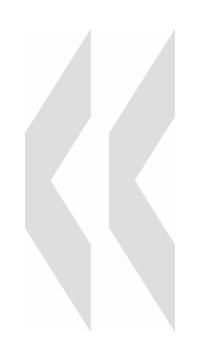➢ Assessing implementation and impact

➢ Involving stakeholders

Where corruption strikes: Risk areas

- ➢ Public Procurement
- ➢ Regulatory process
- ➢ Conflict of interest
- ➢ Lobbying
- ➢ Administrative processes
- ➢ Financial management
- ➢ Etc.

Why start corruption prevention in public procurement?

Frequency of bribery in procurement

Risk areas No. 1:
Public Procurement

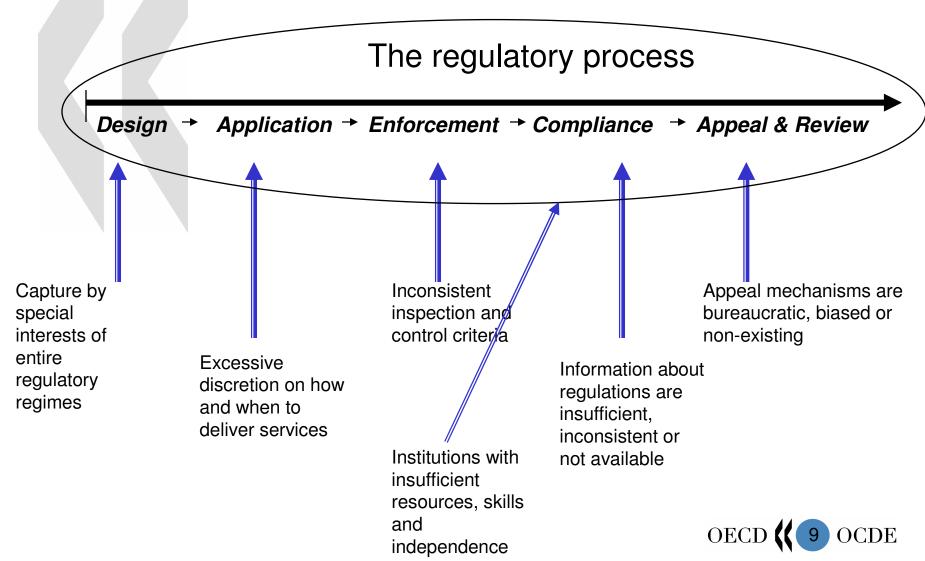**Covering the whole procurement cycle**

➢ Definition of needs

➢ Bidding process

➢ Contract management

Good practices

OECD Checklist for Enhancing Integrity in Public Procurement

Risk areas No. 2:
Bad regulations nurture corruption

The regulatory process

Design → **Application** → **Enforcement** → **Compliance** → **Appeal & Review**

Capture by special interests of entire regulatory regimes

Excessive discretion on how and when to deliver services

Inconsistent inspection and control criteria

Institutions with insufficient resources, skills and independence

Information about regulations are insufficient, inconsistent or not available

Appeal mechanisms are bureaucratic, biased or non-existing

A case study: Reducing and simplifying government forms in Mexico

General strategy

➢ Establish *general horizontal rules* governing the creation of forms

➢ Establish procedures of the *review* process for forms

➢ Establish specific *goals* by which success is measured

Risk areas No. 3:
Conflict of interest

Two major approaches

- ➢ Description -- principle-based
- ➢ Prescription -- rule-based
  - ➢ enforceable – incompatibility
  - ➢ enacted standards -- formal procedures

Social-political-administrative context

- ➢ Disclosure

Evolution of phenomenon

- ➢ Rising public expectations
- ➢ Emerging grey areas – "revolving door"

Tool No. 8: Gifts checklist

➢ ***G**enuine*   Is this gift genuine, in appreciation for something I have done in my role as a public official, and not sought or encouraged by me?

➢ ***I**ndependent*   If I accepted this gift, would a reasonable person have any doubt that I would be independent in doing my job in the future, when the person responsible for this gift is involved or affected?

➢ ***F**ree*   If I accepted this gift, would I feel free of any obligation to do something in return for the person responsible for the gift , or for his/her family or friends/associates?

➢ ***T**ransparent*   Am I prepared to declare this gift and its source, transparently, to my organisation and its clients, to my professional colleagues, and to the media and the public generally?

Lobbying: An emerging risk area

Lobbying:

➢ Reality – global phenomenon

➢ Legitimate and essential

  ➢ Right to petition

  ➢ Complexity of decision-making

  ➢Perceived negatively -- concerns related to dominance of "vocal vested interests" over "wishes of the whole community"

Enhancing Transparency & Accountability in Lobbying

When developing an appropriate framework important to understand the nature of the problem in order to develop an appropriate response:

- **Why** has lobbying made its way to the political agenda?
  - Integrity of decision-making?
  - Access to public office holders?
  - Behaviour of lobbyists?
- Clearly define lobbyists and lobbying activities
- Clear standards and procedures for collecting and disclosing information
- Put in place mechanisms for effective implementation to secure compliance

Conclusions

Systemic approach

- Integrity & prevention of corruption are vital part of comprehensive strategies, policies and practices (UNCAC Art 5).

Integrating ethics measures in daily management

Good governance response

- Forward-looking approach to identify emerging issues in the public sector

- Tools for addressing risk areas

Context matters

- No "silver bullet" solution

FURTHER INFORMATION

Publications:
- Integrity in Public Procurement: Good Practice from A to Z
- Public Sector Integrity: A Framework for Assessment
- Managing Conflict of Interest: Guidelines, Country Experiences and Toolkit
- Building Public Trust: Ethics Measures in OECD Countries

Website:

http://www.oecd.org/gov/ethics