#NextGenAntiCorruption: Best Practices of Fighting Corruption in Europe and Central Asia?

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Snapshot of UNDP Istanbul Regional Hub and its Anti-Corruption Initiatives in the ECIS Region

• Istanbul Regional Hub covers 18 countries and territory in Europe and Central Asia

• Biggest anti-corruption projects: Kosovo*, Moldova, Uzbekistan and Ukraine

• Other countries have also introduced anti-corruption measures within projects, mostly related to public administration, e.g. Armenia, Kyrgyzstan, Georgia

• Big majority of these countries have national anti-corruption strategies

*All references to Kosovo shall be understood to be in the context of United Nations Security Council Resolution 1244 (1999)
Developing countries face an annual gap of USD2.5 trillion to achieve Sustainable Development Goals by 2030.
What is the cost of corruption globally?

• Annually approximately **USD2.6 trillion** is lost to corruption globally

• This is **5 per cent** of the global gross domestic product and is **10 X more** than the official development assistance globally

• Businesses and individuals pay more than **USD1 trillion** in bribes every year

• In Europe and Central Asia **1 in 3 citizens** believe that corruption is a biggest problem facing their country
Are we fighting corruption successfully?

• Traditionally approach: AC National Strategies and Action-Plans, legislation on prevention, investigation and prosecution of corruption. Harsh laws, but very little progress to deter corruption

• Lack of political will: sometimes governments care more about short-term success in international AC rankings, rather than sustainable AC reforms

• Technology is key: in the era of 4\textsuperscript{th} Industrial Revolution and emergence of Internet of Things, robotics and artificial intelligence, governments need to invest more in digitalization of prevention of corruption
UNDP helps governments in Europe and Central Asia to fight corruption: #NextGenAntiCorruption

• We provide policy and programme support in the design and implementation of effective AC reforms and initiatives

• We also support in carrying out Corruption Risk Assessments and development of National Anti-Corruption Strategies and in their implementation

• We advocate for a bigger role of technology in the fight against corruption and inclusion of civil society in decision-making processes: open data portals, technology-based public services delivery, one-stop shops, corruption reporting online and mobile tools etc.
First UNDP Community of Practice for the ECIS Region and Forum on Innovations in Anti-Corruption, 14-15 May, Tashkent, Uzbekistan: #NextGenAntiCorruption
Effective AC system

- Strong civil society
- Private sector
- Technology
- Political will
Example #1
Georgian Asset Declaration System Before 2010
The same system now >> www.declaration.gov.ge
Example #2
What is the Open Data portal?

This is the State information resource on the Internet, consisting of a set of software and hardware and is designed to accommodate public government information in the form of open data.
Example #3
Public budget/procurement spending monitor in Kazakhstan
Example #4
Political will and a whole of government approach

- UNDP supported opening of one-stop shops in Albania, Azerbaijan, Georgia, Kyrgyzstan, Moldova, Serbia, Ukraine, Uzbekistan

- More and more public services moving from one-stop-shops to online citizen-portals: my.gov.uz in Uzbekistan, e-Citizen portal in Serbia, my.gov.ge in Georgia etc.

- Keep the regulations and monitoring agencies at a minimum numbers (licensing, permits, mandatory registrations etc.) to prevent corruption

- Ensure impartial and independent judiciary and effective corruption investigations/prosecutions
Example #5
UNDP creating “Islands of Integrity” in the region

• Co-designing local anti-corruption strategy together with local officials, CSOs, media and citizens based on the corruption-risk assessment results

• UNDP can act as a facilitator of the process

• Project countries: Armenia, Georgia, Moldova, North Macedonia, Ukraine
Online tool to Corruption-Free Local Government: https://corruptionfreecities.org/
Example #6
We need to also work with the private sector

• The private sector has a potential to be a game changer

• Globally, private sector accounts for 60% of GDP, 90% of jobs and 80% of capital flows on average in developing countries
What can the private sector do?

- Businesses can ensure their compliance with laws and relevant standards, and strengthen their internal control mechanisms by carrying out corruption-risk assessments.

- Disclosure and regular audits.

- Whistleblower protection and safe channels for feedback and complaints.

- Clear rules on conflicts of interest (gifts, hospitality, travel and entertainment, political and charitable contributions).
The role of the government

• Most corruption-prone areas in public-private sector interface are: public procurements (57 %), licenses and permits, judiciary, politicians and tax collection

• Governments should ensure that its anti-corruption laws and the National Anti-Corruption Strategies include clear provisions on business integrity

• Since governments act as formal owners of State-Owned Enterprises (SOEs), they should proactively introduce compliance programs in those businesses

• Business Ombudsman institutions, mandated to act in the best interests of private sectors and as a medium between them and the state
7 key take-aways for the implementation of successful AC reform

1. Use disruptive technologies and innovations in public services delivery as well as in government operations (e-public procurement, e-auctions, licensing, budget planning and spending monitoring, e-supervision on infrastructure contracts implementations, e-medicine stock management, e-assets and interests declarations etc.)

2. Open all government held public data online (except for state, commercial or private secrecy) in easily accessible formats (CSV, JSON etc.) with API

3. Provide a space for civil society and wider public monitoring mechanisms. Innovation alone if it is not coupled with human-centric and rights-based approaches, will not be successful

4. Keep the regulations and monitoring agencies at a minimum numbers (licensing, permits, mandatory registrations etc.) to prevent corruption

5. AC Strategies by default are strong documents. Key to success is their implementation and coordination

6. Ensure impartial and independent judiciary and effective corruption investigations/prosecutions

7. Work with private sector to stronger business integrity
Thank you!

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