

PPA Self-Assessment Review¹

Complete areas within white boxes only

Reporting Year	2009-2010
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Part A – Basic Information²

PPA partner	Transparency International
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Niche statement	<p>Transparency International (TI) is the only Global movement working against corruption. Our mission is to create change towards a world free of corruption. The niche of TI lies in its base of over 100 National Chapters; local, autonomous and indigenous organisations that have agreed to work together as part of TI to fight corruption.</p> <p>TI channels the knowledge and expertise of its Chapters and staff into world class research, analysis and advocacy from a civil society perspective. TI seeks to bring about systematic change to tackle corruption, and address the root causes of corruption, not its symptoms.</p>
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	2004/ 5	2005/ /6	2006 /7	2007/8	2008/9	2009/1 0	2010 /11
PPA funding (£)			£500.0 00	£1.000.00 0	£1.022.5 00	£1.030.0 00	
As % of total organisational income			8.63%	15.59%	12.34%	8.78%	

	2004/ 5	2005/ 6	2006/ 7	2007/ 8	2008/ 9	2009/1 0	2010 /11
Other DFID funding (£)	£269. 077	£284. 207	£224. 999	£226. 186	£453. 802	£1.565. 479	

¹ This self assessment review is only part of the reporting story. Organisations will be able to supply evidence, case studies and other material they feel will show impact on the ground

² Part A is a useful snapshot of the full relationship between DFID and each PPA holder.

There is an opportunity to expand on some of the non-financial aspects in Part D 'Partnership with DFID' but we wanted to expand Part A to reflect the fact that our partnership with DFID is not purely financial.

Please refer to our audited accounts for a detailed overview of DFIDs contribution to TI-S per TI-S's financial year (1 January – 31 December 2009).

Summary of partnership with DFID and other DFID funding³

Transparency International partners with DFID on a wide range of areas, including but not limited to funding. These include the examples below with more detail to be found in this report:

- Compared to 2009 further increased policy dialogue with DFID's Financial Accountability and Anti-Corruption Team, for example on Asset Recovery, Climate Governance and others. A visit by the new head of this team to TI-S identified various areas for further cooperation.
- Active information sharing between DFID and TI on the Conference of State Parties to the UN Convention against Corruption
- DFID attended the annual TI donor meeting which took place October 2009 in Berlin.
- Transparency International is operating the U4 anti-corruption helpdesk, a service consulted by various donors including DFID.
- TI and DFID are both on the Steering Committee for the International Aid Transparency Initiative (IATI) and regularly engage on this follow-up initiative to the Accra High Level Forum on Aid Effectiveness.
- Direct DFID funding support for TI National Chapters globally
- In addition to the PPA and direct funding to the National Chapters, DFID supports Transparency International through three projects
 - Anti-Corruption / Delivering Change - Governance and Transparency Fund
 - Transparency International Mediterranean ALACs (Advocacy and Legal Advice Centres)
 - National Integrity System study in the Turks and Caicos Islands.

Approximate % of total organisational expenditure allocated by sector or theme⁴

Transparency International focuses 100% on anti-corruption and within that work on promoting integrity, transparency and accountability in the public and private sector. Organisational expenditure per department is as follows (excluding support functions such as finance, HR, fundraising and governance): Africa and Middle East 22.75%; Asia-Pacific 8.52%; Americas 5.57%; Europe and Central Asia 13.74%; Global programmes 25.22%; Policy and Research 7.78%; and Communications 6.99%.

³ This is intended to be a cumulative list of DFID contracts etc. from when your PPA began. If there is a large amount of information, please summarise by e.g. department and add any additional information to an appendix. We wanted to leave this section quite open to interpretation by each organisation. Note the wording has changed from 'relationship' to 'partnership'.

⁴ This should provide an indication of your overall organisational allocations by sector or theme (i.e. not limited to your PPA).

The % breakdown may change from year to year and is intended to reflect key organisational priorities for the Reporting Year under assessment.

Progress to date against PPA purpose statement (report against the MDGs if you are working to a sufficient scale for monitoring purposes)

To reduce corruption and keep the fight against corruption inside the world's agenda

In this reporting year TI has continued to speak out on the lack of transparency, integrity and accountability which contributed to the financial crisis. Our timely 2009 Global Corruption Report (GCR) on corruption and the private sector received a lot of media attention and informed the debate on corruption in the private sector during 2009 and beyond. TI organised a successful conference "Beyond the Global Crisis: the Transparency Imperative" in October 2009, promoting sustainable solutions to ensure the same mistakes will not be made again. Various recommendations to the international community have been developed, including our February 2010 "Progress Report on the Economic and Financial Actions of the London, Washington and Pittsburgh G20 Summits" and the accompanying recommendations to the co-chairs of the G20 (South Korea and Canada).

The TI Secretariat, many of the TI chapters, and in partnership with other agencies through the UNCAC coalition, spent considerable efforts in the run up to and during the third UNCAC Conference of States Parties (CoSP), held in Doha on 9 – 13 November 2009, which agreed on a detailed Mechanism for the Review of Implementation for the UN Convention against Corruption. TI engaged in many of the preparatory processes to the CoSP and worked to mobilise stakeholders, including the private sector, to express their support for an effective review mechanism. The UNCAC coalition is only one example of our coalition building approach and our approach to get corruption on the radar of a multitude of stakeholders. We for example worked with the World Economic Forum, the OECD and the G20. We worked with some of the biggest humanitarian agencies in developing our handbook to prevent corruption in humanitarian responses (published in January 2010); we increased our interaction with environmental organisations around issues of climate governance and corruption in the forestry sector; and we worked with human rights organisations particularly around the issue of protecting anti-corruption advocates. On the national level, national chapter interventions, with support from the Secretariat, have significantly contributed to reduce corruption. Below various examples of such achievements have been reported on.

Various other reports and publications were developed in the reporting year, including 'Transparency in Reporting on Anti Corruption', the Global Corruption Barometer and numerous others. These tools are not only used by the Secretariat but have also provided our chapters with tools for advocacy at the national level. Findings from TI's global tools were used to support TI calls for more transparency in a range of areas, from the private sector to party financing. One of example of a report with global and national outreach is our Progress Report on the OECD Anti-bribery Convention. The 2009 edition was the fifth in a yearly series and examines the enforcement performance of 36 of the 38 countries that have ratified the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The 2009 report also covered the adequacy of anti-money laundering systems, the need for corporate criminal liability, public access to information and whistleblower protection.

For the last year or so, TI has seen a growing social media interface with a new audience through the use of its new blog, Twitter, YouTube and Facebook groups. The number of yearly unique visits has tripled over the past four years and our monthly visits increased by an average of 15 per cent. The 2009 plan to implement a global campaign was delayed and is now planned to be

⁵ The phrasing in this section is intended not to preclude referencing back to previous work in a different reporting period.

This is also an opportunity to generate a rich picture of PPA funding and demonstrate its value.

piloted in late 2010.

Since the MDGs were launched, it has been recognised that a country's governance and its institutional landscape have contributing to the goals though they are not goals in itself. TI continues to speak out on the link between corruption and the MDGs and our interventions at international and national level contributed indirectly to the MDGs. For example, a TI survey of 8,500 parents, teachers and school administrators in seven African countries (published in February 2010), found that poor governance, corruption and mismanagement are jeopardising the fundamental institutions needed to provide quality basic education. TI used these findings to call for improved governance in primary education. At the national level TI chapters in various countries have used citizen monitoring and oversight to make sure that key basic education, water and health services are being delivered and earmarked funding effectively spent.

Progress against PPA Performance Framework by each Strategic Objective

Strategic Objective 1:

TI's global and national research and advocacy drives the agenda

Please explain choice of indicators reported on below ⁶

Like last year, Transparency International has decided to report on all indicators

Indicator 1:

Positive change (shown annually) in 3 countries. Positive change being, for example, passage of Access to Information legislation, reform of political party financing, establishment of independent Anti Corruption Commissions or similar, UNCAC ratification and monitoring etc).

Progress achieved and challenges faced⁷

Baseline: 3 countries annually (3 as at July 2006 to July 2007)

Performance 2008/9: 5 countries (see last years' report)

Performance 2009/10: 8 countries

1. Viet Nam

Towards Transparency, National Contact Vietnam – UNCAC Ratification

On June 30, 2009, The President of Viet Nam signed the approval for Vietnam's accession to the United Nations Convention against Corruption. This has come after an increase acknowledgement of the issues of corruption in Vietnam and a commitment by the government to tackle these issues. The National Contact in Vietnam has engaged with Government ministries to advocate for the signature of the UNCAC, as well as working together on other more specific Anti-corruption issues such as procurement, Anti-bribery and corruption in the health and Education sectors.

2. Bangladesh

Transparency International Bangladesh – Adoption of the RTI ACT by Parliament

The newly elected Government of Bangladesh adopted the Right to Information Act in the first

⁶ Agencies should report against a sufficiently full set of indicators (including LAPP objectives).

⁷ Indicate the period referred to: in some cases it may be artificial to focus just on the prior year, and a focus on overall progress may be more helpful

session of the 9th Parliament on May 29, 2009, marking a significant step forward in fulfilling the constitutional pledge of the state of Bangladesh. TI Bangladesh has played a catalytic role in advocating for the adoption of this Act over the last several years, supported by chapter research and advocacy projects. Since 2004, TI Bangladesh has observed Bangladesh the Right to Know Day was observed by Transparency International Bangladesh throughout the country which helped to bring demand for the RTI Act into sharper focus. The chapter continues to advocate for proper implementation of the Act.

3. Russia

TI-Russia: Access to information Law in Russia

In February 2009 President Medvedev signed the Freedom of Information (FOI) Law "Providing Access to Information about the actions of governmental institutions and local administration". The Law came into force on January 1st, 2010. This is a crucial milestone considering the fact that the history of Freedom of Information legislation goes back to the time of Perestroika and Glasnost.

Transparency International Russia has played a crucial role in this process: the Chapter actively advocated for the adoption of federal law on Access to Information since 2001. One of the first laws on Access to Information ever written in the Russian Federation was the result of a pilot project developed and implemented by TI Russia in the region of Kaliningrad that was launched in 2001. The main goal of the project was to elaborate the legislative concepts of free access to information for citizens of Kaliningrad region. The outcomes of this project served as a model for the recently adopted federal Law on Access to Information in Russia.

4. Serbia

In Serbia, the Anti-corruption agency was established in the beginning of 2010. TI National Chapter in Serbia was instrumental in this having lobbied for this strongly, and has also been sending in recommendations to and on the establishment. Our chapter already provided support through one small project during September-December 2009, developing a methodology to monitor the institution's implementation of the anti-corruption action plan for Serbia, and carrying out implementation of this methodology in selected institutions.

5. El Salvador

In the framework of the 2009 Presidential campaign in El Salvador, TI National Chapter, Fundacion Nacional para el Desarrollo-FUNDE, invited the main candidates to make commitments around key transparency and anti-corruption priorities for the country. TI supported the drafting of those priorities and served as witness of honour in the signing ceremony in March 2009. One of the candidates who signed the commitment was the current President Mauricio Funes. Once in office, President Funes created a Transparency and Anti-corruption Sub-secretary under the executive branch that is currently in charge of promoting transparency reforms including a draft law on access to information and the official follow up to International Anti-Corruption Conventions signed by El Salvador (UNCAC and OAS Conventions). Also, in June 2009 the new head of the Ministry of Public Works appointed by President Funes, invited TI and FUNDE to create the Observatorio Ciudadano de la Obra Pública [Citizens' Observatory of Public Works]. Based on this invitation, TI and other National Chapters in the Latin America transferred to FUNDE their experience in monitoring public contracting. The Observatory is meant to be space for monitoring public works involving private companies, the government and other civil society actors. Public works in El Salvador is a key area of state action: Between 2006 and 2008 the total budget for public acquisitions in El Salvador was USD 930 million, and in 2007, 28% of this budget was assigned to public works. In September 2009 the Observatory initiative was publicly endorsed by other public institutions related to the public works field, acknowledging its importance, as this is an area where opacity and conflicts of interest have been the rule. The Observatory has started activities in particular related to initial research on the issue, establishment of partnerships with key institutions and fundraising. A pilot phase is taking place in and full operation is expected by 2011.

6. Palestine

In Palestine, pursuant to a successful lobby campaign organized by AMAN (TI NC), the Palestinian President appointed the head of the Independent Illicit Gain Commission in compliance with the Illicit Gain Law that was ratified by the Palestinian Legislative Council in 2005. The appointment of the Commission's Head came as a result of AMAN's successful pressure on the Palestinian Authority to activate this Commission as an official body for combating corruption.

7. Georgia

Transparency International Georgia, together with other election observer organizations, presented specific recommendations to parliament as to how the use of administrative resources can be regulated more effectively. The recommendations included tighter restrictions on public servants to participate in election campaigns and prohibition of use of material and human resources of public agencies for election campaign. Parliament accepted some of these and other recommendations in December 2009 and made a number of positive amendments to the Georgian Electoral Code though it left several ambiguous provisions unchanged. These positive changes include

prohibitions:

- (a) to include, during an election campaign, election contestants and their campaign materials in the publications printed with state funds;
- (b) to implement unplanned projects and budget amendments between the day an election is called and the day its results are consolidated (Specifically, to increase budget programs and planned transfers or to propose unplanned transfers).

8. Kosovo

In cooperation with the National Democratic Institute (NDI), our chapter organised a debate on political party financing, which aim was to open a discussion with government officials and members of parliament about the topic. In this debate the deputy prime minister was present, and he who was pushed to show the willingness of the government to approve a new law on this. He made a public promise that the law would be ready before the local elections (15th November, 2009) and in the end the Law on financing of Political Parties was approved by the government Law and ratified by the Kosovo parliament on first read 29th October, 2009.

For more examples of positive change in e.g. Liberia, Kenya and Zimbabwe, see Strategic Objective 2, indicator 2, for positive change as a result of our Advocacy and Legal Advice Centres (ALACs).

Challenges faced by our movement to achieve positive and lasting change include

- **Shrinking space of civil society and threats and attacks on anti-corruption advocates.** In recent examples, police detained the head of TI Niger in connection with pro-democracy demonstrations, while in Gabon, security forces arrested transparency advocates and two journalists after they joined TI France in a lawsuit to recover stolen public assets. TI Bosnia and Herzegovina suspended activities for weeks due to an intimidation campaign against its staff, TI Nicaragua closed their office for weeks after received death threats while monitoring municipal elections. Other examples include a government-led campaign in state-controlled media that threatened TI Armenia with criminal prosecution after it voiced opposition to a flawed anti-corruption policy, and the case of Sri Lanka. For the past two years in Sri Lanka, culminating in the run-up to the March 2010 Presidential elections, TI Sri Lanka has received death threats as well as reputational attacks in the state-owned media.
- **Growing Pressure to Demonstrate Results.** TI realises until now there has been a lot of support of building awareness of corruption issues, but that there is now growing pressure to see some tangible examples of progress in sustainably reducing levels of corruption, at local, national and international levels. This is confirmed by a global trend

List any documentary evidence of achievements⁸
Respective laws and policies.

Indicator 2:
Monthly average web visits increase 100% by 2011
Progress achieved and challenges faced⁹
<p>Baseline: 151,742 (Average July 2006 to July 2007)</p> <p>Progress Year 1: 200,591 (Average April 2008 to March 2009) Progress Year 2: 234, 420 (Average April 2009 to March 2010)</p> <p>TI's challenge in terms of its website has mainly been that originally its main purpose was to provide as much information on corruption as possible. Our work has grown substantially over recent years and so has the quantity of information, making the website more difficult to navigate. TI is therefore currently redesigning its website with its launch expected at the end of the calendar year 2010. The purpose of this redesign was to refresh the look of the website, increase its usability and accessibility, reach a broader audience and also integrate new technologies. TI hopes this will have positive impact on its web visits.</p>
List any documentary evidence of achievements¹⁰
Transparency International's communication department monitors the number of web visits.

Indicator 3:
TI policy papers and working papers are cited by – and inform the work of - 5 peer organisations or advocacy targets
Progress achieved and challenges faced¹¹
Baseline: 5 annually (0 as at July 2007)

⁸ This can also be used as an opportunity to provide DFID with case studies, YouTube clips etc for 'building support for development'.

⁹ Indicate the period referred to: in some cases it may be artificial to focus just on the prior year, and a focus on overall progress may be more helpful

¹⁰ This can also be used as an opportunity to provide DFID with case studies, YouTube clips etc for 'building support for development'.

¹¹ Indicate the period referred to: in some cases it may be artificial to focus just on the prior year, and a focus on overall progress may be more helpful

Progress Year 1: 10

Progress year 2: 19

These 19 citations featured in products by the following 9 organisations

1. CIPE
2. KYC360
3. Global Focus Aotearoa
4. Zunia Knowledge Exchange
5. CSR Europe
6. The Business in Society Gateway
7. International Foundation for Electoral Systems (IFES)
8. Legislation Online – OSCE
9. OSISA

Examples include

1. Center for International Private Enterprises (CIPE)

Development Blog, April 6th 2010, by Aleksandr Shkolnikov

“CSR and Anti-Corruption: New Report from Transparency International”

The Policy Paper ‘Corporate Responsibility & Anti-Corruption: the Missing Link?’ was quoted in this article about corporate social responsibility.

<http://www.cipe.org/blog/?p=4829>

OSISA

Promoting Development through Transparency and Access to Information CD-ROM

OSISA has established a platform of advocacy and action around resource watching, with emphasis on the extractive industry to tackle the bigger challenge of resource abuse and war economies in Southern Africa.

On this CD-ROM were featured the policy papers ‘Political Finance Regulations: Bridging the Enforcement Gap’ and ‘Standards on Political Funding and Favours’

http://www.osisa.org/publications/cd_rom.htm

Zunia Knowledge Exchange

Post October 2009 by Zunia

Policy Paper ‘Making Anti-Corruption Regulation Effective for the Private Sector’

<http://zunia.org/post/making-anti-corruption-regulation-effective-for-the-private-sector/?rank=d&cHash=32b98eaff9>

List any documentary evidence of achievements¹²

As above

¹² This can also be used as an opportunity to provide DFID with case studies, YouTube clips etc for ‘building support for development’.

What is the likelihood that Strategic Objective 1 will be achieved? Rate 1 to 5 ¹³	1
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Strategic Objective 2:
TI's support and advice to citizens and CSOs on corruption is developed and increased
Please explain choice of indicators reported on below ¹⁴
Like last year, Transparency International has decided to report on all indicators

Indicator 1:
Number of tools and methodologies that support citizens and organisations in fighting corruption increases from 1 to 5
Progress achieved and challenges faced
<p>Baseline: 1 tool (July 2007)</p> <p>Progress: Year 1 – 3 tools</p> <p>Progress: Year 2 - 4 tools</p> <p><i>Tools 1-3, already reported on last year, are included here again for completeness.</i></p> <p>1. Advocacy and Legal Advice Centers (ALACs). ALACs are walk- or call-in corruption complaint offices. ALACs provide legal advice and assistance to victims and witnesses of corruption. They help citizens pursue corruption-related complaints, encouraging them to come forward. By using information gained from cases (either individual cases or common themes running through a variety of cases observed), the ALACs are then able to advocate for reform based on very concrete evidence. ALACs, working in the TI multi-stakeholder tradition, aim to create dialogue, informal feedback, and working partnerships with government institutions charged with anti-corruption. In a nut-shell, ALACs seek to translate citizens' concerns on corruption into structural changes for better governance. ALACs have proven to be effective in empowering people in the fight against corruption. Please refer to the lessons learned section on some of the challenges related to our work on ALACs.</p> <p>2. Development Integrity Pacts (DIPs). The DIP is tool that seeks to directly empower disadvantaged groups in their fight against corruption. The Pacts go beyond pledges on</p>

¹³ Having the ratings at the end of each section puts more emphasis on the earlier narrative and qualitative information, rather than on the quantitative rating.

Ratings to be applied:

- 1. = Likely to be **completely** achieved, i.e. well on the way to completion (or completed)
- 2. = Likely to be **largely** achieved, i.e. good progress made
- 3. = Likely to be **partly** achieved, i.e. partial progress made
- 4. = Only likely to be achieved **to a very limited extent**
- 5. = **Unlikely** to be achieved

¹⁴ Agencies may choose to select just some of the indicators for each year of reporting. Please indicate and explain which indicators have been chosen.

development deliverables by creating a binding contractual relationship between organisations of disadvantaged groups and public representatives or institutions. Within the political framework citizens engage political leaders to deliver between elections and ultimately vote to reward or punish their representatives on their integrity and delivery against development promises. Within the administrative framework, the DIP can start from opportunities provided by decentralisation, access to information legislation and targeted poverty programmes. All of these allow disadvantaged citizens to directly engage relevant administrations. DIPs are built on and driven by the self-interest of both partners. Incentives and sanctions – depending on the performance of administrations - can be exercised by publicly contributing to or questioning the reputation and promotional prospects of administrative leadership positions.

3. **Integrity Pacts (IPs).** The IP is a tool aimed at preventing corruption in public contracting. It consists of a process that includes an agreement between a government or a government department (at the federal, national or local level) and all bidders for a public contract. Integrity Pacts (IPs) also contains rights and obligations to the effect that neither side will: pay, offer, demand or accept bribes; collude with competitors to obtain the contract; or engage in such abuses while carrying out the contract. The IP also introduces a monitoring system that provides for independent oversight and accountability.

4. **Forest Governance and Integrity Risk Mapping Tool and Monitoring Tools**

The Forest Governance Integrity (FGI) programme implemented by Transparency International is an advocacy programme that builds upon TI's track record in risk mapping, its well-known measurement and monitoring tools, as well as successful work in building integrity in other natural resources management systems. Using TI's convening power and multi-stakeholders consultations, the programme seeks to specifically target corruption as a primary driver of illegal logging and unsustainable deforestation. This regional programme comprises a number of components and the first of these projects (Phase 1) was launched in January 2009. Phase 1 mainly aims at capacity building and assessing and monitoring corruption risks in China, Indonesia, Malaysia, PNG and the Solomon Islands. While Phase 1 will end in 2010, other components will follow, such as an anti-corruption project for REDD that will adapt the methodology used in Phase 1 to focus on REDD systems.

In the first phase of the programme, two generic tools have been developed; they consist of a risk map (or risk analysis framework) and a monitoring tool. TI has produced a manual outlining the methodology used to conduct the risk analysis and to monitor corruption risks in the forest sector. This research methodology will allow TI to propose and advocate for reforms to reduce corruption in this field. Thus the purpose is to inform our advocacy work. To identify what recommendations should be made, we analyse first what the major corruption risks are (risk map) and then identify and monitor anti-corruption tools already put in place by the public sector, companies, and NGOs (monitoring tool). Gaps and weaknesses spotted in this monitoring exercise will highlight what kind of reforms is needed. Both the risk map and the monitoring tool (the generic tools) need to be adapted to the local context before being implemented in a given country / province. The adaptation and implementation are carried out through extensive stakeholders consultations.

It is important to highlight that in addition to the above examples TI also developed other tools which support the fight against corruption for a longer period of time, most notably the

- **National Integrity System** assessment (now using an improved methodology), a powerful advocacy tool that delivers a lucid picture of a country's institutional landscape with regard to integrity, accountability and transparency
- **Business Principles for Countering Bribery**, a tool which many leading companies around the world now use to benchmark their own anti-bribery policies and procedures. The tool has also served as a solid basis for the development of other anti-bribery codes

List any documentary evidence of achievements
See TI website

Indicator 2:
Number of Advocacy and Legal Advice Centres increases from 20 to 50 by 2011.
Progress achieved and challenges faced
<p>Baseline: 20 Operational ALACs</p> <p>Progress Year 1: 37 operational ALACs</p> <p>Progress Year 2: 55 operational ALACs</p> <p>These are in Albania, Armenia (3), Azerbaijan (5), Bosnia Herzegovina (2), Bulgaria, Czech Republic, Croatia, Georgia, Kazakhstan (2), Kosovo, Kyrgyzstan (2), Latvia, Macedonia, Moldova, Montenegro (3), Poland, Romania, Russia (3), Serbia, Slovakia, Ghana, Kenya (2), Lebanon, Liberia, Morocco, Palestine (2), Rwanda, Zambia, Nigeria, Zimbabwe, Haiti, Guatemala, Argentina, Uruguay, Dominican Republic, Fiji, Pakistan, Papua New Guinea, Nepal, Vanuatu.</p>
List any documentary evidence of achievements
The TI-S ALAC unit keeps the overview of the number of ALACs in the TI movement. These are also displayed here: http://transparency.org/global_priorities/other_thematic_issues/alacs

Indicator 3:
Systemic improvements (legal, administrative, institutional) enacted as a result of ALACs (shown annually for 3 countries).
Progress achieved and challenges faced
<p>Baseline: 3 countries Annually</p> <p>Progress Year 1: 7 countries</p> <p>Progress Year 2: 7 cases (6 countries)</p> <p>Kenya</p> <p>One major systemic change in policy occurred when the ALAC demanded that Service Charters be displayed in public areas in the Department of Registration of Persons. This measure was put into place to curb extortion regarding the recent directive by the government that all applications for admission to primary schools must be accompanied by a birth certificate. The birth registration forms which cost Kshs 150 were being issued at a cost between Kshs 400 and 3,000. The pressure from ALAC resulted in a display of service charters at public registration offices. After the display of service charters no more cases of corruption was reported.</p>

Liberia

The ALAC in Liberia contributed to what was included in the whistle blower protection bill that has been decreed by the President for a year, pending the legislature passing it into law. The ALAC has worked with a number of Government Institutions and Agencies including the Governance Commission (GC), the LACC, General Auditing Commission (GC) and the Ministry of Information in developing and drafting the Whistle Blower Protection Act, which after a meeting with the President culminated into an executive order being passed. Presently, we are engaging members of the legislature to ensure that this document is passed into law. With the issuance of the executive order the Anti Corruption Commission is strengthened as people feel more secure in reporting to them.

Pakistan

During the past year TI Pakistan has been instrumental in getting the Sindh Public Procurement Regulatory Authority Rules enacted into law by the Provincial Government. After a number of meetings and presentations by TI P, the Government of Punjab adopted the public procurement rules for its procurement.

TI-P has developed a relationship with the regulatory bodies such as the Federal and Provincial Public Procurement Regulatory Authorities, Competition Commission of Pakistan, Security and Exchange Commission, Auditor General of Pakistan and the Public Accounts Committee of the National Assembly. TI P has been monitoring public procurement. Whenever a violation of rules is observed, TI-P brings to the notice of these regulatory bodies, which starts investigation on the report of TI-P. This is a systemic change in policy of state actors.

Palestine

1. Our ALAC received a complaint against one of the employees at the ministry of labour. The complainer claimed that there is a conflict of interest between the responsibilities of the employee in the ministry and its own private interests, which affects the interest of the complainant and other companies operating in the same scope. ALAC sent a letter to the minister of labour addressing the complaint. The minister formed an investigation committee, few days later ALAC received a letter from the minister who took the following decisions: the ministry will take all the needed procedures in order to avoid conflict of interests between their employees' official work inside the ministry and their private work (businesses owned by their family members). Investigation committees started to gather information from employees in order to implement the minister's instructions.

2. A complaint pertinent to a minor traffic accident dragged the affected person into court for a period of six months. During that time, the complainant stood before a different judge every session convened by the court. After this complaint made its way to ALAC, it was given special consideration and interest as it reflected the suffering of citizens, judges and courts alike due to the pressure of traffic issues. The case was adopted as a case creating public interest and an environment conducive to the spread of corruption.

ALAC wrote to the Head of the Higher Judicial Council stating that lately citizens are discontent and complaints about the Palestinian courts' performance in relation to traffic issues have noticeably increased. The reply letter clarified that the reasons behind this backlog is the absence of secondary bylaws and regulations to determine the value of financial penalties for traffic violations which in turn will enable the citizen to pay these fines without resorting to the judicial system. Until such regulations are made, citizens are forced to seek the court system which creates unimaginable and unjustified burden on the judicial authority. When contacted by ALAC, the Minister of Transport, Dr. Saadi al-Krunz, and the Secretary-General of the Council of Ministers, Dr. Hassan Abu Lebda, confirmed that the regulations in questions are on the cabinet's agenda to

be discussed during the upcoming session. The regulations were adopted and approved by the cabinet which also formed a committee to develop its mechanisms of implementation.

In this manner, the simple complaint by one citizen's has contributed to changing an entire system and influencing the current situation in a positive way.

Zimbabwe

After ALAC had approached the local government sector players representing both rural and urban local authorities, there was an acknowledgment that corruption is a problem in the area of public service delivery and recommendations were made to strengthening systems of transparency, accountability and integrity. A number of follow-ups to this were made. In October, TI Zimbabwe conducted anti-corruption capacity building workshops for Councilors and District managers in Harare, Chitungwiza and Norton with a view to promote transparency and accountability at local government level. An action plan was crafted by the respective local governments in consultation with the TI Zimbabwe. Discussions around the implementation of the action plan are currently underway.

Montenegro

The ALAC in Montenegro has focused on public procurement and the privatisation process. The government has established procedures for reporting corruption in public procurement. Over 30 privatisation contracts are now published at the website of Privatisation Council and information on the insolvency of privatized companies is being disclosed for the first time, due to intervention by the ALAC.

Azerbaijan

On the legislative level, TI Azerbaijan has significantly contributed to the adoption of the National Strategy for Increasing Transparency and Combating Against Corruption for 2007- 11; with three sets of amendments to the Anti-corruption Law, Code for Public Officials, and Law on Education. It has worked on amendments to the Criminal Code and Code of Criminal Procedures to incorporate penalties for corruption related offences and has helped to draft the Conflict of Interests draft Law. In collaboration with other NGOs, the chapters prevented the government from passing reactionary amendments to the Law on NGOs in summer of 2009.

Challenges – See indicator 1 under Strategic Objective 2 as the challenges which apply to our ALACs apply to all the general work the TI Chapters undertake.

List any documentary evidence of achievements

Respective change in law and policies

What is the likelihood that Strategic Objective 2 will be achieved? Rate 1 to 5.

2008/9 – 1
2009/10 - 1

Strategic Objective 3:

Increased commitment of private sector to tackling corruption

Indicator 1:

A 100% increase in the number of collaborative anti-corruption initiatives lead by TI.

Progress achieved and challenges faced

Baseline: 5 Collaborative Initiatives (as at July 2007)

Progress Year 1 : 7

Progress Year 2: 11

- i) Business Principles for Countering Bribery (BPCB)
- ii) RESIST I and II (Resisting Extortion and Solicitation in International Sales Transactions)
- iii) Defence and Security Sector Initiative
- iv) Global Compact Task Force on Reporting on the 10th Principle (chaired by TI)
- v) World Economic Forum Global Agenda Council on Geopolitics and governance (co-chaired by TI)
- vi) Promoting Revenue Transparency (PRT)
- vii) Voluntary Framework for External Assurance of Corporate Anti-Bribery Programmes Working Group
- viii) World Economic Forum Partnering Against Corruption Initiative (TI on board of the initiative)
- ix) World Economic Forum Global Agenda Council on Geopolitics and Governance (co-chaired by TI)
- x) Construction Sector Transparency (CoST) (TI representative is Chair of the international Advisory Group)
- xi) Medicines Transparency Alliance (MeTA) (TI representative is on the International Advisory Group)

List any documentary evidence of achievements

The link below is to the 2008 Report on Revenue Transparency of Oil and Gas Companies. It is the first of three reports planned by the Promoting Revenue Transparency Project (PRT), an initiative started in 2006 by Transparency International in partnership with Revenue Watch Institute and with the participation of CAFOD, CARE UK, Global Witness, Publish What You Pay and Secours Catholique-Caritas France.

http://www.transparency.org/policy_research/surveys_indices/promoting_revenue_transparency

The World Economic Forum's Partnering Against Corruption Initiative is a collaboration with the International Chamber of Commerce, Transparency International and the UN Global Compact They have launched a bolstered RESIST corruption toolkit. RESIST - Resisting Extortions and Solicitations in International Transactions - is the only anti-bribery toolkit developed by companies for companies and sponsored by four leading anti-corruption initiatives.

<http://www.weforum.org/en/index.htm>

The Medicines Transparency Alliance (MeTA) International Advisory Group supports the national programmes by reviewing their work, identifying trends in the global market, making recommendations to the MeTA Management Board, analysing lessons learned and suggesting directions for MeTA's second phase, after 2010. Membership is made up of representatives of the seven countries participating in MeTA's pilot stage, the private sector, civil society and national and international aid organisations.

<http://www.medicinestransparency.org/about-meta/meta-governance/iag-members/>

TI's goal in working with the private sector is to change company behaviour by developing and raising the standards of practice in countering bribery. In an effort to assist this process, we have created tools to help companies develop effective anti-bribery programmes. [The Business Principles for Countering Bribery](#) is a generic anti-bribery code developed by TI with a group of

leading multinationals and non-corporate stakeholders. The Business Principles, which have become the cornerstone of TI's private sector activity, provide a model of good practice adaptable to different company sizes and settings. Based on the Business Principles for Countering Bribery, but tailored to the needs of small and medium-sized businesses, the [Business Principles for Countering Bribery - SME Edition](#) sets out the principles which should underpin anti-bribery programmes for smaller companies. It was developed through a process of consultation which involved smaller businesses and reflects their needs and challenges.

Construction Sector Transparency - CoST is an international multi-stakeholder initiative designed to increase transparency and accountability in the construction sector. It is supported by the Department for International Development (DFID) and the World Bank and piloted in seven countries. CoST introduces the transparency and accountability concept to the construction sector and focuses specifically on public disclosure of information. The core elements of CoST implementation are: project selection, information disclosure, monitoring and evaluation and its governance, as well as multi-stakeholder principles. See <http://www.constructiontransparency.org/AboutCoST/>

The arms and defence sector is rated as one of the three most corrupt business sectors by TI's global Bribe Payer's Index. On behalf of Transparency International, TI (UK) is leading a global project in the defence and security sector, working with the major stakeholders – exporting governments, importing governments, companies and other organisations (NATO, EU, World Bank, and others) – to reduce corruption in the defence sector, and particularly in defence procurement. See <http://www.defenceagainstcorruption.org/>. See also Defence Integrity Pacts: A Colombian Chapter Experience at http://chapterzone.transparency.org/news_room/in_focus/2006/defence_sector#colombia

Indicator 2:

The number of International Financial Institutions (IFIs) and Export Credit Agencies (ECAs) with requirements on companies to have effective anti-bribery programmes rises to 11.

Progress achieved and challenges faced

Baseline: 2 IFIs/ ECAs
Progress Year 1: 2
Progress Year 2: 4

Progress, though slow, has been made in this reporting year. TI recently undertook a survey of 14 ECAs and the findings indicate that 4 ECAs have a requirement in place that requires exporters to have management systems to counter corruption in place. Several others "encourage" them to do so but do not require it.

TI continues to encourage ECAs and IFIs to put safeguards in place. Now that the findings are published (June 2010) we will use the opportunity to advocate for this requirement among other ECAs, pointing out that four ECAs have already done so. We will not only liaise with ECAs directly but also discuss and promote these requirements, and their enforcement, through the OECD Working Party on Export Credits and Credit Guarantees (ECG).

Though not directly an increase in IFI's "with a requirement on companies to have effective anti-bribery programmes", TI pushed for the agreement by the World Bank and four major regional development banks (ADB, AfDB, IADB, EBRD) to join forces to fight corruption by debarbing firms and individuals found guilty of fraud and corruption in development projects. The agreement means that a company or individual debarred for more than one year by one bank may now be debarred from doing business with all five development banks. Inclusion of individuals in the joint

sanction accord is very important, since many corruption schemes are arranged by agents or individual consultants. TI has pushed for this for a long time, for example where we presented at international fora where debarment was discussed.

TI also contributed to the Asian Development Bank Adoption of Whistleblower and Witness Protection Policy - TI lobbied for the adoption of the Administrative Order 2.10 and the efforts on the part of the ADB to improve operational procedures on whistleblower and witness protection. TI, as a member of the ADB/OECD Anti-corruption Initiative steering group, was requested to review the Administrative Order and provide comments and suggestions for improvement. Some of these comments were taken on board resulting in the AO covering a wider scope of individuals. The AO was put into effect December 11, 2009.

List any documentary evidence of achievements

TI report on Export Credit Agencies. This contains findings and illustrative practices for 14 export credit agencies from: Belgium, Canada, France, Germany, Hungary, Japan, Norway, Slovakia, Republic of Korea, Sweden, Switzerland, the United Kingdom and the United States. See the report at:

http://www.transparency.org/news_room/latest_news/press_releases/2010/2010_06_29_export_credit_report

What is the likelihood that Strategic Objective 3 will be achieved? Rate 1 to 5.	2 over the life of the PPA
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Strategic Objective 4:

Increased quality and reach of TI's work at national level

Please explain choice of indicators reported on below ¹⁵

Like last year, Transparency International has decided to report on all indicators

Indicator 1:

Number of National Chapter projects completed in the previous 12 month period increases from 200 to 275

Note: *Only one third of the TI Movement is assessed every year, so the figure represents one third of the probable total, not the number of projects of all National Chapters*

Progress achieved and challenges faced¹⁶

¹⁵ Agencies may choose to select just some of the indicators for each year of reporting. Please indicate and explain which indicators have been chosen.

¹⁶ Indicate the period referred to: in some cases it may be artificial to focus just on the prior year, and a focus on overall progress may be more helpful

Baseline: 200 Projects (Derived from 2006 evaluation data)

Progress Year 1: 142

Progress Year 2: 162

This year, a total of 19 National Chapters were assessed where in total 162 projects got implemented. It is important to highlight that on top of these specific projects, the number of TI-S led projects is increasing considerably as well.

List any documentary evidence of achievements¹⁷

National Chapter annual reports and Re-accreditation self-evaluation form.

Indicator 2:

By 2010, all National Chapters are able to

- (i) provide expert opinion about their country's National Integrity System,
- (ii) influence policy-making at national level,
- (iii) build and lead local coalitions,
- (iv) convene relevant stakeholders,
- (v) professionally manage and financially sustain their organizations,
- (vi) contribute to the global and regional advocacy work of TI

Progress achieved and challenges faced

As reported last year, building the capacity of our chapters in a wide range of areas is integral to the support function the secretariat provides to the movement, and we are making increased efforts to integrate capacity development interventions in existing and new pieces of work. A conscious decision has for example been made to increase funds for multi-country projects and the recent year saw successful applications to particularly the European Commission.

In this reporting year TI-S had developed and started to pilot its Capacity Assessment Tool, a tool based on the *McKinsey Capacity Building Assessment Grid* but tailored towards TI (e.g. strong emphasis on governance). TI aims to start rolling out this tool across the movement, ensuring we have clear benchmarks on capacity and can monitor changed capacity over time. One of our challenges here is however that we have limited resources to properly pilot the tool and that once an assessment of capacity is made, further resources need to be made available to address the main areas for improvement.

TI increasingly realises that weak chapters could damage the entire movements reputation. It is seen that there is a need to address not only meeting formal standards of good internal governance, but also to effectively control risks of "capture" of Chapters by political or private sector interests, and to address relevance and effectiveness in influencing the national agenda on corruption issues.

As mentioned last year, TI has come to realise this PPA indicator, which in fact comprises various sub-indicators, is too ambitious and cannot be measured. Transparency International would hence like to request DFID to next year, like the previous and this year, give a progress overview of our

¹⁷ This can also be used as an opportunity to provide DFID with case studies, YouTube clips etc for 'building support for development'.

interventions in capacity development, instead of reporting on the actual indicators.
List any documentary evidence of achievements
Draft TI Capacity Assessment Tool which can be shared with DFID if requested.

What is the likelihood that Strategic Objective 4 will be achieved? Rate 1 to 5. <i>See footnote 10.</i>	3 by March 2011 (end of this PPA)
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What lessons are being learned from this PPA?

Due to its strategic and unrestricted nature the PPA is continuously supporting TI to reflect, learn lessons, improve and innovate in a way that best reflects our developments and needs. Some recent reflections and lessons learned are covered below -

TI increasingly realises it is operating in a continuously changing external environment, to which it needs to adapt. With the rise of new global powers in Asia (and to a lesser extent in Latin America and the Middle East) and better organised regional and other groupings of smaller countries, the established patterns of influence in international governance are being challenged. It may be becoming more difficult to secure international agreement on big issues - such as on climate change or global trade or financial regulation. Until new patterns of international governance emerge, we may see a more fragmented and diverse array of agreements within regions or between countries that share common interests. This trend requires us to work more concertedly, from international level downwards, to locate and advocate at the levels most appropriate to our work.

Over recent years, TI has steadily continued to develop its partnerships and access to important networks, and to build coalitions to fight corruption. For example, stronger links have been established with human rights, environmental, and good governance movements and new partnerships established with private sector organisations. We have come to realise that building up of partnerships is seen as an element of our success as TI, but may not have worked in all settings, opening for general discussion the approach towards others, especially other NGOs.

The deepening links between business and governments in recent years is making our work in this area a more important issue, and the recent global financial crisis has also highlighted the central role of the financial sector in handling the proceeds of unethical and corrupt practices. TI will need to maintain its relations with big global businesses, as creating an opportunity for TI to be at the centre of promoting a more widespread positive response from the business community. The growing influence of the Extractive Industries Transparency Initiative (EITI) has made us realise that to achieve change we need to play an active role in other high-risk sectors (as currently happens in the Construction sector).

Specifically describe innovative learning, e.g. specific knowledge generation about new issues encountered or discovery of new means of solving specific problems

We have come to realise that our tools will need to be continuously innovated and improved to remain functional and yield sustainable results. For example, our National Integrity System assessment needs to be complemented by multi-stakeholder consultation and ownership at the country level. More rigour has progressively also been introduced to the methodology, namely by developing a set of approximately 150 indicators, re-organizing/refining of assessment categories & questions, consolidating the pillars, adding a visual representation of the results, providing implementing partners with an NIS Toolkit and clarifying the roles for the implementing partner, country researcher and the technical support team at TI-S. The foundations, political institutional, socio-political, socio-economic and socio-cultural are also crucial for grounding the analysis in the

¹⁸ We left this section fairly open to interpretation.

Additionally, it's an opportunity to show the reach and value PPA money has.

local context and this has now better been addressed in the assessment.

Part D – Partnership with DFID¹⁹

Partnership with DFID

Due to corruption being a cross-cutting issue for many of the areas DFID is working on, TI has maintained its strong relationship with DFID in various departments and at various levels. Examples of ongoing engagement and sharing of information and expertise include areas such as the UN Convention Against Corruption, Corruption in the Forestry Sector, the Aid Effectiveness agenda and Asset Recovery. New partnerships in this reporting year were particularly established around our emerging work on climate governance. In the near future TI hopes to maintain this engagement and particularly strengthen it in the area of aid transparency, a clear priority of the new UK administration.

Of great value in this reporting year has been DFID's input into the development of TI's new strategy TI 2015. As part of this process TI asked external stakeholders and experts, including DFID's Anti-Corruption unit, to share their views on the current main challenges in the fight against corruption, developments over time, the changing external environment, etc. TI also submitted its contributions to DFID's development of its new white paper. Another valuable initiative was a recent visit to Berlin by the new head of DFID's Anti-Corruption unit, in which many areas for cooperation were identified, for example on Asset Recovery.

What has worked less well over the reporting year has been the process leading up to the upcoming PPA evaluation and unclarity on some of the other components of the PPA. E.g. it was TI's understanding the Mutual Accountability Framework was going to serve as a guiding document throughout the PPA period where later we were informed it would not be a 'live tool'. TI would have welcomed more clarity on the PPA evaluation TOR earlier on, and would particularly liked to have earlier support from DFID in thinking through the implications of having two similar evaluations (the other one being undertaken by Norad) taking place around the same time. Having said this, TI understands developments over time within DFID take place which might have had an effect on the above.

The PPA has developed our relationships with other PPA agencies through the PPA group run by BOND. Discussions with these agencies provide us with the opportunity to discuss joint challenges, for example in the area of monitoring and evaluation and measuring impact and how to develop capacity of partners. Being based in Berlin does mean we do not have the regular engagement which other PPA partners have but despite this, regular interaction is taking place.

¹⁹ Again, we wanted to focus on partnership over relationship here and have left this section open to interpretation by each organisation.

This is where the mutual accountability framework will slot in, once it has been developed by DFID.

This is an opportunity to expand on some of the information in Part A on the partnership between DFID and PPA holders and a chance to flag up issues.

Again, there is a shift in emphasis from a purely financial relationship to a partnership that is also about learning, accountability and communication with other parts of DFID beyond the Civil Society team.

Part E – Corporate Governance and Organisational Change²⁰

Provide evidence of how your organisation demonstrates good corporate governance, whether this has changed as a result of the PPA, and if so how.

Unrestricted funding continues to enable TI to maintain its high governance standards. Where last year we reported on our governance structures in general (see last years report for the overview), this year it is worth mentioning that the TI Member Accreditation Committee is now firmly rooted into the movement. The 3-year re-accreditation cycle (including an improved self-assessment questionnaire and visits to chapters) which each member of the movement has to go through is now firmly anchored in Transparency International. Unrestricted PPA funding has enabled us to do so.

Please provide any evidence to show how PPA funding allows you to take risks and innovate (if at all).

Due to its unrestricted nature the PPA funding allows TI to take risks and innovate. For example, TI is increasingly experimenting with using new social media tools to reach out to an increased number of citizens. In this reporting year in particular, the PPA support has been instrumental in enabling wide consultation and the movement's participation and ownership in the development of our new strategy, TI 2015. Guided by a TI-wide Task Force and the TI Board of Directors, this strategy will be the result of extensive consultation and discussions and will respond to current needs and context.

Part F – Cross –cutting issues

Describe any work your organisation has done on Gender and Faith if applicable (this question will be limited for the period 2008-2011) (Gender - Please describe how your organisation is mainstreaming gender in its work, as well as any specific work your organisation has done to promote gender equality and women's empowerment. (Faith - Please describe how your organisation is working with faith groups and communities) [Maximum quarter of a page for each].

Faith – N/A

Gender – This reporting year has seen a major push forward in terms of how gender relates to our mission, interventions and structures. Over the last year there have been four main approaches to mainstreaming gender at TI:

1. *Information and knowledge:* Publications on Gender and Corruption as a field of knowledge

²⁰ This section is about both ticking the basic legal compliance boxes and showing that PPA holders are pioneering dynamic new approaches to e.g. environmental standards.

This also provides an opportunity for PPA holders and other organisations in the sector to learn from each other and presents PPA holders as at the forefront of new approaches to good corporate governance, accountability, transparency, organisational change etc.

This is an opportunity to list which standards and codes you are signed up to (e.g. HAP, Sphere etc).

Emphasising how PPA funding has contributed to improving governance and change in your organisation and how this learning has been shared in order to strengthen the sector will also provide more material to demonstrate the reach and value that PPA funding has.

and action. For example, there was a session on gender at the Annual Membership Meeting (October 2009) and an Anti- Corruption Research Network (ACRN) newsletter was dedicated to the state of gender research. We also disaggregate gender data in our Global Corruption Barometer.

2. *Analysis:* A Gender Audit was commissioned; a (draft) report was delivered in February 2010. Audits were undertaken by four NCs.
3. *Institutionalisation:* A Gender Task Force at the TI Secretariat was established as a central body for coordination and internal information, in October 2009.
4. First steps for concrete *implementation:* A Gender Strategy Workshop, resulting in a Gender Strategy Planning Matrix, is a recent effort to achieve a coherent strategy for Gender Mainstreaming.