Tools to Support

TRANSPARENCY

in Local Governance

TRANSPARENCY INTERNATIONAL

UNITED NATIONS HUMAN SETTLEMENTS PROGRAMME

UN-HABITAT

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Urban Governance Toolkit Series

March 2004

Urban Governance Toolkit Series

HS/702/04E

ISBN: 92-1-131694-4

FOREWORD
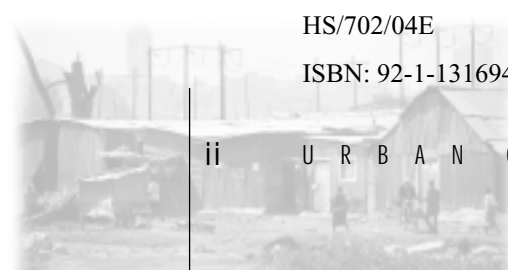
The product of a partnership between Transparency International (TI) and UN-HABITAT (the United Nations Human Settlements Programme), ***Tools to Promote Transparency in Local Governance*** has been developed under the umbrella of the Global Campaign on Urban Governance. It builds on the first toolkit developed by the Campaign to promote good urban governance, *Tools to Promote Participatory Urban Decision-Making (PUDM)*.

Tools to Build Transparency in Local Governance appears just as we usher in the "Urban Millennium," at a time when national and local governments across the world are beginning to recognise the inextricable linkages between urban poverty and good urban governance. As the UN agency responsible for monitoring the progress in the implementation of the Millennium Development Goal 7, Target 11, ***"Improvement in the lives of at least 100 million slum dwellers by 2020"***, UN-HABITAT plays an important role in promoting a wide range of efforts to reduce urban poverty. If poverty is understood not only as lack of access to livelihood and basic necessities but also exclusion from decision-making processes, improving the quality of governance in towns and cities forms a vital element in combating this phenomenon. Transparency is one of the key principles of good urban governance.

Inadequate governance at the local level affects the poor in many ways, often enhancing exclusion. Lack of participation means that the poor often do not have a choice in determining their own development needs and priorities. Bureaucratic, complex and non-transparent municipal administrative practices lead to lower revenues, which in turn results in less spending on social programmes to benefit the poor. Non-responsive allocation of resources can lead to a disproportionate spending on the priorities of the better-off rather than on those of the poor. Non-transparent land allocation practices push the poor to the urban periphery and hazardous areas prone to earthquakes, landslides and floods, depriving them of secure access to a major productive asset. Moreover, poor women are even more severely affected by these phenomena as they often shoulder the major burden of household responsibilities and are more vulnerable to exploitation.

This Toolkit argues that the quality of urban governance can mean the difference between cities characterised by prosperity and inclusiveness and cities characterised by decline and social exclusion. It describes how increased transparency at the local level can help in combating urban poverty and enhancing civic engagement. Promoting transparency, through the application of a range of public education, public participation, e-governance, ethics and institutional reform instruments, can:

Reduce citizen apathy, by building trust between local governments and other stakeholders, by reducing the opportunities for corruption at the local level, and by engaging all stakeholders in identifying development needs and setting priorities;
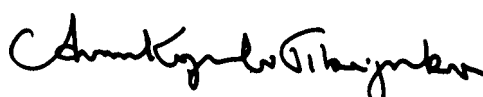
Make service delivery contribute to poverty reduction, not only in improving the overall effectiveness of services, but also in terms of making services accessible to more citizens on an equitable basis;

Increase city revenues, by increasing citizen confidence that the taxes collected are being used to improve the city, and by demonstrating the rule of law, particularly regarding contracts and property rights;

Raise ethical standards, by enhancing the quality of political and professional leadership and instilling a sense of public service among elected, appointed and potential officials.

UN-HABITAT welcomes readers' views on this Toolkit, including information on any other tools related to transparency and governance, lessons and experiences from the field, success stories as well as problems and challenges. The online version of the Toolkit will be updated regularly based on the feedback received.

I hope this Toolkit will make an important contribution to promoting good urban governance and to the reduction of urban poverty – both of which are central goals of the UN-HABITAT and its Global Campaign on Urban Governance.

Anna Kajumulo Tibaijuka
Executive Director, UN-HABITAT

PREFACE

EMPOWERING CITIZENS TO WORK TOWARDS A WORLD FREE OF CORRUPTION

*By Peter Eigen, Chairman, Transparency International*

Corruption continues to be insidious around the globe. It deepens poverty by distorting political, economic and social life. Corruption means that decisions are taken not for the public benefit but to serve private interests. Democratic institutions are weakened, as public trust and support for politicians is lost. Corruption also harms trade, deters investment, threatens the environment, leads to human rights abuses, and makes it impossible for millions of people, especially in developing countries, to earn an honest living. At its worst, corrupt political elites allocate scarce resources to huge arms deals, combining kickbacks for their cronies with an escalation of conflict, thus worsening the plight of populations in some of the world's poorest regions.

Nowhere are the effects of corruption felt more directly by citizens than at the level of local governments. For most people, it is the local government where they encounter the public sector: from public procurement and housing to business permits, zoning regulations and licensing, through to basic services such as schools and hospitals. Corruption directly affects the viability of our social contract by altering the nature of the relationship between governments and citizens, a relationship where public officials are not providing what is expected, and where citizens no longer trust their authorities. Transparency International's Global Corruption Barometer 2003, a general public survey conducted in 48 countries around the globe, found that corruption hits the poor hardest, with two out of five respondents on a low income responding that corruption has a very significant effect on their personal and family life.

But the news is not all bleak. The signing in December 2003 of the UN Convention against Corruption, the result of a three-year effort by 129 countries, reflects a global consensus on the need for an international legal system to fight corruption. Concern for improved standards of governance, transparency, and accountability is now spreading across the globe. At the local level in many countries, citizens groups are holding their governments to account. In Bangladesh, Transparency International's national chapter has initiated the formation of Committees of Concerned Citizens, which rate municipal services and lobby for reform where municipal service delivery is perceived to be failing. TI's national contact in Nicaragua, Grupo Cívico Ética y Transparencia, recently worked with the mayors of several municipalities to develop an instrument to evaluate local government in terms of transparency, efficacy, and citizen participation.

Increasing government accountability and tackling corruption requires a holistic approach. Many anti-corruption strategies have failed because they have been too narrowly focused. Transparency International works to foster, evaluate, and strengthen "National Integrity Systems" in line with local conditions. The pillars upon which a National Integrity System
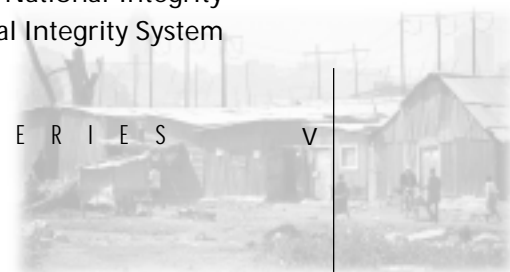
(NIS) rest are all those institutions and practices that work together to protect society against corruption. If the system is wholly dependent on a single "pillar" such as, perhaps, a "benign dictator," or only a very few functioning pillars, it will be vulnerable to collapse. The NIS approach unlocks a new form of diagnosis and potential cure for corruption. Instead of looking at separate institutions (e.g., the Judiciary) or separate rules and practices (e.g., the criminal law) and then focusing on stand-alone reform programmes, it looks at inter-relationships, inter-dependence, and the combined effectiveness of the whole. Establishing a sound NIS requires a move away from top down reforms and emphasises "horizontal accountability". It also requires the systematic identification of gaps and weaknesses, as well as opportunities for strengthening or augmenting each of these pillars into a coherent framework.

Government cannot tackle corruption effectively on its own, other than in highly authoritarian and potentially abusive ways. Civil society organizations need to engage with each other, and with governments and the private sector, so that our voice is heard and taken seriously by policymakers at all levels. The coalition-building approach enables the three parties – government, the private sector and civil society organizations – to find areas of common interest where no single government or company would otherwise be willing to unilaterally apply more responsible standards of behaviour.

Any good strategy to combat corruption should be based on solid research, strong advocacy, and tools that have been tried and tested. This Toolkit, jointly published by Transparency International and UN-HABITAT, offers a collection of practical tools that civil society organizations and other advocacy groups can use in their efforts to clean up local governments. The Toolkit highlights the potential of civil society to create mechanisms for scrutiny and control of public institutions and to demand and promote accountable and responsive public administration.

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Acronyms and Abbreviations

AusAID	Australian Government International Aid Agency
CBO	Community Based Organization
CCC	Committees of Concerned Citizens
CD	Compact Disk
CEC	Central Election Commission
CMAG	City Managers' Association, Gujarat
COE	Council of Europe
CRDA	Christian Relief and Development Association
EOC	Education Oversight Committee
FAQs	Frequently Asked Questions
FBAS	Fund Based Accounting System
FGD	Focus Group Discussions
FoI	Freedom of Information
ICMA	International City/County Management Association
ICTs	Information and Communications Technologies
IIED	International Institute for Environment and Development
IP	Integrity Pact
IT	Information Technology
ITRAC	International NGO Training and Research Centre
MDP	Municipal Development Programme
MOU	Memorandum of Understanding
MSI	Management Systems International
NALAO	Namibia Association of Local Authorities Officers
NGO	Non-Governmental Organization
OCIA	Office of the Chief Internal Auditor
OECD	Organization for Economic Co-operation and Development
OIG	Office of the Inspector General
OPEN	On-line Procedures Enhancement for civil applications system
PAC	Public Affairs Centre
PCA	Participatory Corruption Appraisal
PNG	Papua New Guinea
PROOF	Public Record of Operations and Finance
PSA	Public Service Announcement
TI	Transparency International
TUGI	The Urban Governance Initiative
UNDP	United Nations Development Programme
UN-HABITAT	United Nations Human Settlements Programme
UNICEF	United Nations Children's Fund
UNODC	United Nations Office on Drugs and Crime
USAID	United States Agency for International Development
WB	World Bank
WSIOC	Water System Improvement Oversight Committee

ACKNOWLEDGEMENTS

CHAPTER ONE:

CONTEXT AND FRAMEWORK

Since the early 1990s, the issue of transparency has assumed prominence in improving governance, primarily through the increased attention given to increasing citizen participation, enhancing civil society engagement in the public arena, fostering closer accountability, as well as in combating corruption.[1] Transparency has been recognised as a means of ensuring an informed citizenry and for pursuing a collective vision. It exposes the public space thus allowing every stakeholder to remain aware of achievements and setbacks of the government. It motivates collective engagement and builds community identity by enabling every member to identify with processes, results and outcomes. Indeed, through transparency the boundaries of responsibility and action are rendered visible thus easily determining the locus of accountability. In addition, transparency limits corruption, which tends to thrive in closed systems that are ridden with ambiguity and discretionary behaviour. Transparency is thus a central pillar of good governance.

In the past decade and a half the focus of transparency, both as an aspect of improving governance and combating corruption, has been at the national level, mainly associated to the global trend of democratisation, pluralism and improved corporate governance. In some sense, this is understandable because corruption – the most conspicuous consequence of lack of transparency – is often most visible at the national level, and because national level institutions such as the executive, legislature or judiciary have been the traditional entry point for tackling corruption. Lately, however, there is a shift towards enhancing transparency at the local level. It is being increasingly recognised that building transparency is important for addressing some of the major challenges to sustainable development at the local level.

UN-HABITAT's Global Campaign on Urban Governance argues that there has never been a more important time than now, to focus on the quality of governance at the local level. The new social contract arising out of the emerging democratic dispensation, the strong re-emergence of the civil society and the expansion of the public space, foster the need for taking responsibility and accounting for outcomes and impacts. In addition, the forces of globalisation and the movement towards decentralisation are putting cities and local governments under tremendous pressure to deliver an ever-expanding range of benefits.

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[1]   The timing coincides with the end of the Cold War, leading some to speculate that the reasons for an increased focus on transparency include less tolerance and resources for friendly, but corrupt, regimes. Others emphasise the emergence of a neo-liberal consensus around core principles of good governance, democracy and human rights. Some sceptics, however, see the concern for good governance, and transparency more specifically, as a cynical device for developed countries to promote economic liberalisation, privatisation and less government. While useful to bear in mind for those developing a transparency programme, these arguments are not compelling. The Toolkit argues that the impacts of poor governance and lack of transparency are so pervasively negative, particularly for the urban poor, that the promotion of transparency is essential.

The realisation of these expectations, however, is affected by several important realities related to urban governance.

The emerging partnership between local government, private sector and civil society in sustainable development requires not only a reconfiguration of public space, which was earlier dominated by government only, but also new mechanisms for creating operational linkages among these spheres. This is all the more important due to the enlarged area of competence of local authorities, the increased volume of resources under its custody, and the expanded scope of transactions being handled by local governments. In fact, the complexity of local governance not only makes it vulnerable to corruption and other aberrant types of organizational behaviour but also renders it susceptible to alienation from its citizenry.

Another aspect of the urban reality that has to be taken into account is that times of major transition, such as those we are currently experiencing, create a system of perverse incentives that actually tend to reward corrupt behaviour. Lack of clarity regarding roles and responsibilities, confusing regulatory frameworks and complex administrative procedures create numerous opportunities for officials to calculate that the chances of getting caught, or the punishment they may risk, are not great.[2]

A central argument of this Toolkit, therefore, is that transparency can serve as a strategic entry point for catalysing a revolution in local governance. Cities, due to their smaller scale and the greater proximity of local authorities to citizens and other stakeholders, offer two important advantages over the national level for initiating efforts to enhance transparency.

First, the negative effects of poor governance, including alienation and corruption, are more acutely felt at the local level. The immediate life system of a citizen is predominantly affected by factors that are ultimately determined at that level. This relates to the location of habitat and quality of living environment, types of services, facilities available for gaining a livelihood, and even the opportunity available for influencing the range of choices and options available for sustainable living. Similarly, with regard to corruption, citizens and businesses sharply feel the impact of non-transparent and corrupt practices at the local level such as illegal or arbitrary allocation of land, poor service delivery, bribery and extortion. Moreover, the stakeholders can be readily identified and, as members of a more limited community, the power of "peer pressure" more effectively applied for reforms.

A second major benefit of localising transparency efforts is their potential catalytic effect for more fundamental reforms. As Transparency International has suggested, cities "may be the training ground needed to gain the experience and confidence necessary for action at the national level."[3] Experience suggests that a successful anti-corruption campaign at the national level requires some 10-15 years to generate significant results, whereas at the municipal level, meaningful results can be achieved in as little as two years.[4] The complicated

2   See Klitgaard, Robert, Ronald MacLean-Abaroa and H. Lindsey Parris (1996) *A Practical Approach to Dealing with Municipal Malfeasance.* Urban Management Programme Working Paper Series No. 7, Nairobi, p.12.

3   Pope, Jeremy (2000) *TI Sourcebook 2000: Confronting Corruption: The Elements of a National Integrity System.* Transparency International, Berlin, p. 133.

4   Gonzalez de Asis, Maria (2000) *Coalition-building to Fight Corruption: Draft Paper.* World Bank Institute, Washington, D.C., p. 8.
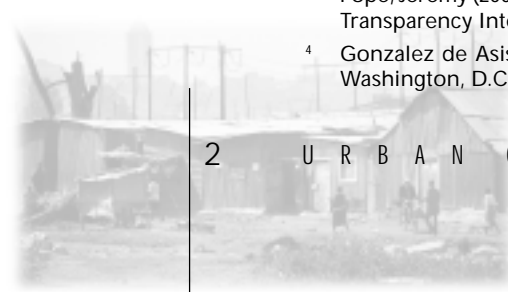
nature of legal or constitutional reforms makes transparency-enhancement/anti-corruption efforts time consuming and therefore more difficult to sustain, especially through changes in political leadership. A local campaign, however, has the potential to mobilise a committed constituency and generate significant positive results that can build the momentum necessary for more central – level reforms such as constitutional changes.

The remainder of the Chapter is structured as follows. For those readers wishing more background information regarding the current urban context, Section 1.1 describes how the forces of urbanisation, globalisation, decentralisation and democratisation are shaping cities in the 21st Century. It concludes that the quality of urban governance can mean the difference between cities characterized by growth and prosperity, and cities characterised by decline and social exclusion. Promoting transparency can play a pivotal role in improving the quality of urban governance.

Sections 1.2 and 1.3 discuss the subject of transparency from the Toolkit's two strategic entry points. Section 1.2, Transparency and Good Urban Governance, focuses on how transparency can improve the quality of urban governance. Transparency can considerably enhance inclusion in cities, improve accountability and foster civic engagement. Section 1.3, Transparency and Corruption, aims to create a common understanding of corruption and its negative social, economic, environmental and political effects. It provides an overview of the nature and types of corruption and highlights the importance of transparency and good urban governance in efforts to minimise its negative impacts.

Section 1.4 puts forth a "governance approach" to promoting transparency at the local level. It emphasises the need for all stakeholders in local governance to fulfil their responsibilities based on what they can best contribute. A framework of five strategies for promoting transparency at the local level is developed and serves as the organizing rationale for the tools included in the Toolkit. The five mutually reinforcing strategies include: (i) assessment and monitoring; (ii) promoting access to information; (iii) improving ethics and integrity; (iv) institutional reforms; and (v) targeting specific issues that have proven to be key entry points in improving urban governance.

Finally, in Section 1.5, a simplified approach is presented for developing a local transparency programme. It has been adapted from the programme cycle proposed in the UN-HABITAT publication "Tools to Support Participatory Urban Decision-Making," the first Toolkit in the Urban Governance Campaign Toolkit Series. The purpose of this section is to encourage and support any stakeholder in the urban arena who can and wishes to initiate local discussion on the design and implementation of a local transparency programme. The suggested approach is flexible and is expected to be adjusted to local realities.

1.1   THE URBAN CONTEXT

The purpose of this section is to demonstrate that the importance of transparency and good urban governance extends beyond the goal of reducing corruption. It argues that the forces of urbanisation, globalisation, decentralisation and democratisation are fundamentally changing the way people live, and concludes that the quality of urban governance will help ensure that the benefits of these forces are maximised, while also mitigating any potential negative consequences.

Four Forces Shaping Cities

The Urban Transition

One of the most powerful forces of change the world is witnessing is the process of urbanisation. In 1950, thirty percent of the world's population was urban. Through a combination of migration from rural areas, natural urban population growth and the reclassification of formerly rural areas, this figure grew to 47 percent in 2000 and is projected to attain 60 percent by 2030.[5] Almost all of this growth is occurring in cities in developing countries, resulting in a doubling of the urban population in developing countries by 2030. As the 2003 World Development Report observed, the quality of a city's governance will determine whether cities are able to maximise the benefits from urbanisation, while minimising the potential negative effects.[6]

At their best, cities can be the principal drivers of economic and social development, even transformation. Business and industry can take advantage of shared access to labour, services, infrastructure, and information to lower costs and increase productivity. Urban consumers benefit from increased choice and the improved quality of goods and services.

Figure 1: The Urban Transition
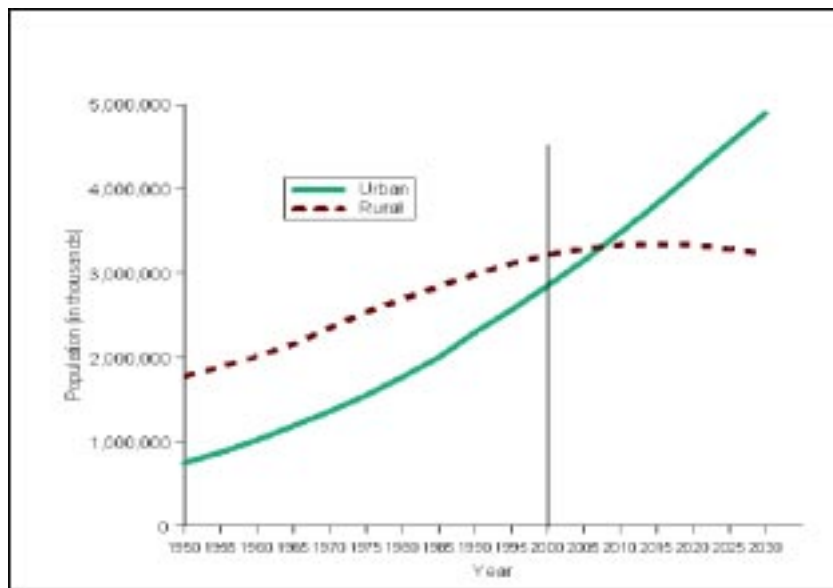
Cities are also centres of ideas and learning and are often home to active civil society organizations concerned with the quality of governance and government. Inequalities between men and women are reduced. Family sizes are usually smaller.

However, cities can also be home to less desirable features. Urban poverty is one of the most important of these. Parallel to urbanisation is a phenomenon called the "urbanisation and feminisation of poverty," that is, the growing concentration of poor people in cities,

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[5] United Nations Population Division (2002) *World Urbanization Prospects: The 2001 Revision.* New York, p.1.

[6] World Bank (2003) *Sustainable Development in a Dynamic World: Transforming Institutions, Growth and Quality of Life.* World Bank and Oxford University Press, pp. 108-110.

and the disproportionate increase in the number of women living in poverty.[7] Additional potential "negative externalities" include: water, air and soil pollution; poor health and well being; and crime.

Many observers have noted that the quality of urban governance can make the difference between cities characterised by growth and prosperity and cities characterised by decline and social exclusion:

> What is most clear is that the quality of urban governance and management is critical to gaining the benefits and reducing the negative aspects of cities of any size. The rapid growth of cities will put a premium on building institutions to address the problems of those cities.[8]

More recently, however, commentators have been highlighting the particular importance of transparency in urban governance. The 2003 World Development Report, for example, emphasises that "mobilising for action to solve such [urban] problems…requires that the parties affected gain access to credible information on costs and benefits and that they perceive a common interest in finding a solution."[9] The effective and equitable balancing of competing priorities places a premium on transparency.

Globalisation and Cities

The growing inter-connectedness of the global economy, spurred on by the spread of information and communications technologies (ICTs), manifests itself most clearly in cities. Globalisation is increasing the economic competition between cities, while concurrently increasing the social fragmentation within cities. As the 2001 Global Report on Human Settlements, *Cities in a Globalizing World*, observes:

> The combined processes of urbanisation and globalisation have thrust additional responsibilities on city governments, which find themselves suddenly having to deal with the economic development of their local constituents vis-à-vis the international community, while at the same time having to shoulder the burden of ensuring social justice and equity within cities.[10]

The report goes on to conclude, "new forms of governance are required to manage and mitigate the risks associated with globalisation." Cities that succeed in managing globalisation will be those able to react quickly and as a unified body. The availability of information, and its use to inform decision-making, will be increasingly important in order to build consensus among a wide variety of stakeholder perspectives on critical issues.

Decentralisation

The vast majority of countries in the world are currently engaged in some form of decentralisation. Proponents argue that the effective decentralisation of political, administrative and financial authority results in more eq\uitable and efficient service

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[7]   UN-HABITAT (1999) *Basic Facts on Urbanization*, Nairobi, p. 7.

[8]   World Bank (2003) *op. cit.*, p. 108. See also UNDP Poverty Report 2000 which describes good governance as the "missing link" between anti-poverty efforts and poverty reduction, and UN-HABITAT (2002) Global Campaign on Urban Governance: Concept Paper, Nairobi, March 2002.

[9]   World Bank (2003) *op. cit.*, p. 114.

[10]   UN-HABITAT (2001) *Cities in a Globalising World: Global Report on Human Settlements 2001*, Earthscan, London, p. xxx.
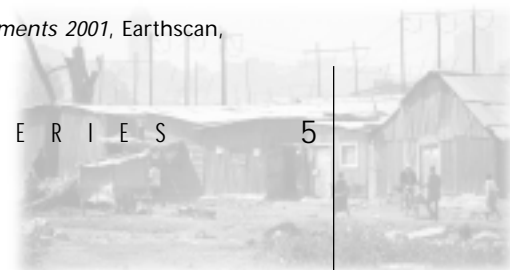
delivery, improved policy making through increased public participation in decision-making, and more accountable local government.[11] At the same time, critics note that decentralisation is rarely implemented effectively. Very often, sufficient resources, decision-making authority or capacity building initiatives do not accompany the new local government responsibilities. Moreover, in the absence of clear standards and benchmarks for accountability, decentralisation carries the risk of increased local corruption and the misallocation of resources to favour local elites and wealthier populations who have greater political influence than do the urban poor. There is a pressing need, therefore, for greater transparency in local governance in order to increase and improve the quality of public participation, while at the same time enhancing the accountability of local government to its citizens.

Democracy and human rights

Parallel to the current wave of decentralisation, the 2002 Human Development Report, *Deepening Democracy*, notes that some 140 out of 200 countries have multi-party elections. At the same time, however, the report observes that only 10% of the respondents to a 1999 Gallup survey of 60 countries felt that their government was run according to the will of the people.[12] There is a growing disillusionment with the benefits of electoral democracy, whereby a citizen's voice in decision-making is expressed only once every three to five years.

Part of this disillusionment is the increasing expectations of citizens, as they become more aware of their rights. The human rights movement has also gained momentum since the early 1990s and citizens are becoming more vocal in their demands for a broad spectrum of rights (See Box 1).[13]

Box 1: Democracy increases demands for human rights …

- *Life, liberty and the integrity of the person*
- *Civic freedoms* including the freedom of expression, association and religion
- *Political rights* to participate in public affairs and to vote in free and fair elections
- *Women's rights* to equality, non-discrimination and freedom from harassment
- *Employees' rights* to organize collectively, and to a safe working environment
- *Economic and social rights* to work, to living wages and to health
- *Right to a clean and healthy environment*
- *Children's rights* to protection against exploitation and child labour
- *Access to information* where there is a clear public interest or where rights are at stake
- *Rights of special groups* to protection and freedom from discrimination
- *Rights to justice*, including non-discriminatory access
- *Freedom from discrimination*

Source: International Council on Human Rights Policy (2002)

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[11] For an extended discussion see Litvack, Jennie and Seddon, Jessica (1999) *Decentralization Briefing Notes*, World Bank Briefing Note and PREM Network, World Bank Institute, Washington, DC.

[12] UNDP (2002) *Deepening Democracy: Human Development Report 2002*, Oxford University Press, UK, p. 1.

[13] Adapted from, International Council on Human Rights Policy (2002), *Local Rule: Decentralisation and Human Rights*, Geneva, pp. 16-17.

As a result, there are growing calls for mechanisms of "direct democracy" to deepen this "representative democracy". Direct democracy refers to the institutionalisation of citizen participation in decision-making, that is, creating mechanisms for making participation a regular feature of municipal business. A number of tools are presented in this Toolkit to offer ideas on how this has been done in practical terms. It is clear that promoting transparency at the local level can "deepen democracy" by enhancing the quality and frequency of public participation, strengthening the sense of civic responsibility and increasing the accountability of representatives.

In conclusion, it is evident that the four forces of urbanisation, globalisation, decentralisation and democratisation offer many opportunities and challenges. These inter-related phenomena are at the centre of an unprecedented period of transition that is focusing significant attention on cities and local governments. Such attention, however, overlooks the fact that the nature of these challenges does not make their management the responsibility of any single actor. The importance placed on the quality of urban governance is increasingly being recognised, as the preceding analysis has illustrated. The Toolkit aims to demonstrate the importance of transparency for achieving the kind of urban governance necessary to cope with the current urban context. The next section reviews in more detail the relationship between good governance and transparency.

1.2 TRANSPARENCY AND GOOD URBAN GOVERNANCE

This Toolkit argues that improving transparency can contribute to inclusion in cities by promoting public participation in development decision-making, enhancing accountability of various actors and stakeholders, and improving the quality of urban governance in general. This objective – promoting good urban governance – is discussed in this section.

WHAT IS GOOD URBAN GOVERNANCE?

Given the importance placed on the quality of urban governance, it is important to have a clear understanding of what is meant by the term "governance". It has been defined by United Nations Development Programme (UNDP) as:

> "the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences."[14]

Two aspects of this definition merit closer attention. First, the concept of governance is broader than government. Governance is normally described as involving government, civil society and the private sector. In the urban context, this means that the responsibility for managing a city's affairs is not limited to local government, but includes a wide variety of stakeholders including: national and regional (provincial and state) governments; the private sector; non-governmental and community-based organizations (NGOs/CBOs), the media, professional associations and other members of civil society. As will be discussed later in this chapter, each actor has a specific role to play based on its source of legitimacy and comparative advantage.

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[14] UNDP (1997) *Governance and Sustainable Development*, New York, p. 2-3.

Second, the concept of governance focuses on institutions and processes. In the context of scarce resources, competing, but valid, priorities must be reconciled through processes that involve all stakeholders in decision-making. This has important implications for developing a framework for promoting transparency at the local level. Transparency in decision-making processes and in institutions has the potential to become a central strategy for engaging stakeholders, combating corruption and improving the quality of urban governance overall.

In the present context, therefore, good urban governance describes a situation in which the mechanisms, processes and instruments for decision-making and action facilitate civic engagement and accountability.

TRANSPARENCY AS A PRINCIPLE OF GOOD URBAN GOVERNANCE

Transparency is widely recognised as a core principle of good governance.[15] As the UNDP has observed, transparency means "sharing information and acting in an open manner." Moreover, transparency:

> allows stakeholders to gather information that may be critical to uncovering abuses and defending their interests. Transparent systems have clear procedures for public decision-making and open channels of communication between stakeholders and officials, and make a wide range of information available.[16]

The free access to information plays an important role in promoting transparency. Information, however, must be timely, relevant, accurate and complete for it to be used effectively. Who produces what information, and for what purpose, become key issues when competing interests converge on a particular issue.

TRANSPARENCY AND INCLUSIVENESS

An "Inclusive City" is defined by UN-HABITAT as "a place where everyone, regardless of wealth, gender, age, race or religion, is enabled to participate productively and positively in opportunities that cities have to offer."[17] Lack of transparency at the local level affects the poor and marginalised stakeholders in many ways, often enhancing exclusion and limiting their access to urban resources and opportunities.

At the macro level, lack of transparency can reduce the number of jobs and livelihood opportunities available for the urban poor. Overly bureaucratic and opaque administrative practices lead to lower tax revenue, which in turn results in less spending on social programmes to benefit the poor. At the local level, non-responsive allocation of resources can lead to a disproportionate spending on the priorities of the middle-classes and the wealthy (for instance, large infrastructure projects), rather than on those of the poor (e.g., extension of water supply to under-served neighbourhoods). Furthermore, non-transparent land allocation practices push the poor to the urban periphery and hazardous areas prone

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[15] See for example, World Bank (2000) *Cities in Transition: World Bank Urban and Local Government Strategy.* Washington, DC; UNDP (2000) *Governance for Sustainable Human Development.* New York; Asian Development Bank, *Elements of Governance*, http://www.adb.org/Governance/gov_elements.asp accessed June 2003; UN-HABITAT (2002) *Global Campaign on Urban Governance: Concept Paper.* Nairobi.

[16] UNDP (1997) *Governance for Sustainable Development*, New York, January 1997, p. 36.

[17] UN-HABITAT (2002) *Global Campaign on Urban Governance: Concept Paper, 2nd Edition.* Nairobi, p. 5.

to earthquakes, landslides and floods, depriving them of secure access to a major productive asset.

Poor women are even more severely affected by these phenomena as they often shoulder the major burden of household responsibilities and are more vulnerable to exploitation. When social programmes are cut due to a lack of tax revenue or due to the misguided allocation of resources, women bear a disproportionate brunt of coping with the increased scarcity. The net result is an increase in exclusion, which, if not addressed, can lead to social and political instability and may ultimately compromise the sustainability of cities.

Access to information is also central to enhancing inclusiveness and reducing urban poverty. Information, the World Bank recently observed, is a prerequisite for empowerment, which it defines as "the expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control and hold accountable the institutions that affect their lives."[18] Informed citizens, it adds, "are better equipped to take advantage of opportunity, access services, exercise their rights, and hold state and non-state actors accountable."[19]

A major focus of this Toolkit, therefore, is on building transparency in order to facilitate the realisation of two other good governance principles – civic engagement and accountability – with the ultimate objective of promoting inclusion in cities.

TRANSPARENCY AND CIVIC ENGAGEMENT

Civic engagement is understood as the active participation of citizens in public life and their contribution to the common good. The level of trust in local government and public agencies is a key factor that determines the extent and quality of civic engagement. Loss of trust can lead to disengagement of citizens and discourage participation of local communities as well as the private sector in functions such as public services delivery, or even in local democratic processes such as municipal elections. Trust, in turn, has a direct relationship with transparency, as illustrated below:

> Trust in public bodies is affected by two things: the quality of services that individuals and their families receive; and how open and honest organizations are about their performance, including their willingness to admit to and learn from their mistakes.[20]

Transparency helps not only to inform the public about development ideas and proposals, but also to convince citizens that the public agencies are interested in listening to their views and responding to their priorities and concerns. This in turn enhances the legitimacy of the decision-making process and strengthens "direct democracy".

Transparency also influences civic engagement in a more direct manner. Responsiveness often holds the key to successful involvement of citizens and the private sector in urban development projects and city revitalisation efforts. Local governments that share their assessments and plans with citizens and seek their views on a regular basis can be far more effective in implementing development programmes with the participation of local stakeholders. Thus transparency can help to stimulate active engagement of the private

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[18]   World Bank (2002) *Empowerment and Poverty Reduction: A Sourcebook.* Washington, DC, p. xviii.

[19]   World Bank (2002) *ibid.*, p. xix.

[20]   The Audit Commission (2003) *Corporate Governance: Improvement and trust in local public services*, London, p. 8.

sector and civil society in public affairs, thereby confirming the changed role of the local government as an enabler and facilitator of access to, rather than provider and controller of, urban goods and services.

TRANSPARENCY AND ACCOUNTABILITY

By promoting better access to information for all stakeholders, transparency strengthens the accountability of all actors to local development goals as well as to other actors and stakeholders. This section discusses the subject of accountability from the dual perspective of improved governance and reduced corruption.

The World Bank has identified three main types of accountability: *political accountability,* which expresses itself in periodic elections; *administrative accountability,* which is represented through the horizontal and vertical mechanisms within and between agencies; and *social accountability,* which includes mechanisms that hold agencies accountable to their citizens.[21] However, as the previous discussion regarding the current urban context has shown *(see Section 1.1)*, elections have a limited ability to promote accountability due to their infrequent nature. Their usefulness in promoting a culture of intolerance for corruption therefore is somewhat limited. Moreover, administrative accountability confines itself to relationships and procedures within and between institutions. These do not always provide for the meaningful engagement of the other stakeholders in urban governance, the very stakeholders that must be mobilised for an effective response to corruption.

The concept of social accountability comes closest to the governance approach advocated by this Toolkit. A key distinction, however, is that social accountability seems to focus on the role of civil society. A governance approach, meanwhile, emphasises that each stakeholder – government, civil society and the private sector – must fulfil his or her particular responsibilities in order to realise the goal of good urban governance.

1.3 TRANSPARENCY AND CORRUPTION

The term "corruption" was taboo in the 1980s and 1990s – instead, euphemistic terms such as "malfeasance" were used. It is much easier today to discuss the subject openly, thanks to the efforts of various organisations to bring this issue to the forefront of the governance debate. However, the different dimensions of corruption are not always clearly understood or explained. The purpose of this section, therefore, is to create a common understanding of corruption, its nature and scale, and its negative socio-economic impact. It emphasises the fundamental importance of a governance approach to effectively combat corruption.

UNDERSTANDING CORRUPTION

While there is no universally agreed definition of corruption,[22] Klitgaard, MacLean-Abaroa and Parris provide a useful starting point:

> Corruption means the *misuse of office for private gain.* The office is a position of trust, where one receives authority in order to act on behalf of an institution, be it private, public, or non-profit. (Emphasis added)" [23]

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[21] World Bank (2002) *op. cit.*, p. 17

[22] Attempts to develop such a definition invariably encounter legal, criminological and political issues. See UNODC (2002) *Anti-Corruption Toolkit: Volume 1 General Introduction, Version 4.* November 2002, Vienna, p. 6.

Unlike other formulations which emphasise the misuse of "*public office* for private gain", this formulation demonstrates that corruption can occur not just in the public sector, but in any of the three major governance pillars – government, the private sector or civil society. This is consistent with the governance approach of the Toolkit, which includes tools designed to build a coalition of stakeholders committed to combating corruption based on the principle that each stakeholder has the responsibility to play its role to the best of its ability.

In addition, the definition is also consistent with the institutional focus of the Toolkit. As mentioned in the introduction, the range of anti-corruption measures at the local level tends to be institutional in nature, rather than legal, parliamentary or constitutional.

CORRUPTION COMES IN VARIOUS FORMS...

As there is no universally accepted definition of corruption, likewise there is no universally valid typology of corruption. All forms of corruption, however, are based on the potential conflict between the individual's professional and personal interests. A summary of the most common forms of corruption is provided in Box 2.

Box 2: Common Forms of Corruption

Bribery: Probably the most common form of corruption, bribery is *the giving of some form of benefit to unduly influence some action or decision on the part of the recipient or beneficiary.* Bribery can be initiated by the person soliciting the bribe or the person offering the bribe. The "benefit" may vary from money or other valuables to less tangible benefits such as inside information or employment. Bribes may be paid on a case-by-case basis or as part of an ongoing relationship. The most common strategy for countering bribery is to criminalise it, often with an exclusive focus on cases involving public officials.

Embezzlement, theft and fraud: the taking or conversion of money, property or other valuables for personal benefit. Embezzlement and theft involve the taking of property by someone to whom it has been entrusted, whereas fraud consists of the use of misleading information to induce someone to turn over the property voluntarily, for example, by misrepresenting the amount of people in need of a particular service.

Extortion: extortion involves coercive incentives such as the use of threat of violence or the exposure or damaging information in order to induce cooperation. Office holders can be either the instigators or the victims of extortion.

Abuse of discretion: the abuse of office for private gain, but without external inducement or extortion. Patterns of such abuses are usually associated with bureaucracies in which broad individual discretion is created, few oversights or accountability structures are present, as well as those in which decision-making rules are so complex as to neutralise the effectiveness of such structures even if they exist.

Favouritism, nepotism and clientelism: In general, these involve abuse of discretion, however, in these specific cases, the act is governed not by the direct self-interest of the corrupt individual, but by some less tangible affiliation, such as advancing the interest of family (nepotism), a political party, or of an ethnic, religious or other grouping.

Improper political contributions: payments made in an attempt to unduly influence present or future activities by a party or its members when they are in office. Distinguishing this from legitimate political contributions is very difficult.

Adapted from UNODC Anti-Corruption Toolkit, Volume 1, General Introduction, p. 10.

AND VARIES ACCORDING TO ITS REACH...

Understanding the pervasiveness of corruption in a society is as important as understanding the way in which it is manifested. The scale of corruption is often described as ranging from "petty corruption" to "grand corruption." Petty corruption "can involve the exchange

of very small amounts of money or minor favours by those seeking preferential treatment, the employment of friends, etc"[24], whereas grand corruption "involves the distortion or corruption of central functions of government such as legal, economic or other policy-making [functions], the development and enactment of legislation, or judicial independence."[25] The end result of grand corruption can be the loss of confidence in governance, rule of law and, in extreme examples, political instability.

It is important to note that grand corruption is systemic – it permeates all governance institutions and processes. Accordingly, it requires a systematic response involving a variety of strategies, all of which should be based on a foundation of promoting good governance.

YET, CORRUPTION'S IMPACT IS INVARIABLY NEGATIVE

Corruption has a profoundly corrosive effect on local governance and the quality of life in cities. If left unchecked, it will undermine a city's social, economic, environmental and political objectives.

Some would argue that corruption is culturally determined, that is, practices viewed as corrupt in one country may be legitimate business practice in another. Others argue that corruption is beneficial, acting as "grease" to speed up otherwise inefficient institutions. Both arguments, however, are incorrect. All countries, for example, have laws against corruption. And, as Nigerian President Olusegun Obasanjo once observed, "The distinction between gifts and bribes is easily recognisable. A gift can be accepted openly; a bribe has to be kept secret."[26]

The argument that corruption acts as "grease" for an otherwise inefficient economy, is also flawed. It overlooks the fact that bribery provides an incentive for over-regulation and over-bureaucratisation of procedures to enable more people to benefit from graft. The net effect is lost time and a higher cost of doing business. Such a system is profoundly inequitable, as the poor often suffer the most because of corruption.

In short, corruption's negative impacts include the following:

*   *Undermines economic growth*, by diverting resources to inefficient or unproductive sectors or actors; by reducing income tax and other revenue sources; by increasing the cost of doing business; by reducing the quality of contracted works; and ultimately undermines investor confidence and contributes to capital flight.

*   *Undermines poverty reduction efforts*, as less resources will be available for social programmes; through poor targeting of beneficiaries, both in terms of the overall effectiveness of services, and making services accessible to more citizens on an equitable basis;

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23   Klitgaard, MacLean-Abaroa, and Parris (1996), *op. cit.*, p. 1.

24   UNODC (2002), *op. cit.*, p. 6.

25   UNODC (2002), *ibid.*, p. 6.

26   Olusegun Obasanjo (1994) in a speech to the African Leadership Forum, cited in UNDP (1999), *op. cit.*, p. 8.
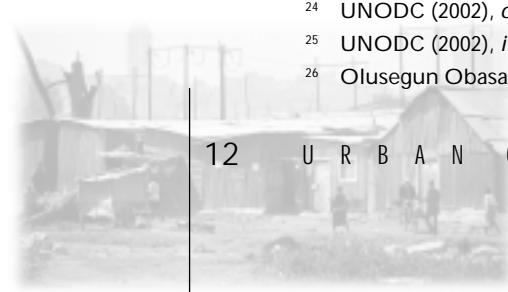
- *Undermines the safety, environmental health and the sustainability of cities,* health and zoning regulations are ignored; and by weak enforcement of environmental protection policies and regulations, may even compromise the needs of future generations;

- *Threatens political stability*, particularly in the case of systemic corruption. The loss of public confidence in the rule of law, justice and governance institutions can lead to political instability and even civil strife.

... PARTICULARLY FOR THE URBAN POOR

> "A state with endemic corruption can be especially brutal to the very poor, who have no resources to compete with those willing to pay bribes."[27]

The cost of bribes relative to their income has a tremendous negative impact on the lives of the poor compared to wealthier segments of the population. Money spent on bribes can reduce resources for shelter, food, water, health and education – the basic rights, and necessities, of urban life. Moreover, when confronted with a choice of paying a bribe or spending time in jail, the poor often have no choice. The result is increased risk of violence and injuries.

As discussed briefly in Section 1.3, poor women are often more severely affected by corruption than men. They usually bear additional financial responsibilities, for example, for the health and education of children, and yet do not have the same earning power as men. Having to bribe, therefore, takes a large bite out of their already limited resources. Moreover, women's livelihoods are often home-based enterprises operating in the informal sector. The discretionary enforcement of regulations on them can force them to pay bribes that eat into their profits. Women are also more vulnerable to threats to their security, including rape, and will more often have to resort to bribes to avoid risk. Finally, corruption usually increases gender inequality, as bribes or nepotism subvert laws promoting equity in the workforce.

WHEN WILL CORRUPTION THRIVE?

The phenomenon of corruption is very often a result of prevailing socio-economic and governance conditions in a city or country. Factors such as poverty, scarcity, lack of access to basic services, lack of information, overly bureaucratic institutions and low incentives for civil servants come together in various permutations and combinations to give rise to corruption. Improving governance in general, and enhancing transparency and public participation in particular, can go a long way in tackling the problem of corruption at the local level.

Klitgaard, MacLean-Abaroa and Parris, argue, however, that "corruption is a crime of calculation, not of passion. People will tend to engage in corruption when the risks are low, the penalties mild and the rewards great."[28] Based on this assessment, they propose a simple heuristic formula for analysing the tendency for corruption to exist:

$$C = M + D - A$$

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[27] Osborne, Denis (1998) "Learning Module on Corruption," UNDP, cited in UNDP (1999), *op. cit.*, p. 10.

[28] Klitgaard, MacLean-Abaroa, and Parris (1996), *op. cit.*, p. 11.

Corruption = **M**onopoly + **D**iscretion – **A**ccountability

In explaining this formula, they state that corruption tends to flourish "where officials have a monopoly power over a good or service, unlimited discretion in deciding who gets that good or service or how much they get, and there is no accountability whereby others can see what that person is deciding."[29] Accordingly, they advocate: improving the positive incentives for municipal officials, including reforming civil service salary structures to make them competitive with their counterparts in the private sector; promoting competition in the public and private sectors, which would include privatisation, contracting out and, where necessary, the elimination of corrupt municipal programmes; simplifying rules and regulations and informing citizens of their rights and the service standards to which they are entitled; enhancing accountability and transparency through clear standards of conduct, openness in bidding and contracting, and institutional reforms.[30]

Klitgaard's formula may be modified somewhat, if we take into account another factor – ethics. As observed by Moor[31], the missing element from the formula is "the sense of community, of responsibility for the common good and of ethics." If we examine the pattern of existence of corruption in different societies, it might support a modified formula: **C = (M+D-A)/E**, where the denominator E is the ethical ambience. This Toolkit also argues that promotion of ethical behaviour can play a major role in reducing corruption, enhancing transparency, and improving civic engagement overall *(See Section 2C - Tools to Promote Ethics, Professionalism and Integrity)*.

Sometimes there are entirely different factors at work, however, that impair all formal institutional structures and corrupt all pillars of society – the government, the private sector and the civil society. The "Vladivideos"[32] exposé in Peru is a case in point. It illustrates that corruption can also be the result of deliberate and systematic efforts by powerful political figures to undermine the State and its institutions. As a recent article on the case observes:

> In Peru, corruption occurs not due to a lack of bureaucratic controls or to an excessive administrative discretion, but as the result of a political intervention—intentional and systematic—in the State. A complex system of exchange of political resources creates networks of organized corruption that exist despite formal regulations or bureaucratic controls. These social networks are the basis of the institutional continuity that diverts reforms and provides impunity to those taking part in corruption.[33]

Nevertheless, Klitgaard's formula and its subsequent arguments are still important for several reasons. First, it suggests that changing the incentives for corruption can have a significant impact on the prevalence of corruption. Steps can be taken, even small steps, that can have

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[29] Klitgaard, MacLean-Abaroa and Parris (1996), *op. cit.*, p. 10.

[30] Klitgaard et al. (1996), *Ibid*, pp. 14-15.

[31] Moor, Jay (1998) *On Good Behaviour: Corruption and Ethics*, in "Habitat Debate", Vol. 4, No. 4, UN-HABITAT, Nairobi, p. 24.

[32] In his attempts to ensure Alberto Fujimori's re-election and thus secure his own control on the country, close adviser Vladimir Montesino systematically "bought off" (through pay-offs, favours, appointments and threats) members of Parliament, entrepreneurs, key figures in the media as well as members of the judiciary. The exchanges were filmed on videotapes, which later became known as the "Vladivideos".

[33] Ocampo, Luis Moreno (2002) *Building Institutions: Corruption and Democracy. The Peruvian case of Montesinos*, in ReVista: Harvard Review of Latin America, Fall 2002.

a meaningful impact. Second, it highlights the importance of enhancing transparency and accountability at the local level. Finally, the formula suggests that there are a number of activities that must be done by actors at different levels in order to ensure success. The last two points clearly confirm the need for a "governance approach" to transparency.

In recognising the important contribution of all stakeholders to promoting transparency, Transparency International (TI) advocates the creation of "integrity systems" which involve all stakeholders in the fight against corruption. This approach has been largely used at the national level by TI, through National Integrity Systems.[34] This Toolkit advocates for a more focused approach on developing "Local Integrity Systems." As will be discussed below in Section 1.4, such an approach is based on the promotion of transparency and good urban governance not just by local governments but by all key stakeholders.

1.4   FRAMEWORK FOR PROMOTING TRANSPARENCY AT THE LOCAL LEVEL

This section describes the Toolkit's "governance approach" to promoting transparency at the local level. It also presents five strategic entry points as a framework for improving transparency: (i) assessment and monitoring; (ii) access to information; (iii) ethics and integrity; (iv) institutional reform; (v) targeting specific issues.

GOVERNANCE APPROACH

The governance approach is based on an institutional perspective that sees corruption as primarily a failure of institutions. As UNDP has argued, "weak institutions are incapable of supplying society with a framework for competitive processes and obstruct the legitimate procedures that link the political and economic areas. Empirical evidence suggests that where competing political and economic forces are closed out of the system, we are more likely to see corruption than sustainable development".[35] In essence, UNDP is arguing that corruption undermines the institutions responsible for advancing a country's social and economic goals.

This institutional approach advocates four strategies: reducing the discretionary power of officials; improving law enforcement; civil service reform; and increasing transparency and citizen oversight. In practice the emphasis of an institutional approach has tended to focus on changing laws and reforming the civil service. These are undeniably valuable, but are not easily implemented, or specifically targeted, at the local level. Furthermore, they have tended not to involve all the stakeholders with an interest in promoting good urban governance.

The Toolkit advocates taking the institutional approach to its next logical level: a more focused governance approach that involves identifying the roles and responsibilities of all key stakeholders in promoting good urban governance and making the most of their potential contribution. The resulting action is based on several strategies that encourage each actor to contribute to a common objective based on their comparative advantage.

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[34]   Transparency International (2000), *op. cit.*, Chapter 4, "National Integrity Systems," pp. 31-40.

[35]   UNDP (1999), *op. cit.*, p.10.

[36]   Transparency International (2000), *op. cit.*, p. 134.

The crucial need for a "governance approach" to transparency is also highlighted by Transparency International:

> "A triangular relationship exists between government, capital and civil society. Corruption can take root in all three parties to the relationship. It is thus both theoretically and in practice impossible for just one of the parties to address the issue of corruption on its own and in isolation from the other two – and it is arguably impossible to tackle the issue effectively without the participation of all three." [36]

Five strategies for promoting transparency through a governance approach are discussed below. It is useful, however, to first review the source of legitimacy and comparative advantages of the major stakeholders in promoting good urban governance: [37]

- **National Government**, as articulated in the Universal Declaration on Human Rights (1948), derives its legitimacy from the will of the people, normally expressed through the constitution and laws. [38] As Transparency International has argued, "If government is accountable to democratic control, if it is bound by the rule of law and if it respects universally accepted standards of human rights, government can rightly claim to act on behalf of the people. It is this legitimacy that gives government the strength to undertake reforms to quell corruption." [39] Leadership, therefore, is government's (particularly national government's) pre-eminent role in promoting good urban governance and in the fight against corruption. This leadership applies in particular to ensuring an equitable distribution of benefits and to creating an enabling framework for development. Their responsibility is to lead the implementation of required reforms and to scale-up and institutionalise successful initiatives from the local level. Their usual strategies include passing laws, reforming the civil service, and promoting economic liberalisation, but can also include public awareness and integrity campaigns.

- **Local Government**: Local government's legitimacy is based on the same principle as that of national government: it acts in trust on behalf of the interests of its people. Its comparative advantage in the promotion of good urban governance and in the fight against corruption lies in its proximity to the people. It is better placed than national government to understand and act on the wishes of its citizens. Its scope for action against corruption is greater as it is more likely to be able to mobilise a finite number of stakeholders behind a common strategy for enhancing transparency and combating corruption. It has a crucial leadership role to play, which, if discharged successfully, will ensure continued and enhanced support from the citizenry. Local level successes can thus form the basis for implementing broader national reforms.

- **Private Sector**: The private sector's legitimacy is based on its role of creating jobs and employment that in turn generate revenue through taxes. These taxes are used to design the social programmes that benefit citizens. There is, therefore, a mutual

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[37] See Eigen, Peter (1997) *The Role of Civil Society*, in UNDP (1997b), *Corruption and Integrity Improvements in Developing Countries*, Chapter 5, New York, UNDP, pp. 84-86; and Pope, Jeremy (2000) *TI Sourcebook 2000*, Transparency International, pp. 132-134.

[38] Universal Declaration on Human Rights, as cited in UN-HABITAT (2002) *International Legal Instruments Addressing Good Governance,* Nairobi, p. 26. See also Article 25 of the International Convention on Civil and Political Rights (ICCPR), cited in the same publication, p. 18.

[39] Peter Eigen in UNDP (1997b), *op cit.*, p. 84.
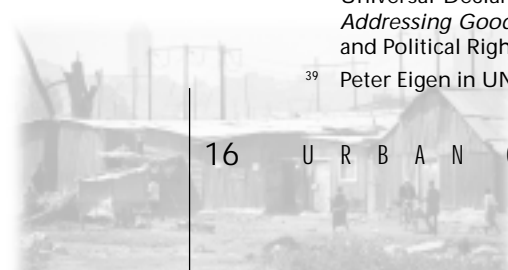
dependence between the economic and social spheres of society that must be mutually supportive. It has a legitimate interest in ensuring that its productivity is not undermined by excessive transaction costs imposed by corruption. At the same time, however, it also has an obligation to avoid paying bribes. Tools such as Integrity Pacts *(see Section 2C)* offer specific mechanisms to help ensure that both government and businesses are not tempted down the path of corrupt practice.

- **Non-Governmental and Community-based Organizations (NGOs/CBOs)**: The legitimacy of these organizations is based on their ability to faithfully champion the interests of citizens, particularly under-represented groups such as women and the poor. Another aspect of their legitimacy is their explicit not-for-profit orientation. Transparency, however, is as vital to these organizations as it is for government and the private sector. Their advocacy role can be undermined by undemocratic internal structures that may raise suspicion regarding their motives or their not-for-profit status.

- **Media**: The media have an important role to play in combating corruption and promoting good urban governance. Their role should not be seen as limited to identifying and exposing corruption, but should also recognise and capitalise on their role as a source of truth. They have an important role to play in reinforcing and building momentum for change by recognising good practice and highlighting successes in achieving development objectives. Like non-governmental organizations, however, their credibility may be undermined by unprofessional conduct that leads to questions regarding their bias. Codes of conduct and training in investigative and ethical journalism are important tools to ensure the media play their role responsibly.

- **Professional Associations**: The legitimacy of these organizations is based on the professional standards they profess to uphold. Their responsibility regarding promoting good governance and combating corruption is to publish and disseminate their standards and sanction those members who violate them. Including codes of ethics or anti-corruption clauses in their membership requirements can serve as valuable tools that contribute to creating a culture intolerant of corruption.

- **The Individual Citizen**: No good governance campaign can succeed without committed individuals. While the rights of individuals are widely discussed when it comes to issues of corruption, they also have a responsibility to promote good governance: to be informed and to actively participate in the decisions that affect their lives. Public relations campaigns informing people of their rights can play an important role in promoting such participation. The responsibility of individuals taking on leadership roles is also equally important: office holders must act with integrity on behalf of those they act in trust. Integrity improvements at the level of the individual, therefore, have an important role to play.

Five Strategies for Promoting Transparency at the Local Level

The Toolkit proposes a five-pronged strategy framework for promoting transparency and good urban governance, while also minimizing the negative effects of corruption. Four of these strategies are then used to organize the tools *(see Table 1).* The Toolkit will work to expand its focus on specific issues for the fifth strategy (Targeting Specific Issues) in future editions, building on the collective experience of governance initiatives.

Table 1: Strategies and Tools to Support Transparency in Local Governance

STRATEGIES	Assessment and Monitoring (Section 2A)	Access to information and public participation (Section 2B)	Promoting ethics, professionalism and integrity (Section 2C)	Institutional reforms (Section 2D)
TOOLS	2.1 The Municipal Checklist	2.7 Public Meetings	2.15 Conflict of Interest Laws	2.23 Complaints and Ombudsman Office
	2.2 The Urban Corruption Survey	2.8 Open Meeting Laws	2.16 Disclosure of Income and Assets	2.24 Municipal Front Office
	2.3 The Municipal Vulnerability Assessment	2.9 Access to Information Laws	2.17 Lobbyist Registration	2.25 One Stop Shop
	2.4 Participatory Corruption Appraisal	2.10 Records Management and Computerisation	2.18 Whistle Blower Protection	2.26 Oversight Committees
	2.5 Report Cards	2.11 E-Government	2.19 The Integrity Pact	2.27 Independent Audit Function
	2.6 PROOF	2.12 Media Training	2.20 Code of Ethics	2.28 Independent Anti-Corruption Agencies
		2.13 Public Education Tools: Media Campaigns, School Programmes, Public Speaking Engagements, Publications	2.21 Ethical Campaign Practices	2.29 Participatory Budgeting
		2.14 Public Participation: Public Hearings, Study Circles, Citizen Advisory Boards, Government Contract Committees, Public Watchdog Groups	2.22 Ethics Training	

1. **Assessment and Monitoring**: Understanding the types and scale of corruption and the degree of transparency in local governance, while creating a base-line against which progress in improving transparency can be measured. This strategy is also valuable for increasing public awareness and mobilising a constituency committed to tackling corruption.

2. **Access to information**: Measures to improve stakeholders' access to information so that they may participate in decision-making more effectively.

3. **Ethics and integrity**: Tools for clarifying what is expected from professionals and including monitoring mechanisms to ensure they adhere to their commitments and are sanctioned if they break public trust.

4. **Institutional reforms**: Including both the streamlining and simplification of administrative procedures and structural innovations to promote participation and accountability.

5. **Targeting specific issues**: Using specific issues as entry-points for improving transparency. These issues must be important in terms of local development and have the potential to serve as rallying points for positive changes in local governance. These same issues can also be vulnerable to corruption.

In practice, these tools are often used in different combinations depending on the specific context. In the case of Bulgaria, for instance *(see Box 3)*, a variety of measures have been recommended that fall under different strategies, to enhance local governments' effectiveness in building transparency and combating corruption at the local level. These include increased information flow between residents and the local authority, development of a code of ethics and establishment of an independent ethics commission, and training on the appropriate role of councillors.

Box 3: Tools to enhance effectiveness of local governments in building transparency and fighting corruption: The case of Bulgaria

According to a research study undertaken by Transparency International in 1999-2000, local governments in Bulgaria were faced with a number of factors that contributed to the tendency towards corruption:

- The lack of effective dialogue between citizens and administration;

- The lack of guarantees for maintaining a distance between political parties and state structures and interests; and

- The ambiguous and inadequate attitude on the differences between public and private property.

A variety of actions by policy makers at the local and national government levels are viewed as necessary to address each of these elements. The Study emphasises that the establishment of a culture of transparency and responsibility in the activities of the municipal council is a key element in the process of counteracting corruption. The lack of an effective dialogue requires an increased information flow between residents and the local authority. The issues of ambiguities concerning public and private property and the appropriate roles for political parties need to be addressed through a code of ethics as well as an independent ethics commission. Basic education and training on the appropriate role of councillors are also called for.

The results of the research define **a number of directions**, in the Bulgarian context, in which civic efforts for transparency and responsibility would be best focused:

- The development of conditions for an **effective dialogue between municipal councillors, permanent and temporary commissions of the municipal council and citizens** – these could include introducing reception offices for municipal councillors and creation of clear access procedures to the permanent and temporary commissions;

- Establishment of **clear procedures and regulations** for the storing and accessing minutes and public information about the activities of the permanent and temporary commissions of the municipal council, as well as about the sessions of the municipal council;

- Redefining and re-focusing the functions of the permanent commissions of the municipal council in order to reduce the pro-corruption pressure on the municipal councillors;

- Change in the **information policies of the municipal council** – from passive and difficult communication with the public and the media to a **pro-active communication strategy** which will allow the formation of an objective opinion about the processes of local policy development and help to overcome the negative media image of the municipal council;

- The formation of **partnership** for the **effective public presentation** of the entitlements, principles of functioning and mechanisms of civil control on the activities of the municipal council – of extreme importance in this respect are the opportunities for long term and effective partnership with organizations in the third sector;

- Starting an **active dialogue between the municipal councils within the same region**, wherein cooperation between the different municipal councils and their permanent commissions has to be focused on mutual assistance in the process of developing regional policies

Source: Galabov, Antony (2000). Curbing Corruption and Improving Transparency in Municipal Council Work in Bulgaria: A Policy Paper and A Handbook for Effective Advocacy

Similarly, a synthesis of the American experience *(see Box 4)* with weeding out corruption on the local government indicates that a range of tools need to be applied in combination in order to significantly bring down corruption and enhance transparency.

Box 4: Success factors in building transparency in local governments, USA

Local governments in the USA have undertaken a wide variety of measures and practices in recent years in order to attempt to slow the phenomenon of widespread corruption and build greater accountability in their institutions. Transparency International – USA conducted research on the American experience and has produced a report that reviews this experience. The bulk of the report concentrates on case studies in several cities: Providence (Rhode Island), Camden (New Jersey), Chicago (Illinois), and Los Angeles (California), which demonstrate, for the most part, a remarkable lack of success against the pervasive corruption that has developed in these cities.

Conclusions are drawn on the characteristics of a successful anti-corruption regime and framework on the local level.

These successful characteristics include:
- Enacting and applying local ethics laws, including having an effective, independent Ethics Commission;
- Implementing local government management controls;
- A role for citizen watchdog groups;
- The presence of a strong, investigative media; and
- The availability of multiple organizations or mechanisms at the local level interested in rooting out corruption.

Source: Prepared by Nancy Bosworth, Director, Transparency International-USA, Tel: +1-202-296-7730.

1.5 DEVELOPING A LOCAL TRANSPARENCY PROGRAMME

One of the explicit objectives of this Toolkit is to facilitate the development and implementation of programmes to promote transparency in local governance. This is easier said than done, however. Building transparency is usually part and parcel of a national or sub-national reform agenda, a process of overall institutional transformation, often triggered by extraneous factors, or sometimes by internal political or socio-economic compulsions. Thus any programme for enhancing transparency must be set within the overall governance context and any ongoing institutional reform programme. This is also likely to ensure greater acceptability, and eventual success, of the transparency initiative.

This section presents a simplified approach by which any stakeholder group – whether from the government, civil society or the private sector – can initiate a transparency programme at the local level. The methodology is based on UN-HABITAT's experience in participatory urban planning as synthesised in the UN-HABITAT publication, "Tools to Support Participatory Urban Decision-Making." It is important to note, however, that this methodology is not prescriptive but suggestive – it is primarily meant to provide ideas and catalyse action. It includes some of the basic principles of a participatory approach to urban development, but should not be regarded as a "recipe" to be followed without adaptation to local contexts. Moreover, though the phases of the methodology are presented in a linear manner, experience suggests that the process unfolds organically according to its own logic and the realities of the local context.

KEY PHASES IN DEVELOPING A LOCAL TRANSPARENCY PROGRAMME

Given the fundamental importance of participation in developing a programme that promotes transparency, it is imperative that such programmes be developed with the
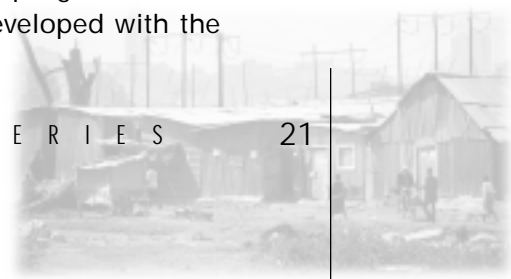
Figure 2: The Participatory Process and the Tools Which Support It

Feedback

I: Preparatory and Mobilisation of Stakeholders

- Municipal Checklist
- Stakeholder Analysis
- Profiling
- Vulnerability Assessment
- Gender Responsive Tools

II: Issue Prioritisation and Stakeholder Commitment

- Proposition Paper
- Facilitation
- City Consultation
- Urban Pact
- Stakeholder Working Group

Participatory Urban Decision Making

IV: Follow Up and Consolidation

- Monitoring tools
- Programme Evaluation
- Institutionalisation

III: Strategy Formulation and Implementation

- Action Planning
- Programme Formulation
- Demonstration Project
- UMIS (EMIS, GIS)
- Conflict Resolution

maximum participation and transparency possible. Moreover, given the complex nature of corrupt systems, a transparency programme is unlikely to have any lasting, meaningful impact unless all stakeholders are mobilised from an early stage.

Figure 2 outlines the phases of the participatory decision-making process presented in the UN-HABITAT publication, "Tools to Support Participatory Urban Decision-Making." In UN-HABITAT's experience, these four phases are valid in the development of any participatory urban programme: Phase I - Preparatory and Stakeholder Mobilisation; Phase II - Issue Prioritisation and Stakeholder Commitment; Phase III - Strategy Formulation and Implementation; Phase IV - Consolidation and Follow-up. [40] It might be necessary, however, to modify the content of these phases in order to effectively apply the single issue or strategic entry point approach.

The following specific considerations should be kept in mind for each phase when designing and implementing a local transparency programme:[41]

Phase I: **Preparatory and Stakeholder Mobilisation**, involving the collection of information and the identification and involvement of key stakeholders;

- *Political Will*: In order to build a strong movement for change, it is often extremely important to secure the commitment of a high-level reformer within the municipality, preferably the Mayor and a senior administrator such as the Town Clerk. This commitment, however, should not be regarded as indispensable, nor should it in any way substitute for engaging with other key stakeholder groups. Officials may be replaced, and a broad coalition is required in order to sustain an anti-corruption effort. Considerable time, determination and resources are required to sustain a campaign against corruption. Establishing a broad-based Steering Committee to provide strategic direction and review progress has proved a valuable institutional tool in transparency programmes.

- *Stakeholder Analysis*: Politics matter. When tackling the issue of transparency, it is essential to have a clear and common understanding of how power is articulated within the local system. Understanding each other's sources of legitimacy, roles and responsibilities and potential contributions to addressing corruption is essential. In addition, special effort should be made to involve women, the urban poor and other excluded groups to ensure their perspectives are incorporated in the analysis of the impact of corruption.

- *Transparency Survey*: Undertaking a survey is vital for two reasons: first, to develop a deeper understanding of the types and scale of problems affecting the local system – these should include both physical problems as well as governance challenges; second, to establish a baseline of data against which the impact of the programme can be measured. It is important to select a neutral and respected organization to carry out this initial survey, lest its results be dismissed as politically inspired or methodologically flawed. Academic institutions, non-governmental organizations or management institutions have successfully played this role in various countries. Indicators for assessing transparency are developed at this stage of the process. Such indicators must be developed jointly by all key stakeholders in order to build consensus and ensure ownership of the process. It is also extremely important to survey a range of

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[40]   UN-HABITAT (2001) *Tools to Support Participatory Urban Decision-Making*, Nairobi, p. 13.

[41]   Adapted from Gonzalez de Asis, Maria (2000) *Coalition-building to fight Corruption – Draft Paper*. World Bank Institute, Washington, DC; and UNODC (2002) *op. cit.*

Box 5: A Note on Donor Involvement

Governance and transparency are increasingly becoming key conditions for donor support to national and local governments. However, an effective transparency programme is best driven from within. It must be firmly anchored within the national or local government, with active involvement of other governance stakeholders as listed above. The role of external actors such as international donors, UN agencies and technical support organizations is to function as advisers and, at best, catalysts for the process of change. They can provide technical assistance, support institutional capacity building, facilitate exchange of experiences and encourage networking. To ensure sustainability of any transparency initiative (and indeed any governance-related effort), however, the major chunk of resources must be mobilised from local stakeholders.

actors using a variety of survey methods in order to "triangulate reality", i.e., compare different perspectives to arrive at a fair assessment of the current situation. Finally, it should be noted that a transparency programme can also be launched using an entry point other than corruption. Service delivery surveys, for example, have proved to be a very useful substitute.

Phase II: Issue Prioritisation and Stakeholder Commitment: identifying major issues and steps to be taken.

• *Stakeholder (or City) Consultations*: Stakeholder consultations represent important milestones in the design and implementation of transparency programmes. They should be held at strategic moments, such as following the completion of the initial survey, to ensure agreement on key issues and build momentum for change. A key challenge is to identify where corruption is likely to impose the greatest costs on society as a whole. The major findings of the survey should be publicly endorsed by all stakeholders.

• *Working Groups*: Working groups are useful mechanisms to build on the consensus reached at the city consultation and to bring a variety of perspectives to bear in the elaboration of specific issues and potential solutions. They derive their legitimacy from existing institutions and exist only as long as it takes to finalise negotiations on strategies to be adopted by the Steering Group.

• *Proposition Papers*: Proposition papers can be developed by working groups, or by their appointed sub-committees, to provide more detailed information on specific issues related to transparency, institutional/legal arrangements, or particular constraints to change. They could also recommend possible areas of action based on their analysis. Given the complexity of the area of transparency, it is likely that its recommendations will be for a set of mutually reinforcing strategies. These could include, for instance, the establishment of an Ombudsman's Office, creating a Code of Conduct, developing a pilot Integrity Pact and providing more training for journalists to investigate potential cases of corruption.

• *Urban Pact*: The results of the city consultation and the results from the working groups and proposition paper strategies can be summarised in a draft document committing all stakeholders to fulfil their responsibility in the fight for transparency and against corruption. An Urban Pact, with a focus on transparency, serves to formalise the collective vision, concretise commitment, raise public awareness of, and mobilise continued support for, the work of the stakeholder coalition. The Pact should be launched at a second city consultation, ensuring not only media attention, but also providing another opportunity for citizens to offer their input.

Phase III: Strategy Formulation and Implementation: developing action plans and implementing demonstration projects.

- *Action Planning*: While the Urban Pact sets forth the broad strategies for the programme, more in-depth action planning is required to define the specific activities and the roles and responsibilities of each stakeholder in their implementation. Given the special nature of transparency issues, it is important to identify reforms targeting the short, medium and long-term. The proper sequencing of these reforms is also vital in order to maximise synergy and build momentum. This stage will require significant negotiation and some adeptness at managing and successfully resolving conflicts between competing perspectives. In some cases, Steering Committees may elect to postpone the preparation of the Urban Pact until this stage is completed.

- *Demonstration Projects*: In order to continue to build momentum it may be useful to design and implement some small-scale, short-term projects to improve transparency. The purpose of such projects is to provide a learning framework to build confidence and experience, to emphasise that action is being taken, and to facilitate the replication, scaling-up and institutionalisation of successful results at a later stage. Many of the tools presented in Chapter 2 of this Toolkit can be adapted and implemented as demonstration projects.

Phase IV: Follow-up and Consolidation: monitoring progress and institutionalising the lessons-learned.

- *Transparency Survey II*: At this stage, it has proved useful to conduct another survey. On the one hand, it helps demonstrate the positive effects of progress to date, whether these be tangible or perceived. At the same time, it also helps determine whether corruption has been displaced to other institutions, or whether it has taken new forms. Both factors are important for scaling-up successful demonstration projects and for designing new programmes. Once again, a city consultation may serve as a useful mechanism for building support for more fundamental institutional or legal reforms.

1.6   CONCLUSION

In conclusion, the Toolkit views transparency as a strategic entry point for fostering public participation and promoting good urban governance. It argues that an approach based on the core principles of good urban governance will be the most effective strategy for enhancing accountability and successfully weeding out corruption at the local level. The Toolkit also argues that there has never been a greater need to focus on transparency at the local level. The forces of urbanisation, globalisation, decentralisation and democratisation create a climate of rapid change that offer many opportunities and challenges. One of the most insidious challenges in this period of transition is to avoid creating a system of governance that offers perverse incentives that reward corrupt behaviour. The way forward requires the steadfast commitment of all stakeholders to improve urban governance.

Finally, it should again be emphasised that the framework, methodology and tools included in this Toolkit are intended as sources of inspiration to catalyse action. They are not meant to be used without due regard for the particular cultural and social settings of different countries. Proceed with conviction, but caution!

CHAPTER TWO:

TOOLS FOR INCREASED TRANSPARENCY

This chapter forms the substantive core of the Toolkit and contains twenty-nine tools which can be useful to promote transparency and good governance at the local level. The tools are organized according to the strategy framework introduced in Chapter 1. As mentioned earlier, the five strategies – Assessment and Monitoring; Access to Information; Ethics and Integrity; Institutional Reforms; and Targeting Specific Issues – represent different entry points to introduce and build transparency in local governance. In reality, they are often used in tandem for best results.

A. Assessment and monitoring: This strategy focuses on understanding the types and scale of corruption and the degree of transparency in local governance, while creating a baseline against which progress in improving transparency can be measured. It is also valuable for increasing public awareness and mobilising a constituency committed to tackling corruption.

B. Access to information: This encompasses measures to improve stakeholders' access to information so that they may participate more effectively in decision-making.

C. Ethics and integrity: This approach is based on the conviction that ethical behaviour amongst all stakeholders can go a long way in building transparency and enhancing inclusiveness in cities. It includes tools for clarifying what is expected from various actors and stakeholders in local governance.

D. Institutional reforms: This strategy includes both the streamlining and simplification of administrative procedures as well as structural innovations to promote participation and accountability.

E. Targeting specific issues to build transparency: Specific issues such as land, water, housing, education, social services, health services, waste management, tax collection and management etc., which are important in terms of local development, often serve as rallying points for positive changes in local governance. These same issues can also be vulnerable to corruption. This section, however, is not elaborated in this first edition of the Toolkit. The Toolkit will work to expand its focus on specific issues in future editions, building on the collective experience of governance stakeholders.

Each tool in this chapter has been presented in the following format:

* Introduction or overview of the tool
* Purpose of the tool
* Linkage to Transparency
* How it works – The key elements for operationalising the tool
* Examples of its application

A large number of tools were reviewed for inclusion in this chapter. In the end, however, a key criterion for selection of the tools was their effectiveness. Tools that have not been tested or have not proved effective are thus not included in this edition of the Toolkit.
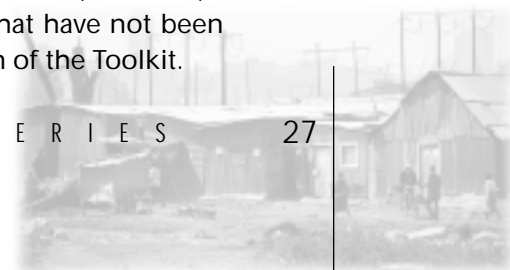
PART 2A: Assessment and Monitoring Tools

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This section includes seven tools used to undertake relevant assessments and monitoring within the local government. The general purpose of these tools is to identify issues and areas vulnerable to corruption, and to improve knowledge and information base necessary for increasing transparency in local governance.

A key objective of monitoring local government's activities and performance is to increase public knowledge about what its local representatives are doing. This is not the only purpose, however. Another extremely important objective is to inform the local governments themselves about what is going on inside their own departments, including senior staff and elected officials, so that they can take action to improve performance and to work effectively with civil society. As observed by the Federation of Canadian Municipalities (FCM), an important objective of performance measurement is to provide accountability, including both *public accountability* as well as *internal accountability*.[42] The expectation is also that an effective monitoring process will deter undesirable activities and help in improving performance of local governments through increase in effectiveness, responsiveness and efficiency.

The advantage of involving civil society in monitoring is that it introduces an independent and knowledgeable external observer in the process. The public can, therefore, be assured that it is receiving impartial, objective information. Monitoring local government can also be used to not only publicise the activities of local government but also to influence the outcome of current issues and to actively support campaigns for greater transparency and responsiveness. One of the more noteworthy examples of the power of monitoring by civil society comes from Japan, where a long tradition of pay-offs from corporations to local government officials and fraudulent claims for business expenses was successfully exposed by civil ombudsmen in the mid-1990s *(See Box 6).*

Box 6: Exposing Corruption and Building Transparency through Effective Monitoring in Japan

Reports and rumours of corruption in local government in Japan have been rampant for many years, but there were very rarely any public revelations of what was actually going on. Japanese law permits citizens to request public disclosure of public expenditures. A handful of attorneys in the city of Sendai in mid-1990s established an independent civil ombudsman with the express purpose of examining payments made for official entertainment purposes as well as payments to officials for business expenses. An association of civil ombudsmen was also established subsequently when it became apparent that the problems were widespread and that additional public exposure was justified.

Over a period of several years, the Ombudsmen diligently requested information and monitored the business expenses and entertainment activities of local government officials. Some municipalities were cooperative. Others were not. When local governments refused to provide the information, they were taken to court and forced to divulge it. Eventually, the true picture began to emerge and the true cost to the public, in excess of hundreds of millions of dollars.

Two basic patterns of corrupt conduct were exposed through the monitoring activities of the ombudsmen. The first concerned local governments' offices in the capital Tokyo that wined and dined central government public employees with the hope of gaining central government grants. It turned out that much of the entertainment provided was either illegal or over-invoiced, with the local government officials pocketing the differences. A second pattern of misconduct was also monitored and exposed that involved the invoicing of non-existent public travel.

The role of independent civil ombudsmen in exposing corruption in public agencies in Japan illustrates the power of monitoring by civil society in battling corruption.

Source: http://www.nbr.org

For further information, contact: The National Bureau of Asian Research, 4518 University Way NE, Suite 300, Seattle, WA 98105. Tel: (206) 632-7370, Fax: (206) 632-7487, E-mail: nbr@nbr.org,

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[42] Federation of Canadian Municipalities (2003) *International Experiences in Municipal performance Measurement.* Paper presented at the Third International Conference on Decentralisation, Manila, Philippines.

Klitgaard, MacLean-Abaroa and Parris[43] advocate a participatory process of diagnosing corruption in public agencies. This can be done by facilitating an open and analytical discussion within the concerned organization, without the threat of reprisal. Such workshops, they argue, must be carried out at many levels within the municipality, preferably starting with the highest decision-making authorities. The exercise could be either entirely internal, or outsiders (such as representatives of NGOs and the civil society, professionals, academics and researchers) may also be included.

SOME INDICATORS FOR ASSESSING TRANSPARENCY IN LOCAL GOVERNMENT

Indicators which are often used to assess the level of transparency in local governments include:

*   Is local government democratically accountable?

*   Is it subject to independent audit?

*   Are meetings of local bodies required to be held in public unless there are special reasons why they should be held in private, whether by law or by convention?

*   Are local authorities subject to the jurisdiction of an Ombudsman or a similar independent body?

*   Are gift and hospitality registers maintained for those in sensitive posts? If so, is there a right of public access to these registers?

*   Is there an accessible, formal publication by the local government that consists of contracts, tenders and budgets and accounts?

*   Are there signed published statement of the standards of conduct that citizens are entitled to from their elected officials and local government staff?

*   Are locally elected officials required to publicly disclose their income and assets (and those of their immediate family) prior to taking office?[44]

The tools included under this section help in answering the aforementioned questions and many others. These tools are:

2.1 The Municipal Checklist

2.2 The Urban Corruption Survey

2.3 The Municipal Vulnerability Assessment

2.4 Participatory Corruption Appraisal

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[43]   Klitgaard, Robert, et.al. (2000) *Corrupt Cities: A practical guide to cure and prevention.* World Bank Institute, World Bank, Washington, DC, *p. 50.*

[44]   The Urban Governance Index, developed by UN-HABITAT's Global Campaign on Urban Governance, includes some indicators under the category of "Accountability", that can help answer these questions in an objective and straightforward manner. For more information, see website http://www.unhabitat.org/governance
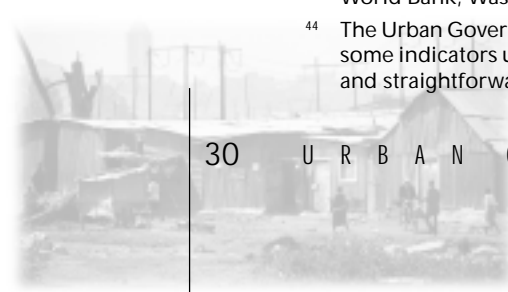
2.5 Report Cards

2.6 PROOF: The Public Record of Operations and Finance

Some of the issues such as disclosure of income and assets, conflict of interest, and standards of conduct are explored in greater detail in Sections 2B and 2C.

2.1 THE MUNICIPAL CHECKLIST

INTRODUCTION

In order to minimise loopholes and opportunities for corruption within the local authority, it is useful to examine the local realities and specific conditions that may perpetuate such corrupt activities within the local setting. The Municipal Checklist focuses specifically on the local government system and aims to assess the vulnerability of the system to abuse of authority and resources. In this sense it is different from the Urban Corruption Survey *(see 2.2 below)* which is applicable in the broader urban landscape.

PURPOSE

The purposes of the Municipal Checklist are

- To identify and begin to focus on the different areas of vulnerability to abuse[45] of authority and management of resources that a municipality might have.

- To provide a common base of information and understanding for all parties interested in knowing about and improving the effectiveness of the Municipality. The dissemination of this information helps to promote transparency.

Linkage to Transparency

The Municipal Checklist generates a profile of useful information obtained through (among other means) direct interaction with municipal officials and employees. Information that may contain indications on the various loopholes for corruptive practices should be widely disseminated to interested parties and the public at large. The impact of decisions made and actions taken as a result of the Municipal Checklist is intended to be helpful in achieving transparency at the local government level. Moreover, the process of obtaining information itself, as well as its wide dissemination, also plays an important role in encouraging transparency.

HOW IT WORKS – THE KEY ELEMENTS

Structure. The Checklist is a series of questions divided into sections that correspond to those areas of municipal life that have generally been most subject to abuse or found to be in most need of strengthening in order to address corruption issues. They could include:

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[45] Vulnerability to abuse is a broad concept that includes management of not only financial resources, but also other resources, such as land and the environment, for which local authorities often have responsibility.

Municipal Ethical Framework *(see Section 2C for a more detailed explanation)*; Public Complaints *(see also 2.23 Complaints and Ombudsman Office)*; Leadership; Human Resources; Budgeting *(see also 2.29 Participatory Budgeting)*; Procurement *(see also 2.19 The Integrity Pact)*; and Audit Procedures *(see also 2.27 Independent Audit Function)*. A sample of questions divided into the seven sections mentioned above, that may serve as the framework for elaboration of questionnaires tailored more specifically to particular situations, are shown in Box 7.

Administering the Checklist. It is quite important that the process of administering the Checklist, i.e., utilising it to conduct an assessment of the local government, involves a wide range of stakeholders. There are many reasons for this, including the need for an accurate appreciation of the wider community's views on corruption within the municipality, as well as the need to lay the basis for outside monitoring of the municipality's performance.

An assessment making use of the Checklist can be carried out in a number of different ways. These can include small group meetings with individual work units, larger workshops, and outside studies. The underlying principle, however, is that it must be conducted in a collaborative manner with municipal staff. Through a partnership approach, and not simply as an audit-type enquiry by an external consultant, the Checklist can become a learning tool and an instrument for promoting change within the municipality. An initial assessment will need to be made by the senior leadership, both political and civil service, as to the approaches that will ensure maximum candour in responses.

Analysing Results. The Checklist can play an important role in helping various stakeholders understand the strengths and weaknesses of the municipality's integrity systems. The ultimate goal is to have the results of the Checklist serve as a basis for change within the municipality. This can only happen with certainty when the municipal leadership is committed to good urban governance and has in place the systems that will enable it to act effectively. These systems are discussed as part of other tools in Parts B and C of this chapter.

While the Checklist is primarily a self-assessment tool for municipalities, it can also serve the very important purpose of building an informed community. For this reason, it is recommended that stakeholder involvement be built into the process of conducting the Municipal Checklist. This could be done through interviews and focus groups, as well as broader public meetings. Furthermore, sharing the results of the assessment based on the Checklist and the steps proposed to be taken by the municipality can go a long way in building trust between the stakeholders and local government and enhancing transparency.

Box 7: Municipal Ethical Framework

1. Is there a code of conduct for senior local government leadership?
2. Is it used and thought to be effective?
3. Are the assets and incomes of senior local government leadership disclosed annually to the public through effective means?

Public Complaints
4. Is there an independent complaints office within the local government?
5. Is it known to the public and to staff?
6. Is it effective and respected?
7. Is there retaliation against whistle-blowers or are they protected?
8. Can anonymous complaints be made?
9. Is there a programme for testing the integrity of the various local government departments?
10. Is the programme publicised and is it effective?

Municipal Leadership
11. Is the local government leadership committed to the fight against corruption and how has this been demonstrated in both words and deeds?
12. Does the public respect the work of the local government?

Municipal Human Resources
13. Is there respect for work rules by all staff, including supervisors?
14. Is the local government system for recruiting, disciplining, and promoting staff fair?
15. Are local government pay scales and benefits fair?
16. Is the internal administrative system for appeals of staff decisions considered fair?

Municipal Budgeting
17. Is the local government budgeting process well publicised and open to the public?
18. Does the public actively and directly participate in shaping local government budget priorities?

Municipal Procurement
19. Is the local government procurement system reputed to be fair?
20. Is it based on competitive principles?
21. Are procurements advertised in advance and made known to the public?
22. Is the process for selecting a bidder thorough and fair?
23. Are conflict of interest rules enforced?
24. Are certain types of procurements excluded from competition?
25. Does the local government make its investments through a competitive process?
26. Have there been corruption issues with the procurement system?
27. Is there a regular audit of procurement actions?

Audit Procedures
28. Are the local government accounts regularly audited by independent auditors?
29. Is there an internal auditor?
30. Are the results made public in a timely and effective manner?
31. Is there a separate local government public accounts committee?
32. As a result of these audits, are actions taken to rectify systems and practices?

Source: Transparency International

Box 8: Application of the Municipal Checklist in Four Towns in Namibia

In 2001, the United States Agency for International Development (USAID) and the Namibia Association of Local Authorities Officers (NALAO), with the assistance of Management Systems International (MSI), initiated an integrity project for local authorities. In its initial assessment of areas that might be most vulnerable to corruption, the programme made use of the Municipal Checklist, suitably adapted to the local context. Four towns (Otjiwarongo, Mariental, Katima Mulilo, and Ondangwa) were chosen to participate in the pilot phase of this project. In each town, a small task force was organized with membership primarily from the local authority. NALAO provided overall guidance and facilitators in each of the towns. Participation by civil society was to have been an integral part of this initial process.

The assessment phase of the process was concluded in June 2002. The assessments in the four towns found that there were three major types of changes needed. These related to policies and procedures, public participation, and relationships between the elected Councillors and staff. The details for each town were as follows:

Katima Mulilo
1) Policies and Procedures for:
   - Credit control on service delivery functions such as water
   - Land allocation and sales
   - Human resources such as recruitment of staff
   - Build Together housing programme
2) Strategy for local authority to engage the public
3) Training in Councillor/Staff responsibilities and relationships

Otjiwarongo
1) Policies and Procedures for:
   - Human resources such as recruitment/promotions/appeals
   - Ethics programme including codes of conduct/public complaints office
2) Strengthening local CBOs to interact with local authority

Mariental
1) Policies and Procedures and Technical Assistance for:
   - Procurement
   - Land allocation and sales
2) Training in Councillor/Staff responsibilities and relationships
3) Strategy to involve civil society and raise public awareness

Ondangwa
1) Policies and Procedures for:
   - Allocation of land
   - Service delivery (including training)
2) Research on perceptions and dimensions of corruption in Ondangwa
3) Training in Council/Staff responsibilities and relationships
4) Strategy to raise public awareness, including establishment of community watchdog committee

The Checklist appears to have been most useful for a self-assessment of the local authorities – enabling them to systematically go through and understand their own situation. It was not particularly relevant to civil society and private sector participants, who did not have enough detailed knowledge of the inner workings of the local government to be able to make any assessments. A more general approach with these groups that simply focused on what areas were apparent to them as vulnerable in terms of their experiences would seem to hold greater promise.

Source: Namibia Association of Local Authorities Officers

Box 9: Use of the Municipal Checklist in Piraeus, Greece

The Municipal Checklist was used for the very first time in the Municipality of Piraeus, Greece. It involved a study of the operations of the Municipality of Piraeus, jointly undertaken by the city and Transparency International (Greece), with assistance from the Transparency International. It grew out of an invitation from the Mayor of Piraeus to TI. The process employed in Piraeus involved an outside person, in some ways the equivalent of a consultant, meeting with a wide cross-section of Municipal staff and unions, two Municipal businesses, and a number of civil society organizations in Piraeus during a 4-day period. Following this brief diagnosis period, the results of the study were presented to the municipality. Some of the more important findings of the Piraeus diagnosis are summarised below:

- **Ethical Framework –** There were no codes of conduct for the Mayor, Vice-Mayors, Councillors, and Senior Staff.
- **Disclosure of Assets** – Only the Mayor was required to disclose his assets.
- **Public Complaints** – Every person interviewed indicated that the Mayor was very receptive to listening to complaints. However, there was no office within the Municipality specifically responsible for following up on citizen complaints. Nor was there an established and publicly known procedure for doing so.

As a result of the exercise, the city subsequently adopted a new Code of Ethics for itself, and continues to work with TI (Greece) to improve its integrity systems. Nevertheless, it seems clear that an approach that more directly involved the local community and the local municipality staff would probably have resulted in greater impact.

Source: Transparency International, Greece

FURTHER INFORMATION AND CONTACTS

General

Transparency International (TI), Otto-Suhr-Allee 97-99, 10585 Berlin, Germany
Tel.: +49-30-343-8200; Fax: +49-30-34703912

E-mail: ti@transparency.org, mjlippe@aol.com; Website: http://www.transparency.org

Namibia

Namibia Association of Local Authorities Officers, 80 Independence Avenue, Box 59, Windhoek, Namibia.
Tel.: +264-61-2902615; Fax: +264-61-2902344; E-mail: nalao@windhoekcc.org.na

Namibian Institute for Democracy, P.O. Box 11956, Windhoek, Namibia.
Tel: +264-61-229117/8, Fax: +264-61-229119, E-mail: nid@mweb.com.na

Management Systems International, 600 Water Street, SW, Washington, DC 20024, USA.
Tel.: +1-202-484-717
0, Fax: +1-202-488-0754, Website: www.msiworldwide.com

United States Agency for International Development, Windhoek, Namibia.
Tel.: +264-61-273700

Greece

Transparency International – Greece, 6-7, Efroniou St., 11634 Athens, Greece.
Tel: +30-1-7224940, Fax: +30-1-7224947
E-mail: transparency@otenet.gr, Website: http://www.transparency.gr (Greek only)

2.2 THE URBAN CORRUPTION SURVEY

INTRODUCTION

The Urban Corruption Survey is a tool that helps stakeholders understand the existing realities related to corruption, transparency and the quality of governance in their city. This assessment is essential in order to formulate strategies that not only address existing problems but also help to develop systems to ensure greater transparency in the future.

PURPOSE

The Urban Corruption Survey has the following key objectives:

*   To identify the organizations, institutions or sections within institutions, where corruption is prevalent,

*   To quantify the costs of corruption to the average citizen,

*   To increase public interest in the issues surrounding corruption, and

*   To provide a basis for actions to be taken in the light of the findings of the survey.

LINKAGE TO TRANSPARENCY

The Urban Corruption Survey is a tool that facilitates the identification of any unethical practices in specific urban areas, highlighting ordinary people's perceptions of corruption in organizations operating at the local level. The Urban Corruption/Bribery Index, formulated as a result of the Survey, can play an important role in the development of appropriate measures to counter bribery and enhance transparency.

HOW IT WORKS – THE KEY ELEMENTS

The key components in designing the survey and conducting the exercise are described below. These elements of the survey methodology are drawn primarily from the design and experiences of the Urban Bribery Index developed by TI-Kenya *(See Box 10 for details)*.

Designing the Framework. The objectives of the survey must be clearly defined in the beginning, and must inform the design of the exercise. The survey can be applied to all or some of the public agencies at the local level, or even to specific activities or sections within the local government and public and private service providers. The survey should be designed to capture information from all key stakeholders – the public and private sectors as well as civil society. The target audience must also be clearly identified at this stage. It is only after these steps have been completed that the survey instrument can be designed.

Survey Instrument. The most popular survey instrument is the traditional questionnaire. No survey is better than its questionnaire. The questionnaire must aim to collect as much information as possible. However, it should be kept simple, clear and easily understood by the various respondents. The questions included should be systematic and short and not overly numerous. A substantial amount of time has to be put into structuring the questionnaire and, if necessary, the assistance of relevant expertise could be secured to help in the design of the survey. If possible, questions should be pre-tested in order to

remove as much ambiguity as possible. A sample of issues that the questionnaire could cover is given in Table 2.

Table 2: Key Issues covered by the Urban Corruption Survey

Issue	Description
Frequency of Interaction	Organizations that the respondent has interacted with in the last one year and how often (whether once a month or more often, less than once a month or only once in the last one year)
Purpose of Interaction	The purpose of interaction could be classified into five categories as follows:
	a. Services (e.g., health, education, utilities) b. Law enforcement or regulatory related c. Business related d. Employment e. Other
Bribery Incidence	Whether or not bribes are required or demanded to obtain or expedite services (or avoid law enforcement) and what the respondents expect to be the consequences of declining to bribe (i.e., satisfactory service, bad service, harassment, delay or denial of service)
Bribery Transaction	The actual bribes that the respondents have paid or know others (e.g., friends, business associates or competitors) to have paid. Respondents to provide information on the amount, the frequency (every day, at least once a week, at least once a month, at least once in the last 12 months), and the purpose as classified above
Corruption Trend	Organizations which respondents have perceived improvement or deterioration in the level of corruption, the magnitude (small, moderate or big), and the period over which the change is perceived (last one year, last three years, last five years)

Index. The overall index is an aggregate of all[46] indicators, which capture different dimensions and impact of bribery. These could include, for instance:

• **Incidence**: How often people are asked for bribes in the organizations that they deal with.

• **Prevalence**: The percentage of the population that is affected by bribery in an organization/institution/local government department.

• **Severity**: Consequences of declining to bribe, which ranges from unsatisfactory service to denial of service altogether (i.e. no bribe, no service).

• **Frequency**: The actual level of bribery reported in an organization, that is, how many bribes officials of the organization receive.

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[46] The Studies conducted so far, particularly in Kenya have used six indicators.

- **Cost**: The estimated cost of bribery in an organization to the public, measured as a "bribery tax" per person.

- **Bribe size**: The average size of bribes paid to officials of the organization.

Limitations of the Survey. One of the key limitations in any study of this nature lies in the computation of values. Computation of any aggregate index invariably entails making subjective judgements about what to include and what not to include, what measures to use, whether or not to attach weights to individual components and, if so, what weights to attach. Cross sectional comparison (ranking units at a point in time) often entails a trade-off with comparability over time and vice versa. In the Kenya survey, each of the indicators is given equal weight, although this in itself is a value judgement since some of the indicators are arguably more critical than others. However, corruption is a very new area of academic research, and there is as yet no accepted convention as to which dimensions of it are more critical than others. Finally, the indicators that are chosen may not the only possible ones. For any one aggregate index, there is always a different equally valid set or combination of indicators that could yield different rankings.

Funding. Implementation of a comprehensive survey requires ready financial resources. As suggested in Chapter 1, any transparency exercise should ideally be supported (at least in part if not in full) by the local government in order to ensure ownership and sustainability.

Reporting. Reports of the results need to address the various target groups identified in the beginning of the exercise. A technical report that details the methodology, questions, and statistical details is important, but separate reports focusing on different aspects of the results, tailored to different audiences, might also be necessary. Each of the indicators should be presented and discussed separately in the technical report.

Use of Media. This is important to ensure that information reaches different audiences. The requirements of different media – e.g., print, electronic and the Internet – should be understood and catered for.
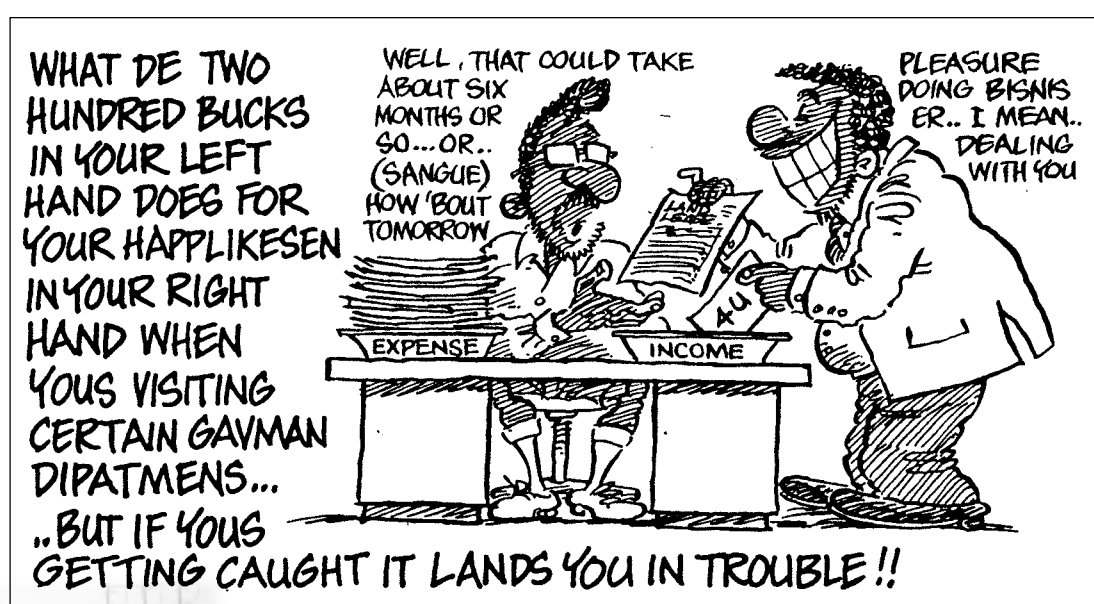
© Bob Browne/The Grass Roots Comic Company Ltd.

Box 10: Kenya Urban Bribery Survey: Findings and Lessons

The Kenya Urban Bribery Survey was conducted in order to assess the corrupt practices in urban areas and thereby help inform strategies to increase transparency and accountability at the local level. The key features of the survey are described below:

Survey Sample: Three separate clusters or groups were sampled – micro and small enterprises, the corporate sector, and individuals. Initially, the corporate sector did not respond in large numbers to written questionnaires, so there was a follow-up with personal interviews. The small business and individual street interviews were conducted on a random basis. There were 1,164 respondents in all.

Survey Instrument: The survey was conducted using a structured questionnaire that asked the respondents about their interactions with public organizations over the preceding 12 months. Information was collected on the frequency of interaction, the purpose of the interaction, the incidence of bribery in these interactions, and information on the actual bribes that might have been required, and the corruption trends in these organizations.

Urban Bribery Index: From this information, TI Kenya constructed an index that was an aggregate of six indicators; incidence, prevalence, severity, frequency, cost, and bribe size. The first three indicators, incidence, prevalence and severity are percentages in the sample. The other three, frequency, cost and size of bribes, which are actual values, are scaled by the highest value to obtain an index where the highest value equals 100. The aggregate index is the simple (i.e., unweighted) average of the six indices. The index ranks all the institutions for which the survey provides sufficient information for statistically valid comparison. Other organizations that lack sufficient information may be aggregated into other categories, for example, "Other Central Government", "Other State Corporation", "Other Local Authority", "Private Sector (business & non-profit)", etc. These are then added up with the others for rankings in total.

Some of the most interesting results were as follows:

- About two out of three persons reported that they were required to bribe to obtain public services.
- Those likely to be poor (people with low income, unemployed, or with low levels of education) were significantly more vulnerable to corruption than better-off respondents.
- Corruption is on the increase.
- Most bribes given were relatively small, e.g., 41% of all bribes were less than 200 Kenyan Shillings (KSh.), but larger bribes of over 5,000 Ksh. accounted for 75% of the total monetary value of bribes given.
- The Kenya Police was named as the most corrupt public organization in Kenya. Six out of ten respondents cited the need to pay bribes to obtain police services. The Nairobi City Council ranked second.

In the composite Bribery Index, the Police again ranked number one. Nairobi City Council and Mombasa Municipal Council, the two largest cities in Kenya, were ranked as the 5th and 7th most corrupt organizations, followed by other local authorities in the 8th position.

The results of the survey received wide publicity in Kenya and continue to be referred to in the daily press. It has been used by a wide range of organizations and individuals as a starting point for activities to increase transparency.

Source: Transparency International, Kenya. http://www.tikenya.org

Box 11: Survey to Assess Corruption in Municipal Elections in Brazil

The survey in Brazil illustrates the use of the tool to assess corruption in a specific activity of the Municipal Government – Elections. This survey was carried out by TI-Brazil, Transparencia Brasil, in response to numerous reports of massive vote buying and selling during the municipal elections of 2000.

Two different questionnaires were reviewed, one with six questions that was administered in a house to house survey by the respected public survey organization, IBOPE, and the other, more lengthy, which was to have been administered via the Internet, but which, in the end, was not utilised. The shorter survey, which was finally used, is set forth below.

0. In your opinion, in the past two years the degree of corruption in the three government spheres has [Increased significantly - Decreased significantly on 5 point scale]:

Federal _____

State _____

Municipal_____

1. During the last 12 months has any government official directly asked you, or made clear it was a condition, to pay a bribe for his service?

❏ Yes   ❏ No

If yes, which institution(s) did he belong to?

Open answer _____

2. During 2000, did any public official or go-between regularly help you to get problems solved within the municipal administration, stating as a condition that you vote for a specific candidate?

❏ Yes   ❏ No

3. During the campaign for the 2000 municipal elections, did any candidate (or go-between) offer you money in return of voting for him?

❏ Yes   ❏ No

a. If yes, how much was offered to you?

Open answer _____

b. If yes, did you accept?

❏ Yes   ❏ No

4. If yes to question 3, and however you answered to question 3b, did you vote for the candidate?

❏ Yes   ❏ No

Note: IBOPE misunderstood this question and applied it only to persons who answered "yes" to question 3.b.

5. In your opinion, is the school system responsible for not giving corruption the attention it deserves?

❏ Agree   ❏ Disagree   ❏ No opinion

The Brazil Survey provided significant lessons in expertise needed for structuring the questionnaire, conducting the survey and disseminating its findings. Reporting on the findings of the survey required a simpler report for public consumption and a more technical report with details for relevant experts and authorities. Also, different media for dissemination of the report demanded different formats, i.e., print, electronic and web.

Source: Transparency International, Brazil, www.transparencia.org.br

General

Transparency International (TI), Otto-Suhr-Allee 97-99, 10585 Berlin, Germany
Tel.: +49-30-343-8200; Fax: +49-30-34703912
E-mail: ti@transparency.org; Website: www.transparency.org/surveys/index.html

Kenya

Transparency International – Kenya, P.O. Box 198, Post Code 00200 City Square, Nairobi, Kenya.
Tel: +254-20-727763/5, Fax: +254-20-729530
E-mail: tikenya@wananchi.com, Website: www.tikenya.org

Brazil

Transparencia Brasil, Rua Francisco Leitão 339, São Paulo (SP) Brasil.
Tel: +55-11-30862537/ 30623436; Fax: +55-11-2581047
E-mail: cwabramo@vol.com.br, or tbrasil@transparencia.org.br
Website: www.transparencia.org.br

2.3   THE MUNICIPAL VULNERABILITY ASSESSMENT

INTRODUCTION

The Municipal Vulnerability Assessment is another tool, in addition to the Municipal Checklist discussed in 2.1 above, that can be applied by a municipality and outside organizations to help understand how the local government addresses integrity and transparency issues. This tool focuses on three areas: whether the general control environment that obtains in a local government is permissive of corruption; whether a particular activity is more likely to be susceptible to corruption; and whether existing controls are adequate.

PURPOSE

The main purposes of the Municipal Vulnerability Assessment are:

•   To clarify the different areas within a municipality that might be vulnerable to abuse of authority and management of resources; and

•   To point authorities and reformers in relevant directions concerning the steps to be taken to reduce vulnerability, enhance transparency, and strengthen integrity.

LINKAGE TO TRANSPARENCY

The Municipal Vulnerability Assessment generates information that is especially useful in identification of loopholes for corruption in the local system. Thorough analysis can point to systemic changes to reduce corruption and enhance transparency in the local government.

HOW IT WORKS – THE KEY ELEMENTS

As set forth below, and similar to the Municipal Checklist, the Vulnerability Assessment poses a series of questions which need to be answered after thoroughly examining the Municipality structure. These responses are then analysed to identify the areas of vulnerability. Finally, remedies are proposed to improve the general municipal environment and reduce risks of corruption in the pinpointed areas.

Box 12 puts forth an outline for a Municipal Vulnerability Assessment under the three-pronged framework described above.

Box 12: Outline of a Municipal Vulnerability Assessment

A. Is the general control environment permissive of corruption?
  1. To what degree is management committed to a strong system of internal control?
  2. Are appropriate reporting relationships in place among the organizational units?
  3. To what degree is the organization staffed by people of competence and integrity?
  4. Is authority properly delegated and limited?
  5. Are policies and procedures clear to employees?
  6. Are budgeting and reporting procedures well specified and effectively implemented?
  7. Are financial and management controls – including the use of computers – well established and safeguarded?

B. To what extent does the activity carry the inherent risk of corruption?
  1. To what extent is the programme vague or complex in its aims; heavily involved with third-party beneficiaries; dealing in cash; or in the business of applications; licenses, permits, and certificates?
  2. What is the size of the budget? (The bigger the budget, the greater the possible loss).
  3. How large is the financial impact outside the agency? (The greater the "rents", the greater the incentives for corruption.)
  4. Is the programme new? It is working under a tight time constraint or immediate expiration date? (If so, corruption is more likely.)
  5. Is the level of centralisation appropriate for activity?
  6. Has there been prior evidence of illicit activities here?

C. After preliminary evaluation, to what extent do existing safeguards and controls seem adequate to prevent corruption?

Source: Klitgaard, Robert, et.al. (2000) Corrupt Cities: A practical guide to cure and prevention. World Bank Institute, Washington, DC.

FURTHER INFORMATION AND CONTACTS

Klitgaard, Robert, Ronald MacLean-Abaroa, H. Lindsey Parris (2000) **Corrupt Cities: A Practical Guide to Cure and Prevention.** World Bank Institute, Washington DC.

2.4 PARTICIPATORY CORRUPTION APPRAISAL – A METHODOLOGY FOR ASSESSING HOW CORRUPTION AFFECTS THE URBAN POOR

INTRODUCTION

Participatory Corruption Appraisal is a tool that focuses on the impact of corruption on the most vulnerable of urban stakeholders – the urban poor. It was first introduced in Indonesia *(see Box 13)* as part of a World Bank-supported initiative.

It is always difficult to get information about corrupt practices. It is doubly difficult to get information about corruption as it affects the poor, since poor people will be unwilling to talk about their own corrupt behaviour or others' corrupt behaviour in case this results in retribution for them. The PCA experience in Indonesia shows that given the right atmosphere, it is quite possible to learn a lot about how corruption affects poor people's lives.

The general objectives of the Participatory Corruption Appraisal (PCA) are:

- To understand the harmful effects of corruption on the lives of poor people

- To communicate such information widely to policymakers and the general public

- To help the communities in which the Participatory Corruption Appraisal took place to plan and act to reduce corruption.

LINKAGE TO TRANSPARENCY

The impact of corruption on the poor is not very well documented.[47] It is an accepted fact, however, that corruption and malpractice in areas such as land allocation and service delivery play a significant role in further marginalising the poor. A concerted effort to learn more about the nature and scale of the impact of corrupt or unethical practices on the urban poor can lead to well-informed strategies to tackle the problem and contribute to building inclusion in cities.

HOW IT WORKS – THE KEY STEPS IN THE PCA PROCESS

Making contact. It is important to identify an organization that has the trust of the poor in the general area in which information is sought. This will usually be an NGO that has an existing programme in that area (e.g., savings and credit or health services or a local community organization).

Identifying the community. Identification of the community goes hand-in-hand with the process of getting to know local organizations. This needs to be a community in which there are considerable numbers of poor people. Depending on the country and the culture, there may be slum areas that are uniformly poor, or there may be communities in slum areas of a city that are relatively homogeneous, or there may be a large number of poor people within a heterogeneous community. It also needs to be a community which is clearly defined or self-identified, and in which people know each other.

Building a team. The team of field workers which would conduct a PCA usually comprises individuals from the NGO or community association who are able and willing to learn about the methodology and carry it out in the community. This involves developing skills in participatory Focus Group Discussions (FGD) and interviews.

Focus Group Discussions. A number of Focus Group Discussions and several personal interviews are conducted over a period of one or two weeks.

Synthesis of information. The information collected must be sifted and organized in a way that can be presented back to the people.

Sharing results with the community and decision makers. The assembled information must be presented to the community and possible actions discussed. This could be followed-up with a public meeting (with the agreement of the community) in which the findings from

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[47] Although the impact of corruption on the poor is not always directly discernible, the Kenya Urban Bribery Survey (see also 2.2 The Urban Corruption Survey and Box 10) came up with figures on the Shilling impact of various corrupt practices. The second Kenya survey also concluded that the advent of a new government committed to anti-corruption apparently caused a reduction in the amount of small bribes being demanded.
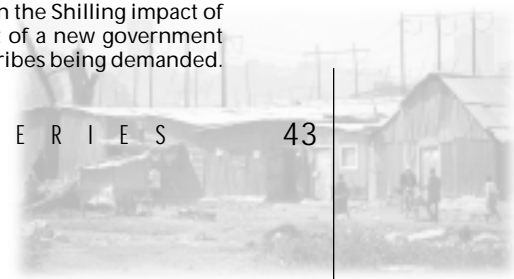
the appraisal and the action plans proposed are presented to a larger audience (local government officials, local NGOs, local traditional leaders, local journalists). The idea is to amplify the voice of the community, and seek others' involvement in addressing the problems caused by corruption.

CITY/COUNTRY EXAMPLES

Box 13: Analysing corruption's impact on the urban poor in Indonesia

In 2000-2001, the Partnership for Governance Reform in Indonesia and the World Bank jointly organized and developed an action research project called "Corruption and the Poor". The project was undertaken in three urban slums in Makassar, Yogyakarta and Jakarta and aimed to explore how corruption affects the urban poor in Indonesia through use of the Participatory Corruption Assessment (PCA) techniques.

In each location the project team talked to groups of 30-40 poor men and women about their experience with corruption. This was followed by individual interviews throughout the community to elicit where and how corruption affected them. This allowed immediate insight into poor people's lives and provided a holistic understanding of how corruption affects them. It also motivated the participants as well as researchers to stay engaged beyond the fieldwork, linking research to action.

The PCA participants identified four major costs of corruption:

- financial costs – because corruption eats into already tight budgets and therefore puts a higher burden on the poor than on the rich;

- human capital – because corruption erodes access to and the effectiveness of social services including schools, healthcare services, food subsidy schemes and garbage collection, which affects poor people's physical well-being and their skills;

- moral decay – they see corruption as eroding the rule of law and reinforcing a "culture of corruption"; and

- loss of social capital – corruption destroys trust and damages relationships, corroding community cohesion.

The activity took place in two phases:

1. The research phase – this consisted of (a) the first visit to the communities for field-work, and (b) the second visit to the community which linked research to action – where findings were reported back to the community and a process for follow-up action was kicked off.

2. The action phase – which consisted of several, location-specific follow-up activities, involving local NGOs, media and the community.

The Corruption and the Poor project resulted in two publications, as well as a report to the World Bank on the project. The first publication entitled "The Poor Speak Out" is a set of 17 journalistic pieces that record the stories of poor people who participated in the action research. The book outlines the types of corruption confronted by poor people in their everyday lives and records how the individuals concerned chose to handle it. The book also includes an analysis of the results of the project. A second publication entitled "Participatory Corruption Appraisal" records the methodology used by the Corruption and the Poor project to try and engage poor urban communities and facilitate them to express how corruption affects their lives and identify strategies for tackling it. It was successful in eliciting from poor people what they thought were the most corrupt practices from which they suffered, and what they thought could be done about it.

A third aspect of the Corruption and the Poor project was the involvement of local NGOs, who wanted to work on anti-corruption activities as a follow-up to the action research project. Civil society groups in Makassar and Yogyakarta spearheaded the establishment of networks of over 40 NGOs, as well as universities and professional organizations, to take local action against corruption and facilitate urban communities to fight against corruption in the lower levels of the public service. Activities included popular theatre, community-based education, working with the mass media, comic strips and alternative media channels to disseminate anti-corruption messages and establishing corruption and public policy monitoring groups at community level.

Source: http://www.partnership.or.id

The Partnership for Governance Reform in Indonesia: http://www.partnership.or.id

2.5   REPORT CARDS

INTRODUCTION

Various participatory systems for analysing public services by citizens have emerged over the years. One of the established ones is the Report Card which has been applied in a number of countries including India and the Philippines.

Report Cards are instruments to encourage public accountability. Modelled on a private sector practice of conducting client satisfaction surveys, report cards solicit user perceptions on the quality, efficiency, and adequacy of the various public services that are funded by tax-payers. Qualitative user opinions are aggregated to create a "score card" that rates the performance of service providers. The findings present a quantitative measure of overall satisfaction and perceived levels of corruption among an array of other indicators. By systematically gathering and disseminating public feedback, report cards can serve as a "surrogate for competition" for monopolies – usually government owned – that lack the incentive to be as responsive as private enterprises to their client's needs. They are a useful medium through which citizens can credibly and collectively "signal" to agencies about their performance and pressure for change.

PURPOSE

The Report Card is intended to examine the services provided by the local authority through a survey of the recipients or beneficiaries of these services and to rate them according to a scale that measures efficiency and value.

The larger purpose of the Report Card tool is to make use of the results of the survey to then improve the services provided and to further investigate the reasons why services have not been as well provided as might have been expected.

LINKAGE TO TRANSPARENCY

The Report Card is a way of ensuring transparency in the provision of public services. The survey involves citizens who are the intended beneficiaries of the services as well as the taxpayers. It is used to gauge citizens' satisfaction, scrutinise public officials and expose their inability to adequately provide the services. More importantly, the survey is used to find a means for improving the provision of such services. The whole process serves to improve the quality of service through better accountability.

HOW IT WORKS – THE KEY ELEMENTS

An effective Report Card initiative requires a skilled combination of four things:

- understanding of the socio-political context of governance and the structure of public finance

- technical competence to scientifically execute and analyse the survey

- media and advocacy campaign to bring out the findings into the public domain, and

- steps aimed at institutionalising the practice for iterative civic actions.

Generally a Report Card initiative goes through the following key stages:

Identification of Scope, Purpose and Actors. One of the aspects of initiating a Report Card is to determine the scope of the evaluation: a sector, industry, or unit of service provision. Criteria vary with contexts: agencies receiving the largest amounts of public funds, agencies that are most directly related to the poor, agencies that have sensitive mandates such as security and policing, agencies facing high volume of anecdotal complaints from users, etc.

Since administration of a report card initiative is a technical exercise, it is important to identify credible policy institutes or other NGO-type intermediaries within the city or outside, who can undertake the exercise. Respectability of the intermediary organization directly affects the credibility of the findings.

Another key element is the identification of the broad class of users from which the sample would be drawn. This will depend on what sector is being evaluated. Finally, from an implementation point of view, the audience is key. The general public and the media are obvious beneficiaries of the findings, but it is crucial to determine the various target groups at the beginning of the exercise.

Design of Questionnaires. Following the identification of stakeholders, focus group interactions with at least the two constituencies – the providers of service and its users – are necessary to provide inputs to the questionnaire design. Providers of service can indicate not only what they have been mandated to provide, but also areas where feedback from clients can improve their services. Similarly, users can provide initial impressions of the service, so that areas that deserve extensive probing can be catered for. After the questionnaire is designed, it will be necessary to pre-test it with similar groups before a full-scale launch.

While there is a trade-off between detail and time, a critical mass of information has to be collected to ensure credibility and usefulness. If questionnaires are exhaustive, mechanisms will have to be worked out to alleviate the burden and make the sessions mutually convenient to the enumerator and the respondent. A useful practice is to break the questionnaire into different modules. Each module can then be answered by more than one member of the family, or whatever the unit of analysis is.

Sampling. The need for a critical sample size has to be squared off with budgetary, time, and human resource constraints. While surveys are, by definition, different from censuses, the larger the sample size, the better it is usually. There is, however, no recommended sample size. In fact, making the sample more representative should be a more important consideration than plain expansion of numbers. After an appropriate aggregate sample size has been determined, allocations have to be made to appropriately carved geographic regions. The standard principle here is to use the multi-stage probability sampling technique with probability proportional to the size of population.

Finally, while households are usually the most convenient units of analysis, caveats about cultural mores and intra-household distribution of wealth and power need to be observed. Within sample households, sample respondents have to be chosen. Usually, the head of the family is approached for answers. If questionnaires are lengthy and broken into modules, he or she may assign other members to answers different modules. Men and women, for example, may be informed about some modules better than others. If selected sample households are not forthcoming, households with similar socio-economic, age, ethnic and gender characteristics should be chosen.

Execution of Survey. A cadre of survey personnel has to be selected and trained to conduct the exercise. Survey personnel or enumerators should not only be thoroughly informed about the basics and the purpose of the project, but also be skilled in questioning respondents with courtesy and patience. Like the pre-testing of questionnaires, the work of enumerators themselves has to be pre-tested, with preliminary feedback used to modify questionnaires or the tactic of questioning.[48]

In order to ensure that recording of household information is being done accurately, it is often useful to undertake spot monitoring of question sessions at random. If questionnaires were misinterpreted, or some answers found inconsistent, re-interviewing is required. Finally, upon completion of each interview, the enumerator should ideally go over the information collected and identify inconsistencies. After the record is deemed satisfactory, it is put into standardised data tables.

Data Analysis. This is the stage when all data is consolidated and analysed. Typically, respondents rate or give information on aspects of government services on a scale, for example, –5 to +5, or 1 to 7. These ratings of representative users on the various questions are then aggregated, averaged, and a satisfaction score expressed as a percentage. There are numerous caveats in this technique including, for instance, non-representativeness of the sample, or inter-sector non-comparability. The key point is to ensure that well-tested survey techniques that conform to international standards are employed and that data is subjected to standard error analysis and tests of significance.

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[48]   An important consideration during the execution of report card surveys must be the integrity of the system of data collection. If enumerators are paid per questionnaire submitted, it is possible that they may misuse the system. In order to offset the risk of skewed findings due to fraudulent questionnaires, payments must be de-linked from the number of interviews and surprise checks conducted on enumerators in the field.

Dissemination. The findings of the Report Card should aim at being constructively critical. It may be unhelpful if the goal is solely to embarrass or laud a service provider's performance. This is why it is important to share the preliminary findings with the service provider concerned. An opportunity for the authorities to respond to some of the serious criticisms must be provided, and genuine grievances on their part, such as staffing or budgetary constraints should be fed back to the report to alter the tone of recommendations

The media is the biggest ally in report card initiatives. The findings should be launched in a high-profile press conference, and all-out efforts made to ensure that the coverage is wide. This can require preparation of press kits with small printable stories, media-friendly press releases, and translation of the main report into local languages. Making the findings widely known and available makes it difficult for the agency concerned to ignore the findings.

Following the publication of the report cards, interface between the users and the service providers ideally in a town-hall type setting is recommended. This not only allows the two parties to constructively engage in a dialogue based on evidence, but also puts pressure on the service providers to improve their performance for the next round. If more than one agency is being evaluated, these kinds of settings can foster a sense of healthy competition among service providers. A direct interaction between the two parties involved is also a way to ensure an operational link between information and action.

Finally, the new developments in information technology should increasingly be used to solve old problems of accountability. Through web-sites and discussion boards on the Internet, the reach of the findings of reports cards can not only be widened, but they can also solicit the engagement of literate and informed tax payers in solving public problems.

Institutionalisation. Report card initiatives, especially those that arrive as one-off experiments, will serve little long-term purpose unless implementation is followed through on a sustained basis. Institutionalisation is also important to exploit the usefulness of credible report cards in full by making them more than psychological pressure tools on service providers. Ideally, governments can use report cards for performance-based budgeting and link public opinion with public spending. How these efforts are to be institutionalised should thus be a concern warranting some thought right from the outset.

Institutionalisation of the initiative can take a variety of forms depending on country circumstances. Three common models that exist are: i) independent civil society organizations undertake the initiative (India); ii) service providers themselves seek client feedback directly (United Kingdom); and iii) an oversight agency undertakes the initiative (United States). If non-governmental groups are doing the exercise, a coalition approach that brings together technically versed research, advocacy and media organizations can be effective.

Box 14: Successful use of the Report Card in Bangalore, India

The Public Services Scorecard or Report Card concept was first tried in Bangalore, India, in 1993, through the efforts of the Public Affairs Centre led by Dr. Samuel Paul. The immediate cause was the continuing poor performance of public services in the city. The support of a market research agency, Gallup MBA India Pvt. Ltd., who agreed to participate in support of a social cause, proved to be crucial in launching the survey. Survey costs were met largely through the mobilisation of local donations. Subsequently, both the National Foundation for India and the Ford Foundation provided financial support for expanded efforts and follow-up activities.

The successful use of Report Cards in Bangalore confirm the value of this public feedback mechanism both to enable citizens to signal service providers about their performance and to stimulate the latter to respond to these signals. Both the report card and the subsequent developments seem to have had a positive impact on the citizens' awareness of Bangalore's public service problems.

A unique feature of the report card is the way in which it focuses attention on corruption, a phenomenon that has always been difficult to pinpoint and quantify. Getting the givers of bribes to identify the agencies involved achieves a measure of specificity and credibility. Comparison between agencies, locations, etc., attracts public attention and puts an unwelcome spotlight on the agencies. The report card on corruption gives organized citizen groups the kind of information they need to seek reform in specific agencies and to demand greater public accountability.

The experience with Report Cards in Bangalore as well as other cities reinforces the case for benchmarking qualitative and quantitative dimensions of public services to monitor performances over time. The use of public feedback can act as a proxy for the pressure of competition in a context where customers have few choices. Most public service providers and regulators are monopolies and the scope for making them compete in the market place is rather limited in many developing countries. External research and advocacy groups could demonstrate the use of public feedback as a means to stimulate public service agencies to be more responsive to their customers. In the final analysis, service providers as well as their supervising authorities should see merit in this approach and commission user surveys on a periodic basis.

Source: Various publications of Public Affairs Centre, Bangalore: http://www.pacindia.org

Box 15: The Filipino Report Card on Pro-Poor Services

The World Bank piloted the report card in Philippines to seek feedback of ordinary citizens on public services in the Philippines.

The Filipino Report Card on Pro-Poor Services assesses the performance of selected government services based on client experience. These services are basic health, elementary education, housing, potable water, and food distribution. The Report Card results throw light on the constraints Filipinos face in accessing public services, their views about the quality and adequacy of services, and the responsiveness of government officials. They provide valuable insights on the priorities and problems faced by the clients and how the various services may be better tailored to the needs of Filipinos in general, and the poor in particular. Through the survey citizens got to speak out on the quality and affordability of the services and also revealed their awareness and access to the programmes.

It is expected that the service providers would take the Report Card findings into consideration in adjusting their programmes to improve service delivery. However, many past assessments did not have a lasting impact on service delivery because they were often one-shot exercises with no effective means to follow through. It is necessary to implement the Report Card surveys periodically in order to assess the improvements in service delivery from a bottom-up perspective. The incentive to respond with concrete improvements would be greater, if service providers know they will be tracked again. Thus, there is a need to institutionalize the Report Card mechanism as an ongoing process to be repeated periodically (say, at 12 to 18-month intervals).

Such a regular mechanism is timely, as enhanced accountability of the state to the people (clients) has become an important area of development focus in the past decade. Various initiatives have been underway on such related aspects as corruption as well as on the overall reform of the civil service. Furthermore, the vital role of a socially responsible private sector and a vibrant civil society as key actors in enhancing good governance and reducing poverty is being increasingly recognized. In the aftermath of People Power II, there is general consensus in the Philippines that citizens must continue to monitor the government to ensure improved performance and greater accountability.

Source: www.worldbank.org/participation/web/webfiles/philipreport.htm

Box 16: Score Card Surveys through Committees of Concerned Citizens in Bangladesh

TI Bangladesh has set up six locally based **Committees of Concerned Citizens (CCC)** in different regions of the country that were to **conduct scorecard surveys** about the services being provided by local governments. An elaborate process for selecting the areas to host the CCCs and the local residents to be the members, and then to establish offices for these committees was designed and put into place.

For selection of the districts to host the CCCs, the specified requirements included: minimal distance from Dhaka, the location to be a full parliamentary constituency with access to a range of amenities and facilities (especially communications), availability of suitable persons, existing networks of NGOs and professional organizations, etc.

For selection of the members of the CCCs, there was a lengthy list of requirements as well as desired qualifications, all of which emphasised the importance of obtaining well respected and trusted individuals, having a broad range and diversity of individuals, and having people who were active in the community.

The CCCs have now been put into place, but not without a certain number of problems that point up the following:
- The process will take time.
- It is important that there be a demonstrated demand from the community for this kind of organization and that it not be perceived as something only fostered from outside. This is a difficult matter because it is also true that in some situations it is important to have a "push" from the outside in order to get civic activities moving.
- The choice of members is crucial. It is important to ensure that individuals accepting to serve are motivated principally by a desire to better their communities.

The CCCs have now begun to assess the activities of the local providers of services in their areas. It is, however, still rather too early to determine the overall impact of the initiative. The initiative is still a work in progress, but one that holds promise for the future, provided there is perseverance at the local level.

Source: Transparency International, Bangladesh: http://www.ti-bangladesh.org

FURTHER INFORMATION AND CONTACTS

Bangalore, India

The Public Affairs Centre, 422, 80 Feet Road, VI Block, Koramangala, Bangalore 560095, India.
Telefax: +91-80-5520246/5525452/5525453, 5533467/5537260
E-mail: pacindia@vsnl.com, Website: www.pacindia.org

Philippines

The World Bank, Environment and Social Development Sector Unit, 1818 H Street, N.W. Washington, DC 20433 U.S.A.
Website: www.worldbank.org/participation/web/webfiles/philipreport.htm

Bangladesh

Transparency International Bangladesh, Progress Tower (5th and 6th Floors), House No. 1, Road No. 23, Gulshan-1, Dhaka 1212, Bangladesh.
Tel. & Fax: +880-2-988-4811, 882-6036
E-mail: info@ti-bangladesh.org; Website: www.ti-bangladesh.org.

2.6 PROOF: THE PUBLIC RECORD OF OPERATIONS AND FINANCE

INTRODUCTION

Performance audits and quarterly financial statements are universally acknowledged as essential mechanisms and criteria of and for progress. The Corporate sector, NGOs, CBOs and civil society have not only embraced the concept but also used it as the basis of performance measurement and the foundation of good governance. Governments too need to embrace this concept and practice it.

With this objective, the Public Record of Operations and Finance (PROOF) campaign was launched in Bangalore (India) in July 2002, by four NGOs, namely: Public Affairs Centre, Janaagraha, Centre for Budget and Policy Studies, and Voices. PROOF, an emerging tool to encourage transparency at the local level, will enable government and citizens to work together and ensure that public money is being used for public good. PROOF is a campaign for transparency in municipal governance, conducted in close partnership with the local government.

PURPOSE

The main purposes of PROOF are:

- To provide an efficient and effective framework for regular performance reporting by local governments.

- To significantly reduce the opportunities for maladministration and financial misappropriation in municipal councils and other public agencies.

In addition, PROOF aims to build or improve overall public confidence in the government systems.

LINKAGE TO TRANSPARENCY

PROOF requires that municipal finances related to public services are published and scrutinised by organized groups and the general public at large. The flow of such information into the public domain allows for transparency in the financial dealings of the municipal authority. The intended scrutiny by the organized groups further enhances this transparency as it ensures that public money is used for the benefit of the public.

HOW IT WORKS – THE KEY ELEMENTS

PROOF is a new and emerging tool which has been tested in only one city – Bangalore (India). It is an extremely simple tool contingent upon one key factor – the will of the local government to share information with stakeholders. The tool focuses on three areas: obtaining quarterly financial statements from the government, developing performance indicators to assess municipal undertakings across the city, and public discussions.

Obtaining municipal financial statements. Obtaining such records from the institution concerned for the period under scrutiny is the first step in the process. These statements comprise:

- Revenue and Expenditure Statement compared to original Budget figures.

- Indicative Balance Sheet, with detailed information about current and long term assets in addition to short and long term liabilities.

Performance Indicators. These could be developed for all major key areas of local government responsibility. In Bangalore, two sectors were initially chosen as focus areas:

- Education: Assessing performance of Bangalore schools.

- Health: Assessing performance of the City's Government hospitals.

Public Analysis and Management discussion. This includes an open discussion about:

- Overall performance

- Discussion of selected activities

The PROOF campaign emphasises the sharing of full and accurate performance information. Each review serves as an opportunity to bring financial accountability and performance into the public space. However, these reviews are also catalysts in a larger process of bringing government and public closer together. Furthermore, each review also acts as a benchmark and provides the basis to develop and reshape public expenditure priorities. As also observed by FCM, "measurement systems that are meant to help determine expenditures reflect a deeper desire to increase public confidence in government."[49]

City Examples

Box 17: Monitoring Financial Performance of the City Corporation in Bangalore

Launched by four NGOs in 2002, the PROOF campaign endeavours to institute systems to ensure regular and systematic quarterly financial disclosure. These, together with the help of the performance indicators for various services, will enable citizens to evaluate local government performance and obtain a better quality of life. PROOF aims to build trust between the local government and citizens, improve responsiveness and enhance accountability of the local government.

The first financial report provided by Bangalore Municipal Corporation was discussed at a public debate in August 2002. Since then, the Municipal Corporation has regularly and consistently shared quarterly reports with the general public. The ability of the Municipal Corporation to furnish the quarterly financial performance in a user-friendly format is indeed both creditable and noteworthy. It must be mentioned here that the city government has a state of art Fund Based Accounting System (FBAS) in place. This system has been put in place over the past 30 months by the Bangalore Agenda Task Force, and can now provide up-to-date financial information/reports on all aspects of the local authority's performance. The State (provincial) Government proposes to extend FBAS to all the City Municipal Councils, as this system of accounting will greatly reduce the opportunities for maladministration in these bodies.

Under the PROOF campaign, training sessions are also conducted regularly to enable members of the public to read, understand and debate the financial statement released by the Bangalore Corporation. This helps ordinary citizens to interact with BMP on financial issues and participate effectively in the public debates.

Source: http://www.voicesforall.org/proof/index.htm, http://www.janaagraha.com/campaigns

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[49] Federation of Canadian Municipalities (2003) o*p. cit.*

PROOF, 165 First Floor, 9th Cross, 1st Stage, Indiranagar, Bangalore 560 038, India.
Tel: +91-80-5213902/03; Fax: +91-80-5213901
E-mail: proof_voices@vsnl.net; Website: http://www.voicesforall.org/proof/index.htm

MONITORING LEGISLATION: A NOTE

In many countries, the process of passing or amending national laws as well as the content of these laws does not involve any form of public consultation. The process is often hurried and flawed, not allowing for outside intervention or comment. The contents of the legislation, as a result, are often deficient in quality.

The Bulgarian chapter of Transparency International has undertaken extensive work at the national level on the monitoring of legislation. The process that was eventually settled upon in Bulgaria involved making contacts with the elected representatives to express an interest in becoming a part of the review process for new legislation; selecting a panel of local experts to review proposals, analysis of the proposals; public discussions through focus groups of the legislation; publicity through the media; and the development of recommendations to the legislature.

This process would be especially useful for national civil society organizations, including associations of local government authorities, interested in monitoring legislation that would impact local governments. Suitably adapted, it would also be useful for local organizations that seek to have an impact on the legislative processes of their local authorities.

Part 2B: Tools to Improve Access to Information and Public Participation
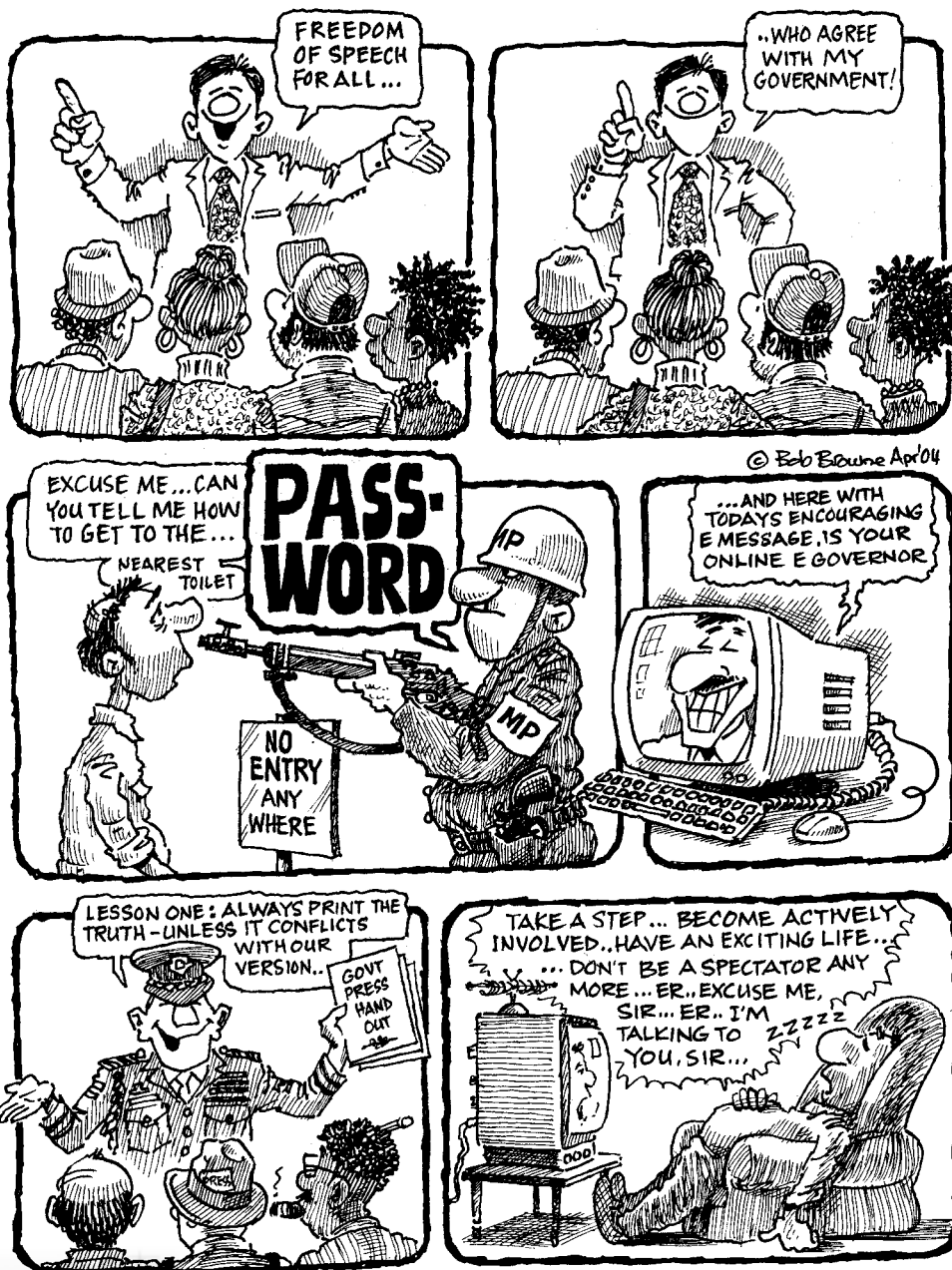
© Bob Browne/The Grass Roots Comic Company Ltd.

Public access to information is often equated with transparency, and regarded as a panacea for all types of corruption and malpractice. What sometimes goes unrecognised, however, is the key role played by this approach in the stakeholder empowerment process. However, it is important to remember that information must not only be available to the public, it must be accurate and complete. This can be a very complex process, as experience with Freedom of Information laws has shown, but acceptance of the principle and establishment of a process are important elements in the promotion of transparency and accountability. Access to information is one of the key factors in the promotion of more effective participation in decision making by stakeholders.

This Section has eight main tools (or categories of tools) to support the process of enhancing public access to information. Tools such as public meetings and open meetings laws describe the mechanisms to engage the community in open discussions on important decisions about their future. The description of Access to Information laws illustrates the key features of legislation to enhance public access to information. Records management, computerisation and e-government help to make data and information easily available to all citizens through improved procedures and effective use of information technology. Public education and public participation tools elaborate on a variety of mechanisms that may be employed to engage effectively with the community.

The tools included in this section are:

2.7   Public Meetings

2.8   Open Meetings Laws

2.9   Access to Information Laws

2.10   Records Management and Computerisation

2.11   E-Government

2.12   Media Training

2.13   Public Education tools

2.14   Public Participation tools

2.7   PUBLIC MEETINGS

INTRODUCTION

Public meetings should be a normal, designated function of legislators and executive level officials. The main objectives of public meetings are (a) to impart information, and (b) probably more importantly, to solicit the views of the public on issues of importance to the local government. Solicitation of views is one of the means of drawing the public into the planning process. It is therefore important that these views be sought at the earliest possible juncture in the deliberations about a particular issue. It is also true, however, that public response tends to be limited in sectors or on issues which citizens feel don't concern them directly.
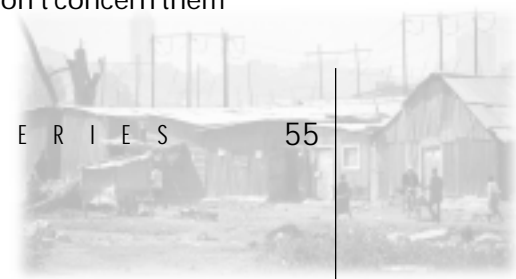
PURPOSE

Public meetings serve the following purposes:

- To ensure better flow of information from public officials to citizens, especially about important decisions affecting them, and facilitate direct participation of stakeholders in local governance.

- To enable follow-up and public scrutiny of actions taken by public officials/ government authorities, thereby increasing accountability.

- To foster better relationships between governments/local authorities and citizens.

LINKAGE TO TRANSPARENCY

The process of making available information to the general public – whether voluntarily or as a result of legal obligations – is a testimony of a transparent government. Consequently, an informed citizenry is capacitated to better advocate for accountability of public officials on their conduct and on decisions made on matters affecting the public such as service delivery.

HOW IT WORKS – THE KEY ELEMENTS

Key elements that contribute to use of public meetings as an effective tool for improving transparency include:

- *The Issue* – A concise summary of the issue under deliberation.

- *An Agenda* – A clear outline of the structure and proposed agenda of the meeting.

- *Setting dates* – Dates must be set well in advance.

- *Key Persons in attendance* – The key actors, local and/or national government officials must be informed of the meeting and their participation ensured.

- *Public notification* of the meeting dates and agenda including through print and electronic media, as well as the web.

- *Options for the public* – The stakeholders must be given the option to provide written comments by post/ fax or e-mail in case they are not able to attend.

- *Contacts* for further information on the scheduled public meeting.

Box 18: Wisconsin Natural Resources Department: Listing of Public Meetings

November 18 – The Certification Standards Review Council, 10 a.m. to 3 p.m. at the Lodi Village Hall, Lodi. Agenda items include Audit status report, Laboratory certification programme staffing changes, Training update and NR 149 revision. For more information, contact Greg Pils at (608) 267-9564.

November 18 – The Sheboygan Co. Construction Waste Resource Meeting #5, 4:30 to 5:30 p.m. at DNR Plymouth Service Center at 1155 Pilgrim Rd., Plymouth. Agenda will include feedback on DNR Predemo Checklist, Environmentally Friendly "Green" Building Materials, C&D Beneficial Reuse Pilot Projects, Progress Reports and ReStore Update & Grant Possibilities for Demolition/Construction recylying/Reuse projects. For more information, contact Christine Lilek at (920) 892-8756, ext. 3027.

November 19 - The Council on Recycling will meet at 9:00 a.m., in room 1 at the Schlitz Audubon Nature Center, 1111 East Brown Deer Road, Bayside. The Council will set goals for 2004. The Council will also hear updates from the Department of Natural Resources and receive an update on DNR activities involving mercury. Following the meeting the Council will tour the facility. For more information, contact: Dan Fields, DNR, 608-266-5334

November 20 – The DNR NR 243 Technical Advisory Committee, 10 a.m. to 3p.m. in room 227 of the state office building at 125 S. Webster St (GEF 3) in Madison. The committee will meet to discuss possible revision to ch. NR 243, Wis. Adm. Code and requirements for Concentrated Animal Feeding Operations as they relate to application of manure on frozen and snow covered ground, continued use of Animal Units and the mixed Animal Unit calculation, and emergency response plans. For more information, contact Tom Bauman at (608) 266-9993.

November 20 – The NR 149 Revision Advisory Committee, from 10 a.m. to 3:30 p.m. at the Lodi City hall, 113 N. Main St., Lodi. This is the last scheduled meeting of the RAC; the agenda items reflect items for which details have not been completed to date. For more information, contact Diane Drinkman at (608) 264-8950.

November 20 – The Lake Michigan Commercial Fishing Board (LMCFB) will conduct a special teleconference meeting at 6:30 p.m. at the DNR Sturgeon, Bay Service Center, 110 S. Neenah Ave., Sturgeon Bay, to act on three (3) license transfer requests. For information, contact Alan Blizel (920) 746-2866.

December 1, 2 & 4 - Public meetings to gather comments on whether the Tuscobia State Trail should become a year around All Terrain Vehicle trail will be held in Winter, Park Falls and Birchwood. The trail segment would be from west of Birchwood to Park Falls. The proposal would change the use from a seasonal ATV trail to a year round ATV trail. The department is requesting public input and written comments. People who can not attend a meeting can write comments to Terry Jordan, Regional Trail Coordinator, at 810 W. Maple Spooner, WI 54801; or call at (715) 635-4121. The meetings will be held: December 1 - Winter High School Auditorium, 7-9 p.m. December 2 - Park Falls Library, 6-8 p.m. December 4 - Birchwood School Commons, 7-9 p.m.

Source: http://www.dnr.state.wi.us/org/caer/ce/news/hearmeet.html

FURTHER INFORMATION AND CONTACTS

Wisconsin Department of Natural Resources, 01 S Webster St., P.O. Box 7921, Madison, Wisconsin 53707-7921, USA.
Tel: +1-608-266-2621, Fax: +1-608-261-4380, Website: http://dnr.wi.gov

2.8 OPEN MEETINGS LAWS

INTRODUCTION

Open Meetings Laws facilitate citizen collectivism and participation in policy discussions, and establish safeguards against the exploitation of government systems and resources against them. The scope of such laws extends to all gatherings of at least two or more

members of a government organization where policy recommendations or government business will be discussed. Concomitant stipulations include reasonable notice of the meeting *(see also 2.7 Public Meetings)*, written minutes and transparent and open voting procedures.

PURPOSE

Open meetings laws are intended to:

* Encourage citizens to attend discussions of public organizations and contribute to matters of particular interest and impact on them.

* To protect citizens gathering publicly and establish safeguards to prevent the exploitation of government resources against them.

* To streamline and inform the activities of such gatherings to include transparent procedures.

LINKAGE TO TRANSPARENCY

Open meetings laws facilitate the efforts to make government affairs more accessible and more responsive. They provide the appropriate legal framework to facilitate and protect the citizen's right to meet and collectively discuss public affairs, which in turn contribute to building transparency.

There are compelling justifications for liberal application of the open meetings laws to local public entities. Local bodies have the most significant day-to-day impact on the lives of their citizens and are subject to the influence of public opinion. Smaller geographical areas under the jurisdiction of local public bodies makes attendance at open meetings a realistic possibility for all the persons governed by the body, unlike state bodies which are meaningfully accessible only to those who live near the meeting location or those who are unusually interested in a particular matter before the body. Cities and towns, therefore, have the opportunity to effectively use the provisions of a national open meetings law to foster transparency and good urban governance at the local level through increased participation of the stakeholders whom they serve.

HOW IT WORKS – THE KEY ELEMENTS

Open meetings laws are often formulated at the national or federal level but in many cases are intended to apply to the smaller units of the governance system as well. One of the key elements of an open meetings law is thus to define the entities to which it applies.

The provisions of such a Law or Act could include the following key aspects:

* The Entities that are Subject to the Act.

* The definition of what constitutes a public meeting including the actions that can be recommended or taken at a meeting, exempt activities, and who may attend a public meeting.
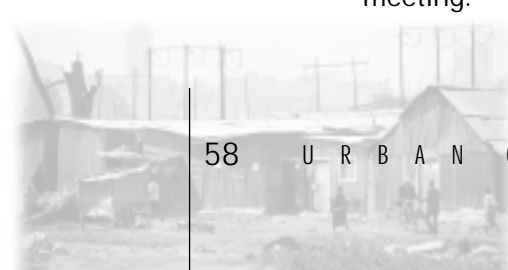
- The records/minutes the public meeting should maintain as well as accessibility to such records.

- The public notices an agency is required to provide, e.g., adopting a schedule of regular meetings, giving notices on special meetings, holding emergency meetings, etc.

- The remedies for any violations of the public meeting laws.

- Any exceptional matters that may be discussed confidentially instead of public meetings.

CITY/COUNTRY EXAMPLES

Box 19: Open Public Meetings Act of the United States

The Open Public Meetings Act was passed by the US legislature in 1971 as a part of a nationwide effort to make government affairs more accessible and, in theory, more responsive. The Act declares its purpose in a strongly worded statement:

"The legislature finds and declares that all public commissions, boards, councils, committees, subcommittees, departments, divisions, offices, and all other public agencies of this state and subdivisions thereof exist to aid in the conduct of the people's business. It is the intent of this chapter that their actions be taken openly and that their deliberations be conducted openly. The people of this state do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created".

The entities that are subject to the Act include public agencies and their governing bodies. Statutory provisions then defines the meaning of these two entities as follows:

- Public Agencies; (a) Any state board, commission, committee, department, educational institution, or other state agency which is created by or pursuant to statute, other than courts and the legislature; (b) Any county, city, school district, special purpose district, or other municipal corporation or political subdivision of the state of Washington; (c) Any sub-agency of a public agency which is created by or pursuant to statute, ordinance, or other legislative act, including but not limited to planning commissions, library or park boards, commissions, and agencies; (d) Any policy group whose membership includes representatives of publicly owned utilities formed by or pursuant to the laws of this state when meeting together as or on behalf of participants who have contracted for the output of generating plants being planned or built by an operating agency.

- Governing Body: "Governing body" means the multimember board, commission, committee, council, or other policy or rule-making body of a public agency, or any committee thereof when the committee acts on behalf of the governing body, conducts hearings, or takes testimony or public comment.

The Act also defines the terms "meeting" and "action", with specific reference to open (public) meetings. "Action" implies the transaction of the official business of a public agency by a governing body including but not limited to receipt of public testimony, deliberations, discussions, considerations, reviews, evaluations, and final actions.

Furthermore, the Act provides for certain exemptions of meetings that may have a public component but do not qualify as public meetings. An example given is "that portion of a meeting during which the governing body is planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress".

Finally, the Act determines who may attend meetings, how minutes should be maintained, and the procedure for issuing public notice well in advance of a meeting. It recommends that agencies must adopt a schedule of regular meetings through ordinance, resolution, by-laws, or by whatever other rule is required for the conduct of business by that body. It also emphasises that agencies must give notice of each special meeting.

Source: http://www.atg.wa.gov/records/chapter1.shtml
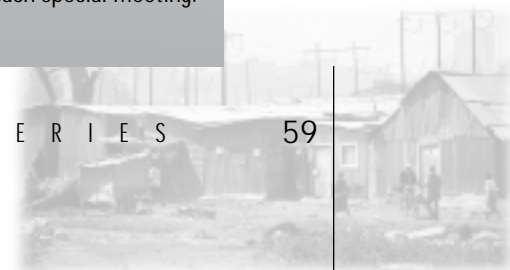
Box 20: Arizona's Open Meeting Laws Provide for Confidential Meetings in Specific Circumstances

All fifty states of the USA, including Arizona, have adopted some type of law mandating that the official operations of government be conducted in public (i.e., in the open), and are referred to as open meeting laws. The intent of these laws is to allow the public, whose business the government is performing, to observe and know how the government is conducting the public's business. However, Arizona's open meeting laws also recognize that, in limited circumstances, a city must have the ability to discuss issues confidentially.

In Arizona, city councils may exclude the public and discuss certain matters in an executive session. Although the discussion may take place in an executive session without the presence of the public, any final action by the city council must be taken in an open meeting at which the public can be present to observe. These exceptions to the open meeting laws generally involve situations in which the ability of the city council to conduct the public's business would be hindered by the public disclosure or discussion of a matter. One topic which city councils are permitted, although not required, to discuss in executive session by the Arizona open meeting laws is personnel items. A city council may conduct the discussion or consideration of employment, assignment, appointment, promotion, demotion, salaries, discipline, resignation or dismissal of a public officer or employee outside the presence of the public. This exception to the open meeting law permits a city council to conduct a full and frank discussion about a possible personnel action so the matter may be fully explored, and to protect confidentiality rights of the employee.

In addition to personnel issues, city councils are also permitted to meet in executive session to obtain legal advice, provide their attorneys direction regarding strategies (including possible settlements) in lawsuits, and instruct the city's representatives regarding strategies and positions in contract negotiations. A city (and therefore the citizens it serves) would be at an obvious disadvantage in a lawsuit or a negotiation if the other party to the lawsuit or negotiation could simply attend a meeting of the city council to find out what strategies and positions the city council provided to its attorney or negotiator regarding the lawsuit or negotiation.

Although a city council is permitted to conduct certain discussions in executive session, this does not mean a city council can call secret meetings. In order for a city council to hold an executive session, the city council must vote during an open meeting to hold an executive session at a designated date, time and location. Except for an emergency, the vote at an open meeting to hold an executive session must occur at least twenty-four hours before the executive session is held. In addition, the city council is required to post, in a public place and make available to the public upon request, the agenda for the executive session at least twenty-four hours before the executive session is held. The agenda for an executive session must provide a general description of the matters to be considered or discussed, but should not contain information that would defeat the purpose of the executive session, compromise the legitimate privacy interest of an employee or officer, or compromise the attorney-client privilege. Finally, the agenda must also provide the citation for the exception to the open meeting law upon which the city council is relying to hold the executive session.

The Glendale City Council votes during its regular council meetings to hold executive sessions future dates and times. Any person who attends a regular council meeting or watches the regular council meeting on the city's "KGLN 11" cable channel will hear when an executive session has been scheduled. Also, citizens can find out when an executive session has been scheduled and view the agenda for the executive session listing what will be discussed during the executive session, by visiting the city's web page at www.glendaleaz.com. The final agenda for an executive session is posted at least twenty-four hours before the executive session is scheduled to begin. Citizens can obtain copies of the agenda for any executive session, including past executive session agendas, by calling or visiting the city clerk's office on the fourth floor of city hall. Minutes of an executive session are not a public record and the state statutes require that they be confidential.

Source: Excerpted from: http://www.ci.glendale.az.us/Mayor/Star/star0202.cfm

FURTHER INFORMATION AND CONTACTS

General

Schwing, Ann Taylor (2000) Open Meeting Laws – A national treatise covering all 50 states.
Website: http://openmeetinglaws.com/LocalGov.html

Office of the Attorney General (1998) Open Records & Open Meetings – A Citizen's Guide to Open Government. Desk book, Washington State.
Website: http://www.atg.wa.gov/records/chapter1.shtml

Arizona, USA

Flaaen, Richard (2002). **Arizona's Open Meeting Laws Provide for Confidential Meetings in Specific Circumstances.** In *The Glendale Star (Editorial), February 2002.* Available at: http://www.ci.glendale.az.us/Mayor/Star/star0202.cfm

City of Glendale, City Council Office, 5850 W. Glendale Ave., Glendale, AZ 85301, USA. Tel.: +1-623-930-2249; Fax: +1-623-931-8526

2.9   ACCESS TO INFORMATION LAWS

Providing information that reflects well on an administration presents little difficulty. However, when the information reflects the opposite, voluntarily releasing the piece of information to the public becomes difficult. However, it is desirable for decision makers – both at national and local levels – to make a concerted effort to encourage attitudinal changes which would relax restrictions on disclosures and increase their accessibility to all stakeholders.

Appropriate legislation is one of the most important tools to ensure better access to information. There has been growing global consensus on Freedom of Information (FOI) legislation, which can establish a right of review (e.g., by the Ombudsman, *see also 2.23*) as well as practices which must be observed, even by those least willing to do so. It can reverse the usual presumption in favour of secrecy. Citizens are given the legal right of access to government documents without having to first prove special interest, and the burden of justifying non-disclosure falls on the government administration. Time limits within which the administration must respond to requests can be imposed and an unimpeachable right of access to certain categories of information can be conferred.

PURPOSE

Access to information legislation provides citizens with a statutory "right to know". In practice the specific provisions of the legislation will determine the extent to which citizens are able to obtain access to records of government activities. The intention is to provide access whenever disclosure is in the public interest, not for public officials to use the legislation as a secrecy law.

LINKAGE TO TRANSPARENCY

As with many other tools that support access to information, modern and effective legislation on this subject can considerably enhance accountability of public officials and build an informed society. It also contributes to building trust between public agencies and the stakeholders, enhancing transparency and improving governance as a whole.

HOW IT WORKS – THE KEY ELEMENTS

The key features of freedom of information laws are that they:

•   confer legal rights on citizens that can be enforced;

•   seek to change the culture of secrecy within the civil service;

- provide access to records not just information;

- define exemptions; and

- define rights of appeal.

Freedom of Information (FoI) legislation not only establishes the citizen's legal right of access to information, it also confers on government the obligation to facilitate access. The law should include provisions which require public agencies subject to the law to publish information on:

- their structure, functions and operations;

- the classes of records held by the body;

- arrangements for access; and

- the internal procedures used by the agency in the conduct of its business.

Some indicators on effectiveness of access to information are listed below.[50]

- Is there a policy on the provision of information which favours access, unless the case against access in a particular instance meets prescribed and narrow grounds, justifying its being withheld?

- Do rights of access to information extend to information held by local governments and state-owned enterprises? Does it include records of private companies that relate to government contracts?

- Are there clear procedures and effective guarantees for citizens and journalists to access the official information they require?

- If access to information is refused by a government department, is there a right of appeal or review? Is this independent of government?

- Do courts award punitive sums in libel cases involving public figures? If so, do these serve as a deterrent to the media?

- Do the courts give appropriate protection to journalists' sources?

- Is training given to officials in the proper handling of records and the making of information available to the public?

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[50] Pope, Jeremy (2000) *op. cit.*

Box 21: Freedom of Information in South Africa – The Promotion of Access to Information Act

The Promotion of Access to Information Act was passed by the parliament in South Africa in early 2000. A previous act – the Open Democracy Act – provides for access to information but only that held by the government. The Promotion of Access to Information Act (2000) now includes access to information held by private bodies, something the civil society have welcomed and viewed as a victory and a milestone given the country's apartheid history, an era which was characterised by (among other things) suppression of information.

The South African Constitution, adopted in 1996, also provides for access to information through the following clause:

Everyone has the right of access to:
   •   any information held by the state; and
   •   any information that is held by another person and that is required for the exercise or protection
       of any rights.

The Promotion of Access to Information Act (2000) gives effect to the access to information right in the Constitution and the Citizens' Bill of Rights. It lays down procedures for accessing information from government as well as from private bodies, subject to certain limitations. In addition, Section 9 says that the Act must promote transparency, accountability and effective governance of all public and private bodies. The Act overrides any other enactment which has a more restrictive approach to information.

The Act mainly deals with information in terms of "records" (any recorded information). If the information requested can be extracted from a document which the information officer decrees cannot be released, it must be. The Act does not apply to records required for criminal or civil proceedings, the argument being that there are specific procedures already in place in regard to records for trials. The information officer is obliged to assist a request and to transfer that request if he or she cannot accommodate it in that particular department.

The Act does have some restrictions, however. For instance, on information relating to certain records of the South African Revenue Service, or information on matters such as defence, security, international affairs, and the economic and financial welfare of the Republic, the information officer has a degree of discretion. Despite these restrictions, the Act does provide a "public interest" override.

The remedies available to an aggrieved party (including a third party who opposes the access granted) include an internal appeal which must be lodged with the relevant authority within a specific period of time.

Source: Extracted from summary of the promotion of Freedom of Information Act by the Freedom of Expression Institute: www.foi.net; www. fxi.org.za/odaf.htm

FURTHER INFORMATION AND CONTACTS

General

Pope, Jeremy (2000) **Transparency International Source Book** (Chapter 24: The Right to Information).

Transparency International (TI), Otto-Suhr-Allee 97-99, 10585 Berlin, Germany.

Tel.: +49-30-343-8200; Fax: +49-30-34703912
E-mail: ti@transparency.org; Website: http://www.transparency.org

South Africa

Freedom of Expression Institute, South Africa.
E-mail: fxi@wn.apc.org, Website: http://www.fxi.org.za/odaf.htm

2.10 RECORDS MANAGEMENT AND COMPUTERISATION

INTRODUCTION

Access to information by stakeholders, even if legally provided for *(see also 2.9 – Access to Information Laws)* is often greatly limited because of poor organization and management of records. A well-organized record keeping system can facilitate easy access to information by the public. It is also useful in order to publish lists of the records' series that agencies or public offices hold. Moreover, record management systems can also ensure that individual civil servants can be held accountable for their actions. Documents of general interest should be prepared in a form understandable to the general public and, where possible, be placed on the Internet for the benefit of those with access.

A nation-wide government records management policy is often essential, and can easily be adapted at the local authority level. Where no national legislation exists, local authorities may formulate related policies if there is legal space to do so.

PURPOSE

The purpose of a proper records management system backed by a national or local policy is to:

- Enhance public accessibility to government information.

- Improve accountability, responsiveness and professionalism of the local management system.

LINKAGE TO TRANSPARENCY

The ability of citizens to engage effectively with the local government, and their trust in public agencies, is often contingent upon availability of information. Relevant information, complete and concise, put together in an easily understandable format, and made available to the public either proactively or upon request, can go a long way in enhancing transparency and improving citizen participation in local governance.

HOW IT WORKS – THE KEY ELEMENTS

A public records management system should include proper procedures and policies for documenting key government policies and activities. The framework for keeping records and the guidelines allowing accessibility by the public must be simple and clear.

An important element of any record management system is computerisation. Computerisation of records has the advantage of easy recording, updating, processing and transfer of information.

Indicators of an effective public records management policy include:

- Is there an official body with a legal duty for records maintenance (records tracking)?

- Are there clear administrative instructions on the maintenance of public records? If so, are these generally observed?
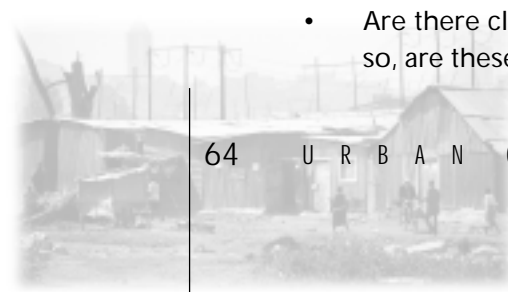
- Do citizens have a right of access to their personal files (other than those concerned with law enforcement) and the right to insist on corrections where these contain errors?

- Do public officials or others seeking information experience difficulties in obtaining it? If they do, what are the problems?

- What policies exist concerning the provision of information to the public (e.g., to service a complaint)?

- Can officials provide credible and timely audited accounts, and information about personnel numbers, etc?

- Does legislation cover the records of regions and districts (or their equivalents)?

CITY/COUNTRY EXAMPLES

Box 22: Increased Transparency through local computerisation in Bellandur, India

Information technology has transformed a village near India's hi-tech capital of Bangalore, drastically reducing corruption and red tape. The village of Bellandur, 18 kilometres from the city, is credited with being the first "gram panchayat", or village-level administration, in the country to introduce e-governance. The gram panchayat covers as many as 10,000 people, and is spread over five villages.

Bribery, which is common practice in official corridors across the country, has been significantly cut. "There is very little scope for that here," said K. Jagannath, the elected president of the village, who initiated the IT experiment in 1998. "Computerisation has helped to provide an efficient administration. It has greatly reduced corruption and bureaucratic delays," he said.

Records online
Bellandur is a relatively well off agricultural village and as it is near Bangalore, access to education has contributed in making the village almost 90% literate. But that is not the only factor at work. "The project has also been successful because of the active cooperation from the villagers," said retired public sector employee Ganga Reddy.

Bellandur's e-governance project started with a single computer that was installed in the village in 1998 to replace the old typewriter. The village office now has three computers, funded by donations from wealthier farmers as well as companies that operate in the area. "Revenue loopholes have been plugged. All the records are available at the click of a button," according to Mr Jagannath. Ms Shobha, a programme operator employed by the village administration, explains that the opportunity for officials to hold things up by shuffling paper from file to file or desk to desk has been eliminated. "People can get their land registered in record time. Earlier, it used to take anywhere between seven and 10 days," she said.

Village-friendly IT
Subramanya Jois, Chief Executive Officer of the Bangalore-based software company Compusol that designed the software package for the village, is proud of the project's success. "Bellandur has proved that the concept of IT in rural areas can work," he said. The project's success has inspired an IT-friendly legislator, UR Sabhapathy, from the coastal town of Udupi to replicate the experiment in his municipality with the assistance of Compusol, whose business partners are Microsoft and IBM.

The Bellandur project has certainly been an eye-opener for many villagers who believed IT was strictly an urban phenomenon. Muniswamy, a farm hand, said they had all assumed the project would be unsuccessful. "We thought all this will not work here. But people by and large are happy with the way it is working," he said.

Increasing revenue
The software package used at Bellandur handles records of property details, tax collection, birth and death certificates and so on. In addition to speeding up tax collection and property transfer processes, the e-governance project has helped in recovering huge amounts of outstanding revenue. "Property tax arrears used to be huge before we streamlined our revenue collections. There is a steady increase in collections now," said Mr Jagannath.

The village administration is channelling additional funds for development projects such as road surfacing, building underground drainage systems and digging wells. It is also planning to telecast live proceedings of the weekly official meetings through the local cable network. "I want our administration to be as transparent as possible. Let people know what is going on," said Mr Jagannath.

Source: India's e-village tackles corruption. BBC report, 14 June 2002. http://news.bbc.co.uk/1/hi/world/south_asia/ 2045485.stm
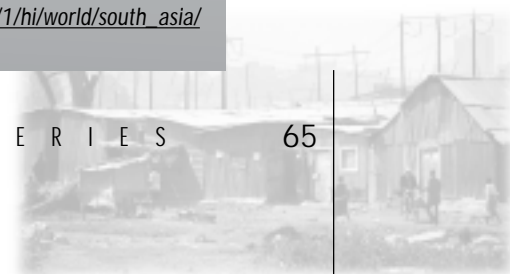
Box 23: Computerising the Law of Papua New Guinea

Papua New Guinea has always had a serious problem of access to laws. In the pre-Independence period limited sets of legislation were published. Limited copies of unreported judgements were circulated and only a limited number of judgements were reported in the official law reports (PNGLRs) which began in 1963. Following Independence in 1975, the situation became progressively worse, and despite a comprehensive republication of the Revised Laws of PNG in the early 1980s, access to the laws in the 1990s had seriously broken down. A team established by the Australian Government International Aid Agency (AusAID) to develop an assistance programme to remedy this situation reported that:

"The system of keeping printed statutes up to date has collapsed and the reporting of case law is seriously delayed. Many of the standard texts on important areas of the law are out of date. Reference texts and manuals for magistrates are out of date and in some cases inadequate. There are no publications on the law for members of the general public".

To remedy these deficiencies, the "Access to Laws in PNG" Project was funded by the Australian Government to achieve the following:
   - Consolidation and publication on CD and the Internet of a complete set of National legislation.
   - Publication of unreported National and Supreme Court judgements from Independence (as well as Grade V Magistrates Decisions) on CD and on the Internet.
   - Publication of reported judgements (PNGLR) from 1963.
   - Publication on CD and in paper format of a Legal Handbook for use by the general public. This text is a statement in simple English of general legal principles.
   - Publication of Bench Sets for use by Magistrates and Judges (this will contain 45 of the most used Acts of the National Parliament and some Regulations).
   - Publication of a Magistrates' Manual for District and Local Court Magistrates and officials.
   - Publication of standard legal textbooks.
   - Publication a new legal handbook for use by the general public.
   - Establishment of arrangements for keeping the publications up to date.

In addition to the above, a special CD will be created to hold opinions generated by the Attorney-General's Department, including the Attorney-General, the State Solicitor and the Solicitor General.

Thanks to the incremental publication approach adopted by the Project, much of this material is already being made available half way into the project. The material is being published using a powerful publication software (Folio 4), and eventually being put into a format that will not be proprietary. Key personnel are being trained in basic computer skills, the use of Folio 4 and the use of Internet, under the Project. In addition, the project has provided computers and servers in the offices of the various stakeholders to facilitate access. Access by the public to the information is so far limited to the University library and the library at the Supreme Court. In time, however, this situation should improve.

If the "Access to Laws in PNG" Project fulfils it goals, it will deliver the following benefits:
   - Publication of the text of the laws promptly and accurately when they are promulgated.
   - Availability of laws in a form and at sufficient locations for all to have a reasonable opportunity to consult them as and when required.
   - A system (or systems) of publication and dissemination of the laws that allows nationals to take over the functions presently carried out by the Project Contractor.
   - Nationals trained in use of the databases, preparation of materials for publication and in publication itself.

Law and order is one of the biggest problems confronting PNG. There is no easy or simple solution to this problem. However, creating an effective and fair legal system is an essential component of any solution and the "Access to Laws in PNG" Project will go a long way towards ensuring that this happens. What is necessary is to make sure that once the Project is finished the situation does not revert to the pre-existing state. In this respect, establishing a simple system, proper training and further financing will be the key factors that will need to be addressed.

Source: Haynes (1999) Computerising the Law of Papua New Guinea.

General

Pope, Jeremy (2000). **Transparency International Sourcebook.** (Chapter 24: The Right to Information—Information, Public Awareness and Public Records).

Transparency International (TI), Otto-Suhr-Allee 97-99, 10585 Berlin, Germany

Tel.: +49-30-343-8200; Fax: +49-30-34703912
E-mail: ti@transparency.org; Website: http://www.transparency.org

India

"**India's e-village tackles corruption**". Posted at the BBC website: http://news.bbc.co.uk/1/hi/world/south_asia/2045485.stm

Papua New Guinea

Haynes, C.E.P. Val (1999). **Computerising the Law of Papua New Guinea**. Paper presented at AustLII's "Law Via The Internet '99" conference. Website: **http://www.austlii.edu.au/au/other/CompLRes/1999/21/index.html**

2.11 E-GOVERNMENT

INTRODUCTION

The Internet has opened up new possibilities for governments and local authorities to interact with their citizens. Many local authorities – both in developed and developing country cities – run websites for their cities. Many of these have even gone ahead to use the Internet to conduct as many of their transactions with its citizens as are possible. Some countries are in the process of developing comprehensive "electronic government" or "E-government" policies and practices. Obviously, this option is not open to countries where access to the Internet is limited, but it does seem to be the shape of things to come.

E-Government is often complemented by the use of Internet by civil society organizations and individuals to monitor their local governments and increase transparency.

PURPOSE

The purpose of this tool is:

*   To increase the information available to the general public about activities of the local government.

*   To maximise the potential for networking and allow for faster interaction between the general public and the authorities.

LINKAGE TO TRANSPARENCY

Information put on the Internet is accessible to every person that has the literacy and access. Of course, the political will or decision to make information available is a prerequisite. The provision of both general and specific information on a website strengthens the link as well as the trust between the stakeholders and public agencies. This in turn builds a more informed citizenry and a more transparent community.
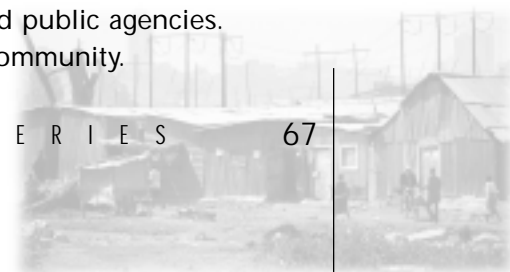
How It Works – The Key Elements

E-Government makes use of the Internet to disseminate information. At its most basic, it requires a commitment by the local government or the organization that is placing information on a web page on the Internet to maintain an up-to-date site. It thus requires human and financial resources as well as electronic capability on the part of the responsible organization. In order to make this work and for it to have a meaningful impact in a particular city, town or municipality, there should also be reasonably widespread computer literacy and access to the Internet for local residents.

The E-government approach may be particularly useful for:

•   Providing general information on a town.

•   Monitoring local elections.

•   Posting public notices on meetings, resolution, etc.

•   Reporting complaints, concerns, and emergencies by the local community.

•   Obtaining different kinds of permits by the local residents.

•   Open tendering procedures, civil applications.

City/Country Examples

Box 24: The OPEN System in Korea

The City of Seoul has instituted a system in which applications for licenses and other authorisations by the city can be tracked on-line. The On-line Procedures Enhancement for civil applications (OPEN) system was developed to achieve transparency in the city's administration by preventing unnecessary delays or unjust handling of civil affairs on the part of civil servants.

Among many of the civil transactions handled by the Seoul Metropolitan Government, this Web-based system allows citizens to monitor applications for permits or approvals where corruption is most likely to occur and to raise questions in the event any irregularities are detected.

Features of OPEN

•   **Easy Access:** Without making telephone calls or visits, citizens can monitor procedures of handling civil applications through the Internet whenever they want and wherever they are.
•   **Transparency:** Access to real-time information on the details of handling civil applications, procedure of approval, document review, schedule for process ahead, etc.
•   **Increased Credibility:** Offering access to information to all citizens, fairness and objectivity is secured in city administration, thereby removing public distrust.

How does OPEN serve citizens?

As soon as a citizen files an application for a building permit, for example, government staff in charge will post the details of the received application on the OPEN site. Using any computer connected to the Internet, whether at home, work, or at the nearest district or ward office, the citizen can learn at real time whether the application has been received properly, who is currently handling and reviewing the case, when the permit is expected to be granted, and if it is returned, then for what reasons.

Transparency International South Korea has conducted surveys concerning Seoul's OPEN system that provide generally favourable conclusions to the system. Both the OPEN system and TI-South Korea's evaluation are available on the web.

Source: http://english.metro.seoul.kr/government/policies/anti/

Box 25: Improving transparency through the Internet during elections in Ecuador

Ecuador, over the past several years has had a deplorable record of elections. Transparency International – Ecuador, working closely with Transparency International – Argentina, designed a system, making use of the Internet and other media, to make the candidates for local level elections better known to the electorate. The objectives of the system, as described by Transparency Ecuador were as follows:

    a)   To make information about all potential public office holders available to the public (Prefects, members of the Provincial Councils, Mayors and members of the Municipal Councils).

    b)   To promote a culture of democratic participation. The public must be informed on areas of potential conflict of interests in public office, election manifestos and other associated information.

    c)   To promote a culture of accountability amongst public servants (both appointed and elected).

Four methodologies or tools were used to achieve the above objectives. These were: 1. Online publication of the candidates' database; 2. Installation of database reference modules by CD for the bodies/individuals that requested it from CLD; 3. Publication of a summary of the database in the El Comercio and La Hora daily newspapers (nationally circulated); 4. Advertisements in press, radio and television. A symbolic launch event of the information system was staged through a teleconference given simultaneously in various cities. Participants were invited to field questions about the system's utilisation.

The Prospective candidates were asked to give in their data by filling data forms without any legal or administrative obligations. A media campaign was instigated urging prospective candidates to return their completed information forms. Once the database was completed, the four methods above were used to disseminate the information.

Source: www.transparency.org/toolkits/2001/election_candidates-ecuador.html

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Box 26: Transparency in tendering procedures through the use of IT – Pori, Finland

In Pori and, indeed, across Finland, the basis for public procurement is Finnish national legislation and the directives of the European Union. The principle of choosing the least cost tender is still valid. The city of Pori has successfully introduced the use of Internet to enhance transparency in procurement procedures. Anyone can bid after finding the call for tender. For all known potential bidders, the procurement unit sends an e-mail about ongoing calls for tender. Paper-versions are not used at all except for some faxes that companies without Internet might need. This "E-tendering" process has been designed in close co-operation with the potential bidding companies.

The city of Pori started calling for tenders in Internet in 1997. The policy became national in 2001 when the Ministry of Trade and Industry initiated a model of E-tendering called Public Markets. This web page is a meeting point for purchasers and suppliers concerning procurements under the thresholds set by the European Union. This innovation supports the standards set by the city of Pori and the city now announces its call for tenders on both pages. The City has also introduced a specially designed web-based purchasing system for certain product groups.

Guaranteed transparency is not the only benefit of the use of new technologies. All stakeholders in the tendering procedure (procurement department, suppliers, invoicing department, etc.) benefit, since the process is managed more efficiently. The city of Pori not only organizes its own procurements but also procurement services for nine other local authorities. This has been possible only because of the effective use of new technologies. All the electronic procedures have been activated step by step. Most of the systems have been developed in addition to normal duties without separate project organization and funding.

Source: www.pori.fi/hankinta/eng

Box 27: Montgomery County Website - United States

The home page of the website of Montgomery County in the United States, a medium sized local jurisdiction of approximately one million people, is shown below. The diversity of subjects on the County's Home Page will give readers an idea of the potential uses of E-Government.

Source: http://www.emontgomery.org

FURTHER INFORMATION AND CONTACTS

General

OECD (2003). **Checklist for E-Government Leaders.** OECD Policy Brief, Paris.
OECD, 2, rue André Pascal, F-75775 Paris Cedex 16, France
Tel.: +33-1-4524-9057
E-mail: elizabeth.muller@oecd.org; Website: www.oecd.org/publications/Pol_brief

Seoul, Korea

Seoul Metropolitan Government, Republic of Korea.
Website: http://english.metro.seoul.kr/government/policies/anti/

Ecuador

Corporación Latinoamericana para el Desarrollo- CLD
E-mail: cld@cld.org.ec
Website: http://www.transparency.org/toolkits/2001/election_candidates-ecuador.html

Pori, Finland

The City of Pori, Press Relations Unit, or Procurement Unit, Finland.
Tel. +358-2-621-1165
E-mail: tapio.furuholm@pori.fi or elina.sainio@pori.fi; Website: www.pori.fi/hankinta/eng

Montgomery County, USA

Montgomery County Council, Council Office Building, 100 Maryland Avenue, Rockville, MD 20850, USA.
Tel: +1-240-777-7900, Fax: 1-240-777-7914
Website: http://www.montgomerycountymd.gov

2.12 MEDIA TRAINING

INTRODUCTION

Advocacy, awareness building and training in the field of urban governance in general, and transparency in particular, still require much attention in most developing countries. The media has increasingly been playing a major role in filling this gap due to its unique capacity to inform both the public and policy and decision makers. It is important to note, however, that the effectiveness of the media depends on access to information and freedom of expression *(see also 2.9 Access to Information Laws)*, as well as a professional and ethical cadre of investigative journalists. The capacity of the media, therefore, needs to be continuously strengthened through different modes of training, in order to effectively further the cause of increased transparency and accountability and reduced corruption.

PURPOSE

*   To create awareness and enrich the understanding of the media on pertinent issues of transparency and good governance – including public accountability systems.

*   To strengthen the credibility, integrity and capability of the media in providing unbiased and responsible coverage of corruption and anti-corruption initiatives.

*   To increase the opportunities – through different media – of building public awareness and participation in the governance process.

*   To increase the exposure of incidences of corrupt practices.

*   To provide opportunities for networking among the media and professionals in the field to enhance and build authenticity and practicality in transparency efforts.

LINKAGE TO TRANSPARENCY

The media plays a vital role in advocating the principles of good urban governance, including transparency, as well as in identifying instances where such principles have been transgressed. Media training can help to create a cadre of journalists who are committed to identifying good as well as bad governance practices, assessing them in an objective manner and drawing lessons which can be useful to all stakeholders. An empowered and well-informed media community can enhance transparency, build an informed group of citizens and foster stakeholder participation in local governance.

HOW IT WORKS – THE KEY ELEMENTS

Media training can take the different forms and can be conducted by a concerned government organization, a civil society organization or a development partner. The forms of training may include a workshop, a technical briefing, a discussion forum to exchange ideas and experiences, a practical guide or training manual. Such training also needs to include efforts to develop and enforce adequate standards of conduct for the media.

FURTHER INFORMATION AND CONTACTS

The Urban Governance Initiative (TUGI), United Nations Development Programme (UNDP), P.O. Box 12544, 50782 Kuala Lumpur, Malaysia.
Tel: +603-2095-9122; Fax: +603-2093-2361
E-mail: saira.shameem@undp.org; Website: http://www.tugi.apdip.net

2.13 PUBLIC EDUCATION TOOLS

INTRODUCTION

Public education builds public trust. It involves people in the political, social and bureaucratic arrangements that monitor and coordinate anti-corruption strategies. Public education efforts demonstrate a commitment on the part of government and other community actors to actively engage with the community and potentially reshape government structures that have been beset with poor governance practices.

Public education includes not only formal education about the rights and obligations of stakeholders, but also public education campaigns to build awareness about the problems and solutions relating to governance. The public plays a critical role in assessing the effectiveness of local governance and transparency programmes. As necessary stakeholders and beneficiaries of government services, the public's values and standards inform the local governance process. Educating the public also includes engaging children in discussions about transparency and government ethics, which can serve to motivate and to build future coalitions for good urban governance.

PURPOSE

* To facilitate informed participation of the public in local governance through adequate education and information on relevant issues.

* To create demand for public accountability.

LINKAGE TO TRANSPARENCY

Educating the public is a main building block in enhancing transparency and accountability in local governance structures. A strong public education effort increases avenues of citizen access to government and is one of the initial steps to restoring public trust in governmental institutions.

HOW IT WORKS – THE KEY ELEMENTS AND APPROACHES

Educating the public about the importance of transparency is a long-term undertaking. It not only includes explaining the obvious negative effects of non-transparent practices, especially corruption, but also providing the public with the tools to identify and report corruption, fraud and unethical conduct in government administration. In order to run a successful public education campaign, creativity and broad public participation are as important as financial resources.

In any education or outreach activity, the first step should always take account of the diverse interests and composition which make up the public. The quality and sophistication of the methods utilised is largely dependent upon the available financial and human resources. Unlike ethics commissions and other anti-corruption agencies where minimal financial resources can jeopardise efforts, public education efforts ultimately can be effective with minimal financial resources as long as a broad public interest is sought and represented. Information can be packaged in many ways including through the use of music, art and drama, posters and billboards. Tools such as public speaking engagements can be effective
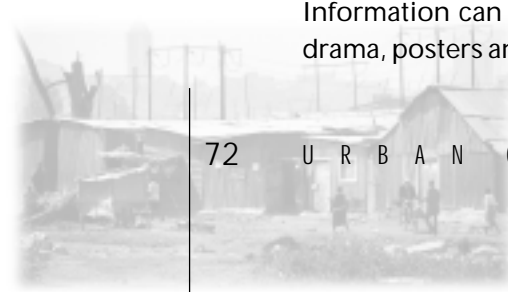
in reconnecting the public with the government and its representatives, especially since corruption can alienate and disaffect a citizenry.

It is impossible to describe one foolproof, all-encompassing technique for public education campaigns or programmes. Designing such programmes requires understanding a community's population and employing several approaches. At the very least though, educating the public must involve all sectors of a society: public, private, non-governmental and non-profit. Such cross-sectional representation elicits more comprehensive strategies for building transparency in urban governance. Some methods that have been widely used are described below.

Media/Publicity Campaigns. Media participation is crucial. It provides an avenue both for public education and access to information. The media can be useful in formulating programmes that dedicate their space to issue of good governance, including transparency and accountability. With its expansive reach, the local media is useful in cultivating a culture of public interest and debate in local governance issues. On one hand, it can inform and facilitate public participation in decision-making, while on the other, it can be effective in exposing government corruption. Government and community groups can partner with the media to develop public education and information programmes for increased transparency. Yet the media need not rely solely on such opportunities and should often take the lead in channelling relevant information to the public domain. Encouraging a well-informed civil society is highly plausible through public service announcements (PSAs), local radio and television programmes, print advertisements and posters, and specially televised community town hall events focusing on transparency in urban governance

School Programmes. As mentioned earlier, children are necessary constituents in any public education programme. Whether through informal school activities, such as role-playing, or through more formalised classroom curriculum devoted to inculcating core ethics values and character education, ethics education encourages children to think about ethical behaviour in government administration. More importantly, educating children about the dangers of corruption supports a future citizenry that is dedicated to good governance.

Public Speaking Engagements. Meeting with business, civic, religious and other non-profit organizations is a more piecemeal approach toward public education efforts. Besides, not every member of the public is part of some formal membership organization or association. Yet an advantage to these types of engagements is the opportunity not only to deliver a message, but also to respond to the public's questions and concerns and to receive community feedback. There are various ways to carry out this approach, such as: creating a local speakers bureau where government officials, academics and other experts can be available to talk about anti-corruption initiatives and governance strategies; designating a public agency to conduct community presentations and workshops; and appointing a public information officer to conduct public education presentations.

Publications. Producing written information highlighting community and national resources on ethics, transparency and anti-corruption strategies can be an effective tool in any public education campaign. However, this element is not adequate on its own. Written publications can be valuable in conjunction with activities such as training and education programmes for government employees and officials, public speaking engagements and study circles. Additionally, as electronic mediums become more readily accessible, on-line publications

of such material can increase the public's knowledge and awareness of how to increase transparency and contribute to better governance.

CITY/COUNTRY EXAMPLES

Box 28: Anti-Corruption Media Campaign in Lebanon

In the early part of 2001, the government, along with the support of local NGOs and USAID, launched the first phase of a media campaign with television, radio, print, and billboard ads throughout the country. The campaign ran for one month with concurrent public polling to gauge the campaign's impact. Feedback was positive and extensively covered by all of the major papers. As part of the campaign, a website was unveiled with a feedback section for people to send in their comments and ideas. Next steps include a multimedia campaign focusing on the costs of corruption to the average citizen and identifying specific actionable steps that citizens can take to fight it.

Source: Prepared by M. Lippe, Transparency International.

Box 29: Peru – Several Approaches for an Anti-Corruption Campaign

An anti-corruption campaign in Peru utilised several approaches in its public education activities. With the support of several international grants, the Lima Chamber of Commerce hosted a widely publicised forum and video conference on the national anti-corruption plan. A local NGO in northern Peru produced and performed a theatrical play on anti-corruption and ethics in schools in Piura and Tumbes, in northern Peru. Additional public education events included:
  * an international seminar on lobbying where more than 200 people participated from Congress, the private sector and civil society
  * a series of workshops on local government monitoring for local leaders, and
  * a community radio campaign "Local Government Transparency in the Jequetepeque Valley" reaching more than 160,000 radio listeners in the La Libertad region.

Source: Prepared by M. Lippe, Transparency International.

Box 30: School Education Programme in Miami-Dade County, Florida, United States

In the fall of 2001, the Miami-Dade County Commission on Ethics and Public Trust, under the purview of its Community Ethics Education and Outreach Programme, created the Model Student Ethics Commission Programme. After several years of meeting with business and civic associations, educators, non-profit organizations, the consensus was that community education and awareness strategies needed to be directed more toward the schools. In response, the Ethics Commission developed a programme that was designed to teach and to engage students in the policies and issues concerning ethics, good governance and accountability in the administration of government.

During the course, students engage in role-playing activities, assuming such roles as an ethics commissioner and public advocate. While role-playing, students review ethics case studies, resolve the dilemmas presented, identify solutions to various issues within the local government arena and participate in mock public commission hearings to discuss public policy issues. The guiding principle driving the program is to challenge students to think about good governance so that they become socially and intellectually committed to ensuring a responsive and accountable government and citizenry.

Source: Prepared by M. Lippe, Transparency International.

The city of Baltimore, USA, has become a trendsetter in the use of technology to inform the public and hold city officials accountable. Martin O'Malley, youthful mayor of Baltimore who was elected four years ago, has introduced an innovative and intensely public way to track each city department's performance – from health to housing, police to parks. Christened "CitiStat", this programme was designed by Jack Maple, who had been architect of New York City's groundbreaking CompStat programme. Compstat tracks hot spots of such scourges as burglaries, assaults and murders, deploying officers to nip crime in the bud. Maple convinced O'Malley that the same computer and map-based fact gathering – including "hot seat" grilling sessions for police commanders – could be expanded to all local government operations. The Mayor decided to take the plunge. Starting with the bureau of solid waste, he gradually expanded his new "CitiStat" reporting system to 16 departments, ranging from finance to fire to homeless issues.

The execution of the CitiStat programme is rigorous. Every two weeks, each department director is interrogated in a specially designed City Hall briefing room on a wide range of issues, including, for instance, the performance of his or her department against measurable indicators, budgets, unexcused absenteeism and responses to citizen complaints. The interrogators include O'Malley, Deputy Mayor Michael Enright, CitiStat director Matthew Gallagher and other top aides. The questions don't emerge accidentally. One of CitiStat's six on-staff analysts is assigned to every department, analysing its reports, assembling summaries of key issues, creating visual depictions of the data in maps and charts (even freshly taken digital photos from the field) – all flashed onto screens during the City Hall grilling sessions.

The Mayor's office believes that CitiStat has produced $100 million in cost savings and revenue enhancements since 2000. One big reason: sharp overtime and absenteeism reductions triggered by CitiStat scrutiny. Performance has improved and backlog significantly reduced. Complaints are addressed quickly and efficiently. Citywide, employment is up 10,000, violent crime down 29 percent.

As a result of the CitiStat initiative, the city of Baltimore is now better positioned to attract and hold businesses and middle class residents. A constant stream of visiting city observers come to watch CitiStat operations. In whole or part, the system's being copied in Syracuse, Pittsburgh, Detroit, Miami and Providence. "The revolutionary feature of this open and transparent system of government," O'Malley argues, "is that it moves us from spoils-based patronage politics to results-based performance politics. A computerised map doesn't know if a neighbourhood is black or white, rich or poor, Democrat or Republican. We send the resources where the problems are – or in economic development, where the opportunities are." But success comes only, he notes, with constant and intense executive pressure, plus relentless follow-up with departments.

Source: Excerpted from: Peirce, Neal (2004). **Less Secrecy, More Efficiency: Baltimore's Groundbreaking "Citistat".** *The Neal Peirce Column, Washington Post, 18 January 2004; http://www.ci.baltimore.md.us/news/citistat/*

FURTHER INFORMATION AND CONTACTS

General

Pope, Jeremy (2000). **Transparency International Source Book** (Chapter 24: The Right to Information – Information, Public Awareness and Public Records)
Transparency International (TI), Otto-Suhr-Allee 97-99, 10585 Berlin, Germany.
Tel.: +49-30-343-8200; Fax: +49-30-34703912
E-mail: ti@transparency.org, Website: www.transparency.org

Lebanon

Case summary prepared by M. Lippe, Transparency International.

Peru

Case summary prepared by M. Lippe, Transparency International.

Florida, USA

Case summary prepared by M. Lippe, Transparency International.

Botswana

Urban Management Programme, Sub-regional Office for Africa: 7 St David's Place, Parktown, Johannesburg, Republic of South Africa.
Tel: +27-11-7173532/3503; Fax: +27-11-7173699; E-mail: ramsey.f@pdm.wits.ac.za

Baltimore, USA

The Mayor's Office, City Hall, Room 250 • 100 N. Holliday Street, Baltimore, Maryland 21202, USA.
Tel.: +1-410-396-3835; Fax +1-410-576-9425
E-mail: mayor@baltimorecity.gov; Website: http://www.ci.baltimore.md.us/news/citistat/

2.14 PUBLIC PARTICIPATION TOOLS

INTRODUCTION

The linkage between public participation and transparency is well established. Clearly, well-developed strategies for public participation build trust, promote accountability, strengthen commitment of all stakeholders towards improved governance, and directly limit the potential for corruption.

The level of public participation varies from simply sharing of information to active engagement of citizens in the implementation and management of projects and services. Tools to build different types of participation also range from stakeholder consultations and public hearings to community watchdog groups and public-private partnerships. The common thread that runs through the various tools, however, is the commitment of the local government to share information and engage the community in an open dialogue. The views of the citizens must not only be heard but also reflected in development decisions, thus making governments responsive and accountable to the community.

The purposes of public participation are clear – to promote transparency, encourage openness in government, and build ownership of development decisions as well as programmes and projects. Specifically, public participation:

- Encourages citizens to be more engaged in the decision-making processes that have an impact on their local community.

- Serves to advance citizens' understanding of how government works and confers upon them the capacity to access governmental decision-making processes.

- Provides the public with the opportunity to influence and participate in development programmes and projects.

LINKAGE TO TRANSPARENCY

Public participation aims at bridging of the gap between the government, civil society, private sector and the general public, building a common understanding about the local situation, priorities and programmes. Public participation encourages openness, accountability and transparency, and is thus at the heart of inclusive decision-making. The level and the nature of public participation in local governance issues are often used as indicators of a healthy civic culture.

HOW IT WORKS – THE KEY ELEMENTS

Public participation can take various forms. UN-HABITAT's *Toolkit on Participatory Urban Decision-Making* provides a comprehensive review of tools which can be used to encourage and strengthen stakeholder participation in decision-making processes at the local level. Some of the tools which have a specific role in augmenting transparency are summarised below. However, it is also important to note here that public participation is implicit in many other tools (and examples) cited in this Toolkit, for instance: 2.1 – Municipal Checklist; 2.2 – Urban Corruption Survey; 2.3 – Municipal Vulnerability Assessment; 2.5 – Report Cards; 2.29 – Participatory Budgeting, etc.

Tools to promote public participation. The make-up of a community and its perception of local governance will influence the level and configuration of public participation. There may be mechanisms already in place, for instance, public hearing components during government meetings, whereby individuals can comment on local government policy. The elements highlighted below are not exhaustive, but are offered as examples of means employed in communities that have wrestled with transparency and corruption problems.

- **Study Circles –** Study circles can be a useful format to discuss transparency strategies in urban governance. The approach involves channelling discussions through a series of stages. It enables participants to discuss alternative views to specific issues and to exchange ideas on, and experiences with, local government administration. The most important feature of study circles is the participation of a diverse group of individuals, representing different educational and professional backgrounds. As communities wrestle with corruption, particularly those in transition democracies, study circles can provide the framework to develop long-term goals for good urban governance.

- **Citizen Advisory Boards –** Generally structured around specific issues, such as economic development or housing, citizen advisory boards can be another effective form of public participation. Comprised of community volunteer residents, such boards provide local authorities with information and recommendations pertaining to local issues. Citizens get an opportunity to play a meaningful role within the government structure, through establishment of a working relationship with government employees and officials. Considering the level of independence with which the Citizens Advisory Boards operate, they can serve as a useful safeguard against corruption and help in establishing transparent decision-making practices.

- **Government Contract Committees –** Local government officials often play a large part in the award and administration of government contracts. With up to billions of dollars in government contracts available, it is incumbent upon governmental decision-making entities to establish a venue for citizen participation and oversight of such contracts. Whether through ad hoc selection committees or through permanent citizen oversight and compliance boards, such committees can shape the ethical culture of government contracting. Furthermore, this form of public participation can be an initial step or component in ensuring an open public procurement environment.

- **Public Hearings –** Public hearings are fundamental to the operation of open, democratic government administrations. As local authorities deliberate over policies and other administrative matters, public hearings afford citizens an avenue to address policy makers on important local issues, particularly budgetary concerns. By the same token, it also allows public officials to request comments and information and access expert advice from the public. Public hearings mean public deliberation and debate and can hold the key to engendering transparent decision-making processes.

- **Public Watchdog Groups –** Public Watchdog Groups are community-based organizations or grassroots associations, whose key role is civic activism and dissemination of information pertaining to government initiatives. Unlike citizen advisory boards, these groups have no formal relationship with government entities. Such groups monitor local government issues and policies, correspond with media and government authorities, attend public hearings and speak for or against public policy proposals. Human capital, more so than financial capital, drives the success and effectiveness of these watchdog groups. It is thus important that these groups generate visibility with government officials and entities, but maintain an independent spirit. In cities across the United States, public watchdog groups played a significant role in promoting local governance reforms and demanding stronger anti-corruption measures and laws.

Key actors in promoting public participation. From the aforementioned tools for encouraging public participation in decision making, it is evident that a broad range of stakeholders could take the lead in promoting or advocating for these activities.

- **The Government**: Although public participation can manifest itself in many ways, local as well as national governments must take a proactive role in ensuring that opportunities for public involvement exist. The decision to include citizens in contract committees, for instance, rests with the government. The success and effectiveness of public hearings, citizens' advisory boards and other such tools also depends in

large measure on the commitment of local government to transparency and public participation.

- **Civil Society Organizations**: The civil society is not only best placed to act as watchdog, but also to mobilise public opinion for or against local government policies and practices. Civil society organizations often spearhead the formation of Watchdog committees and citizen advisory groups and facilitate the activities of such associations. Their role is thus crucial to building a culture of participation in any city of community.

- **The Private Sector:** The private sector is increasingly playing a large role in civic affairs, whether through participation in local development programmes or public-private partnerships. The private sector could play an important role in enhancing public participation by extending support to media campaigns and participating in Advisory Boards.

CITY/COUNTRY EXAMPLES

Box 33: Operation Firimbi - Kenya
Operation Firimbi (meaning whistleblower in Kiswahili) is a comprehensive effort in Kenya to counter widespread abuses in the allocation of public land at both the central and local government levels. This campaign was prepared and initiated in 1996 by a coalition of NGOs, led by the Mazingira Institute, a local activist organization, in response to a rapidly deteriorating situation and regular reports in the media about "land-grabbing" by prominent persons.

In Kenya, all land is either owned privately or held in trust by local and central governments. Often, in collusion with the local authority or individuals within the local authority, valuable parcels were taken over by individuals and no action was taken by the local government. Public awareness, through the use of the media, was essential to thwart these illegal activities. The essence of the campaign involved civic education and public awareness, combined with encouraging people to come forward and publicise what was happening and providing specific information about the land and the individuals involved.

According to the organizers, the campaign required a great deal of management and oversight. It involved the creation of local committees, called "Vocal points", in numerous areas. Because of the hostile attitude on the part of authorities, another key approach taken was to take action and contacts with the media under the aegis of an NGO umbrella organization, rather than having individual NGOs bear the brunt of the wrath of the central and local governments.

Operation Firimbi in Kenya owed much of its success to the participation of the ordinary Kenyan in the campaign to stop land grabbing by the elite. This campaign illustrates the power of the citizens, when aroused, to take action against corruption and malpractice.

Source: http//www.bestpractices.org |

Box 34: Battling Corruption through Public Participation in Krasnoyarsk, Russia

In spite of significant institutional changes, Russia has not yet built a truly participatory democracy. The obvious desire among people to influence government other than in the short period of electioneering leads to staging spontaneous pickets, rallies and demonstrations, instead of a continuous dialogue with the authorities. Some other forms of participation such as referenda and the popular initiation of legislation are stipulated under the Constitution and Federal laws. But such forms are too cumbersome and unwieldy. Therefore, while drafting an anti-corruption law, the authorities of Krasnoyarsk opted for more "workable" mechanisms of public participation. Rather than completely rebuilding the existing system of city administration, they limited themselves to introducing certain innovations.

One of the major innovations was the inclusion of professional associations in municipal government. When commissions are formed to review tenders for the purchase of municipal goods and services, professionals with the corresponding expertise are included in these commissions. As a result, the share of goods purchased through competitive bidding is increasing. (In 2000, up to 70 percent of municipal goods were purchased through competitive bidding.) As well as increasing the transparency of decision-making, such procedures have a considerable economic benefit. The circle of suppliers broadens; invitations to bid are published in the newspaper Gorodskiye Novosti, which has a circulation of 40,000 copies. And because competition is real, the city is able to strike a better deal. As a result of an auction among pharmacies for the right to cater to citizens who enjoy a discount on prescription drugs, the trade mark-up dropped from 25-30 to 10 percent, saving more than 3 million roubles. The trade mark-up on the supply of fuel for the city's needs dropped from 10 to 4 per cent, also as a result of competitive bidding.

It has also become common practice in Krasnoyarsk to allocate budgetary money to social projects by means of auction. In 2000, more than 2 million roubles' worth of municipal grants was issued in this way to non-profit groups. As part of an anti-corruption project, the city administration's human resources department has issued recommendations on the preparation of bids for such grants. Their legal basis has been carefully prepared, taking into account our previous experience of financing NGOs and youth groups. Expert panels have been established that include not only officials and deputies of the city council but also representatives of local communities, professional associations and NGOs. A "socio-economic council", consisting of academics, NGO members and industrial managers, is currently sitting under the supervision of the city Mayor. It regularly discusses the city's economic and social problems, and the priorities of municipal policy. Concrete budget items and target programmes are reviewed by "'sectoral co-ordination councils". This ensures not just public supervision, but public participation in the adoption of administrative decisions.

In the last two years, the administration and the city council have been enlisting the services of business associations in drafting legal documents. The Mayor and the city council have issued decrees creating certain advisory bodies and stating their functions (for example, a youth policy council, an investment council, and so forth). Legal acts now determine the form in which local government must report to the people on particular aspects of city life. By a decision of the youth policy council, for instance, the Mayor has to present an annual report on the position of children and young people in Krasnoyarsk. In 2000, a public campaign – "Krasnoyarsk marches into the 21st Century" – was launched. As part of that campaign, the public was involved in discussing a master plan for the development of Krasnoyarsk up to the year 2020 and a social and economic development plan up to the year 2015.

In a number of cases, the mayor's rulings are prepared by consultative bodies at least two-third of whose members are independent individuals. These include commissions for awards and titles and for the naming and renaming of city landmarks. A decision to rename a street in Krasnoyarsk can only be made if at least 50 percent of those who live on that street agree.

Key municipal bills – bills that affect the interests and rights of citizens – are regularly published in the city newspaper for public discussion. These have included a draft city charter, a reform bill for the housing and utilities sector, and a new system of payment for its services. A set of laws that will regulate the financial activities of local government bodies is at this moment being finalised.

Thus the foundations of a system of public participation in city government are being formulated and put into practice. Of course, this requires painstaking work. Citizens need to be educated to exercise their rights, and civil servants should be trained to work decently and professionally. To this latter end, the local civil servants' college is implementing a training programme in new management techniques. Its students have developed a "municipal workers ethics code" and an anti-corruption project supported by the Eurasia Foundation has initiated the task of developing a coherent programme of interaction between local government and various groups within the city. The system is expected to take shape within the next two to three years.

The authorities are aware that if corruption is to diminish, real mechanisms and institutions of public participation – other than elections – must appear, and a constant exchange of information between all the participants in the political process must be ensured. There are other important factors, too. The diminution of the range of spheres regulated by the state, the emergence of local government as genuine self-government, and not merely as a carbon copy of state administration, and the improvement of legislation are also all vital for the elimination of corruption in Russia.

Source: Kleshko, Alexei (2001) **Corruption at the Local Level** *in "RUSSIA ON RUSSIA", _4. London.* http://www.kleshko.info/ Publicity/Author/publicity-aut-02.htm

Kenya

Mazingira Institute, P. O. Box 14550, Nairobi, Kenya.
Tel: +254-20-4443229/4443226/ 4443219, Fax: +254-20-4444643
E-mail: mazinst@healthnet.or.ke or mazinst@mitsuminet.com
UN-HABITAT, PO Box 30030, Nairobi 00100, Kenya.
Website: http//www.bestpractices.org

Russia

Alexei Kleshko, Deputy of the Krasnoyarsk city council, and Chairman of the Commission for local government, non-governmental organizations and the media.
Website: http://www.kleshko.info
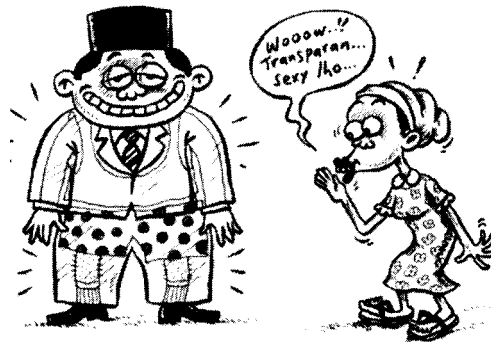
transparency

To build a mutual trust between the
government and the public, the
government administrators must
provide adequate information to the
public and easy access to accurate
information when needed.

Part 2C: Tools to Promote Ethics, Professionalism and Integrity

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The strength of a local government and its decision-making entities is contingent, in large part, upon the strength of its legal infrastructure. This legal infrastructure comprises laws that regulate the behaviour of employees and officials in government while promoting accountability, transparency and high ethical standards. Of the eight tools presented in this section, the first five are laws that guide the establishment of transparent and accountable systems.[51] As local bureaucracies grow and adapt to meet evolving community needs, such laws provide a procedural framework that assures accountability in the delivery and procurement of government services and consistent oversight capacity in decision-making structures. These laws also play a critical role in restoring public trust and citizen confidence in the administration of government.

The other category of tools explored in this section aim to strengthen the ethical side of local government, by laying down codes of conduct and providing training on ethical behaviour. Tools that fall under this category include Codes of Ethics, Ethical Campaign Practices, and Ethics Training.

It is important to point out that this section does not restrict itself to tools that aim at building ethics in local government alone. As governance involves all pillars of the society, including the private sector, and the civil society, other stakeholders must also adopt high ethical standards in their operations and activities. Tools such as "Code of Ethics" are, therefore, targeted towards a wide range of stakeholders, including the local government, NGOs, the media and professional associations. Similarly, "Integrity Pacts" seek to promote a high standard of ethics and transparency in dealings between the public and private sectors.

Tools included in this section are:

    2.15   Conflict of Interest Laws

    2.16   Disclosure of Income and Assets

    2.17   Lobbyist Registration

    2.18   Whistleblower Protection

    2.19   The Integrity Pact

    2.20   Code of Ethics

    2.21   Ethical Campaign Practices

    2.22   Ethics Training

Box 35 shows the importance of combining the most appropriate tools to develop an effective ethical basis in local governance.

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[51]   Readers might note that many city/state examples in this section are from the USA or North America. This is because one of the objectives of the Toolkit is to bring to the users the best examples of application of various tools. Many of the tools included under this section (e.g., Disclosure of Income and Assets, Lobbyist Registration, Whistleblower Protection and Codes of Ethics) have been applied most effectively and successfully in North American cities and states.
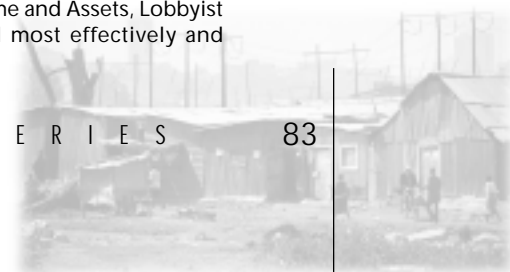
Box 35: Ethics Guidance in Canadian Legislation

In Canada, a number of Provinces – and the Federal government – have introduced posts to provide guidance on ethical issues to parliamentarians and senior public officials. These positions are variously titled: "Ethics Commissioner" (Alberta), "Integrity Commissioner" (Ontario); "Conflict of Interest Commissioner" (British Columbia, Saskatchewan, Nova Scotia, New Brunswick, Northwest Territories and Yukon), "Commissioner of Members' Interests" (New Foundland), or "Ethics Counsellor" (Federal Government). \l "note19" These Offices all recognise that in the area of ethics, there are two major risks when relying wholly on a strictly legalistic system. Firstly, public office holders can often forget what truly ethical conduct actually is in the real world of public life, and instead defend themselves by dwelling on what they understand to be the legal technicalities of words and concepts.

Secondly, rules are often extremely detailed about matters that should be self-evident to anyone with sound moral judgement, leaving the average citizen with the impression that those appointed to public life have no moral sense whatsoever. When this happens, it can do more to corrode public confidence than enhance it.

Canada's Federal government has taken an approach that assumes that public office holders do want to take ethical actions. It assumes they do want to earn a higher level of respect among citizens. For this reason, it has chosen not to take the other major approach to ethics – that is, rigidly codifying ethical behaviour, usually through a series of "Thou shalt not's." The Canadian approach to building and managing an ethics structure turns on avoiding possibilities for conflict of interest well before the fact. It focuses on working with people, based on the assumption that they do want to do the right thing.

The Federal Ethics Counsellor's Office deals with potential conflicts of interest and other ethical issues for those most likely to be able to influence critical decisions in the Federal government. This covers all members of the Federal Cabinet, including the Prime Minister. It covers their spouses and dependent children; members of Ministers' political staff; and senior officials in the Federal Public Service. The Office handles the monitoring of the assets, incomes and liabilities of those it oversees.

The Office is also responsible for the Lobbyists Registration Act and the Lobbyists' Code of Conduct. These are designed to bring a level of openness to lobbying activities and ensure strong professional standards for the people involved in that work.

The Office, of course, does not replace the role of the police, prosecutors and judges when it comes to suspected breaches of the criminal law. Rather it deals with the grey area of situations that could realistically appear wrong to citizens, without ever being illegal. Its role is designed to provide advice and counsel to those in government, not to act as prosecutor, judge and jury. In practice, the Office works closely with those covered by the Code. They come with questions about how a given asset or interest should be treated, and the Office offers advice. It is also asked by the Prime Minister to investigate and comment on specific issues as and when these arise.

Does this seem to work? The present office-holder believes it does: "Does this work? I would say it does. The people that I deal with recognise that making the right decisions helps to ensure their long-term political health. They recognise that Canadians expect high standards of conduct and rightly so. They have generally gone out of their way to meet those standards."

Source: Pope, Jeremy (2000) TI Source Book (Chapter 20), http://www.transparency.org

2.15 CONFLICT OF INTEREST LAWS

INTRODUCTION

To avoid any corruption that may erupt due to a conflict of interest in which private interest may influence a public decision, it has been found useful to provide the legal framework for disclosing such private interests beforehand. Appropriate enforcement measures are also necessary to reinforce transparency and good governance. These laws should necessarily include provisions related to financial or asset disclosure, exploitation of one's official position, regulation of campaign practices and public records, and open meetings requirements. Additionally, these laws should govern the conduct of those who seek some form of access to or influence in the government decision-making entity. It is important to

bear in mind, however, that such laws are only as effective as the penalty provisions specified within them and their enforcement.

PURPOSE

- To ensure transparency and ethical conduct by government employees and officials by removing the temptation or the opportunity to engage in corruption.

- To establish transparent frameworks for government officials with respect to decision-making processes especially, financial decisions.

- To promote disclosure of private, personal and political interests by government officials and personnel.

- To protect officials from any undue suspicions and instil public trust and citizen confidence in the administration of government.

- To construct parameters by which those seeking business from or access to government are subject to certain ethical standards as well.

- To limit undue influence through post-government employment restrictions.

- To create mechanisms to sanction and/or reprimand violators of such laws.

LINKAGE TO TRANSPARENCY

Conflict of Interest Laws certainly promote transparency norms in principle; often though, realising such norms is challenging. There are specific ways, however, by which conflict of interest laws can promote transparency. For instance, the requirement that elected and appointed officials and other government personnel file financial disclosure forms, also referred to as statements of economic interest, which are subject to public inspection, is a cornerstone for transparent governance. Since these disclosure forms are legal documents; persons submitting fraudulent information are subject to criminal or civil sanctions. Inclusion of appropriate enforcement measures ensures that violations of such laws are punished. It is imperative, of course, that the enforcement mechanisms too reflect due process, i.e., that they are fair and transparent.

HOW IT WORKS: THE KEY ELEMENTS

Creation: Conflict of Interest Laws can be part of national legislation or can be part of the municipal ordinances to be observed by the local authorities. The drafting of such legislation needs to reflect careful deliberation and public participation. Governments can begin by conducting surveys to determine the core values and concerns of the community and government employees, and identifying the most pressing problems.

The final document needs to be as clear as possible on intentions, legal structures and definitions. Some of the key aspects that a Conflict of Interest Law could provide for are as follows:

- Training and education for public servants to enhance understanding of the conflict of interest laws.
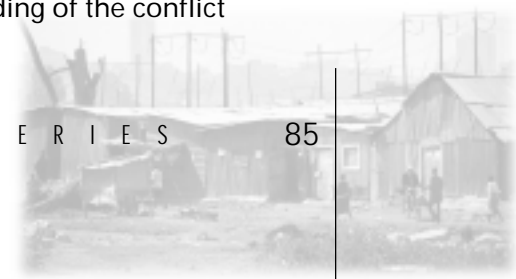
- Financial disclosures rules/guidelines.

- Mechanisms for complaints and investigations.

- Clear guidelines for prohibited interest and conduct including divesting of interest or disclosure of interest by public servants.

- Post-employment restrictions on former public servants.

- Clear penalties for those violating the provisions of the laws, as well as provisions to review the law from time to time to take care of any loopholes and gaps that may exist.

Application: The officials may be required to proactively identify personal interests that may conflict with their work either as part of the terms of employment or as and when the conflict arises. Officials may be removed from positions of influence to protect the public interest. The application of the Conflict of Interest Laws could be overseen either by the legal Office within the municipality/local government, or by an independent Commission or Board *(see Box 37).*

Management: The organizational structures may need to be sufficiently decentralised to ensure that enough independent officials are available to make decisions in the public interest if some officials have to be excluded.

CITY/COUNTRY EXAMPLES

Box 36: Conflicts of Interests in Contracts – California, USA

The state of California in the US has codified a common law prohibition against "self dealing" in contracts. This prohibition is commonly known as "the Section 1090 prohibition" and basically provides that city officers or employees cannot be financially interested in any contract made by them in their official capacity or by the body of which they are members. The main clause of prohibition reads as follows:

> *Members of the Legislature, state, county, district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. Nor shall state, county, district, judicial district, and city officers or employees be purchasers at any sale or vendors at any purchase made by them in their official capacity.*

Virtually all board members, officers, employees and consultants are public officials within the meaning of Section 1090 – the provision on Conflict of Interest in Contracts. If a violation of Section 1090 would result, the body or board is precluded from entering into the contract, even if the interested member abstains. A contract made in violation of Section 1090 subjects the officer or employee to a fine or imprisonment and to a perpetual disqualification from holding office in California. Moreover, a contract made in violation of Section 1090 is unenforceable and void.

Source: http://www.fresno.gov/city/staff/conflict/exhibit1.pdf

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The legal entity for enforcing the Conflict of Interest Laws of New York is the Conflict of Interest Board. It consists of five members, appointed by the Mayor and through the advice and consent of the Council. These members are not permitted to hold any public office not seek election to any public office, be a public employee in any jurisdiction, hold any political party office, or appear as a lobbyist before the city, parallel to their Board membership.

The members serve for six years each and the Board meets at least once a month. The Mayor is empowered to remove any board member from office for neglect of duty, gross misconduct or inability to discharge the powers of office.

It is this Board that is given the duty of informing public servants of the provisions of the Conflict of Interest Laws and assisting them in understanding the law. They develop education materials and programmes for educating the public servants on the provisions of this law, and train all individuals who become public servants.

The Board provides advisory opinions with respect to all matters covered in the law and ensures that financial disclosures are examined to determine compliance with the regulations on financial disclosures. It also receives complaints and directs the department of investigation to conduct investigations into matters related to its responsibilities.

The Board is also empowered to review the provisions of the Conflict of Interest Laws and recommend to the Council from time to time any changes or additions that it may consider appropriate or desirable.

Source: www.nyc.gov/html/conflicts/home/home.shtml

FURTHER INFORMATION AND CONTACTS

California, USA

Fresno City Hall, 2600 Fresno Street, Second Floor, Fresno, CA 93721-3600, USA.
Tel.: +1-559-621-7777; Fax: +1-559-621-7776
E-mail: Matt.Otstot@fresno.gov; Website: http://www.fresno.gov/city/staff/conflict/exhibit1.pdf

New York, USA

The Conflicts of Interest Board, 2 Lafayette Street, Suite 1010, New York, NY 10007, USA.
Tel: +1-212-442-1400; Fax: +1-212-442-1407
Website: www.nyc.gov/html/conflicts/home/home.shtml

2.16 DISCLOSURE OF INCOME AND ASSETS

INTRODUCTION

Disclosure of income and assets is a sensitive subject in many places, but it is an important issue of concern. Disclosure requirements permit the establishment of information concerning the income and changes in wealth of individuals while they hold public office, either as elected representatives of as municipal officials. It is important to remember, however, that disclosure of income and assets is important not only for the local government, but also for employees of public sector organizations, state owned enterprises, even NGOs and other not-for-profit organizations.

While some elementary provisions regarding disclosure are often included in Conflict of Interest Laws *(see 2.15 above)* and Codes of Ethics *(see 2.20)*, it might be useful to have specific and focused legislation on this subject, especially in circumstances where corruption in high places might have been rampant and pervasive in the past.

PURPOSE

The purpose of introducing legislation for disclosure of income and assets for public office bearers are:

*   To provide the basis for monitoring the wealth of individuals while holding public office.

*   To increase accountability on actions of public office bearers and reduce the chances of direct involvement in, or encouragement to, corrupt practices in the public offices they manage.

LINKAGE TO TRANSPARENCY

Disclosure of income and assets is an important step in building accountability of public office-bearers to the community. Disclosure by NGOs and not-for-profit organizations also holds the key to establishing their credibility and integrity with the community as well as with the government. Provision of such information, therefore, can be vital for the enhancement of transparency and increased trust between governmental and non-governmental bodies and the citizens.

HOW IT WORKS – THE KEY ELEMENTS

The following principles are important in seeking and securing effective disclosure of income and assets:

*   Information requested should be not only for the office holder but also for members of his or her immediate family.

*   There should be sanctions for deliberate failure to provide accurate information.

*   Resources should be allocated and an office established within the local government to monitor the disclosures and to pursue anomalies that are observed. This role could be played by the legal department of the local government.
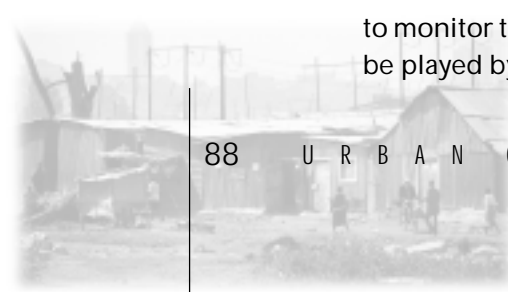
- Availability of this information to the public is a key aspect of such disclosure. Disclosure needs to be accompanied by effective dissemination of the information, usually by the media in a responsible manner. Public disclosure also implies that the information be easily available to NGOs that are interested in analysing the information and sharing it with the public.

CITY/COUNTRY EXAMPLES

Box 38: Financial Disclosure in Rhode Island, USA

Authority

The Ethics Commission is empowered by the Rhode Island Constitution to adopt ethics code provisions governing financial disclosure by public officials. By statute, financial disclosure is required of all elected officials, all candidates for public office, and persons appointed to serve as an officer or member of certain state or municipal agencies. Financial disclosure statements must be filed annually. Officials are required to disclose sources of income and assets, including those of a spouse and any dependent children. Officials also must disclose whether they, a spouse or dependent child, hold interest in any business regulated by Rhode Island government or in any enterprise which engages in business transactions with the government. Finally, officials must disclose the name and address of any person, business or organization which is owed more than $1,000 by the official, a spouse, or a dependent child. Officials are not required to disclose the dollar amount of any income, asset, or debt.

Process

Each year, on an average, staff of the Ethics Commission process financial disclosure statements for more than 6,000 officials. Computer systems are used to create and maintain lists of officials subject to the disclosure requirements. Throughout the year, staff update computer databases as elections are held, appointments are made, terms end, officials resign, new positions are created and former agencies and commissions are disbanded. Candidate lists are obtained from each of the 39 boards of canvassers during election years; lists of elected and appointed officials are obtained from city and town clerks, fire districts, and the leaders of state departments and agencies. Financial disclosure forms and instructions are mailed to new appointees and candidates as soon as the Commission receives official written notice of their appointment or eligibility. Thereafter, forms and instructions are mailed on an annual basis to persons subject to filing requirements.

Public Access

All financial disclosure statements are public records and may be reviewed during regular business hours. The Commission maintains records at its offices for up to five years; records dating back beyond five years are held at an off-site storage facility. Copies of any financial disclosure record may be obtained at a cost of $0.15 per page. Additional costs for retrieval also may be charged.

Source: http://www.state.ri.us/ethics

FURTHER INFORMATION AND CONTACTS

Rhode Island Ethics Commission, 40 Fountain Street, Providence, RI 02903, USA.
Tel.: +1-401-222-3790; Fax: +1-401-222-3382
E-mail: ethic@ethics.state.ri.us; Website: http://www.state.ri.us/ethics

2.17   LOBBYIST REGISTRATION

INTRODUCTION

It is well known that lobbying, which can serve the public function of making information more accessible to legislators, also can taint the government decision-making and public procurement process. Those private citizens who seek to modify or enact legislation, or secure government contracts either on behalf of themselves or third parties, and who are compensated for such activity should be subject to lobbying registration and reporting requirements. Requirements may entail identifying the names of the individuals and businesses, the issue or action for which they lobbied, the names of the government officials and employees contacted on behalf of the issue or action and levels and the amount of compensation awarded for such activity.

PURPOSE

*   To regulate the process of lobbying in order to create a fair ground for all parties in a given issue.

*   To enhance accountability and openness among public entities and decision makers by prohibiting any opportunities for bribery to influence outcomes and decisions.

*   To make available from a central point – usually the governing authority of a region – the lists and contacts of professional lobbyists for parties requiring such services.

*   To make accessible the activities of lobbyists and their principles as well as outcomes of issues lobbied for, to the general public.

LINKAGE TO TRANSPARENCY

Lobbying generally comprises the act of influencing or attempting to influence executive or legislative action through oral or written communication with an executive or legislative official and/or the solicitation of others to influence an executive or legislative official. The practice is widespread, though it may be considered legal in some countries and illegal in others. Where permitted, it is important that process of lobbying be kept as transparent as possible to minimise the risk of exertion of undue influence through fear or favour. Lobbyist registration advances the public's access to information pertaining to the various "special interests" participating in policy making processes, thereby building transparency.

HOW IT WORKS – THE KEY ELEMENTS

It is not unusual for business and organizations to need representation before a governing or administrative body, or government agencies. Many large entities employ lobbyists on a full-time basis, but even they sometimes need additional help in the form of contract lobbyists. Identifying an experienced, reputable lobbyist suited to an organization's needs is imprecise at best. Therefore, it is useful by regulation to register lobbyists.

Lobbyist registration is often done at the central/national level, but is evidence can be done at the local level within the governing administration. The procedure involves:

1. Enactment of legislation at the national or local level to back the registration exercise

2. A standard procedure for undertaking the registration, which normally would require background details of both the lobbyist and the principal (the entity/organization or individual being lobbied for). It normally also entails a minimal fee to be paid by the lobbyists being registered.

3. Making the registration (and updating) exercise regular – for instance, on an annual basis.

4. Automatic suspension for lobbyists who fail to pay required fines.

5. Prohibition for lobbyists retained by a local government to then represent third parties before the local government (designed to curb potential conflicts of interest created if the interests of the third party are adverse to the local government the lobbyist also represents).

6. Exemptions for citizen/civil society and non-profit groups (so as not to deter or hinder access to organizations, some with limited economic means, who are speaking on public policy or general community matters.)

CITY/COUNTRY EXAMPLES

Box 39: Regulated Lobbying in the City & County of San Francisco, California, USA

The Board of Supervisors of the City & County of San Francisco enacted the San Francisco Lobbyist Ordinance, a comprehensive law that regulates lobbyists who attempt to influence City officers on local legislative or administrative action on behalf of private parties. The purpose of the law's public disclosure requirements is to protect the public confidence in the representative nature of government and to reveal lobbyists' efforts upon decision-making entities.

Key elements of the law include:
*   Detailed registration requirements identifying the nature of lobbying services.
*   Quarterly reporting requirements, disclosing, among other things, compensation received or promised, itemised expenditures, and political contributions made to officials.
*   Prohibitions on giving gifts to any government officer with an aggregate value of more than $50.

According to the City & County of San Francisco Ethics Commission, the agency charged with enforcing and administering the Ordinance, the compensation disclosure requirements promote transparency and provide the public with specific information about the influence of private interests upon government officials and entities. In addition, all reports and registration forms are published on-line.

Source: http://www.ci.sf.us/ethics
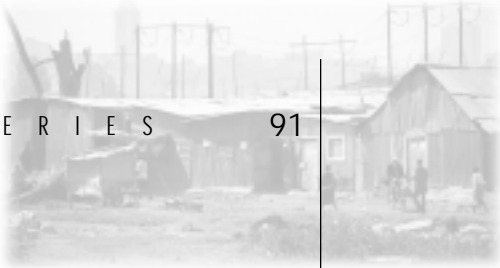
Box 40: Lobbying Reform in the City of Miami Beach, USA

After stories surfaced in the media about the negative role and undue influence lobbyists had upon the actions of local government officials, the Miami-Dade County began a push toward lobbying reform in 1999. Proponents of lobbying reform argued that the lucrative contingency fees, also known as success fees, that lobbyists received representing companies bidding on government contracts inflated contract awards to the eventual detriment of the taxpayer.

Additionally, lobbyists in Miami-Dade County actively participate in local electoral process by hosting fundraisers and soliciting contributions for candidates. Since campaign contributions are limited to $250 for County office and $500 for municipal office, major fundraisers are essential and obviously appealing to candidates for local office. Thus, once a candidate is elected to office, the lobbyist who sponsored successful fundraisers during the campaign may enjoy special access and advantages not otherwise shared by the general public. Moreover, the perception is created that the elected official then rewards the lobbyist/ fundraiser by supporting the lobbyist's clients' bid for government contracts.

While more detailed expenditure reporting and the clarification of the term lobbyist were important elements which passed, specifically the reform agenda focused on lobbyist fee disclosure and a ban on contingency fees. Although the ban on contingency fees passed in 2003, lobbyist fee disclosure did not. However, the City of Miami Beach, a municipality within Miami-Dade County, passed lobbyist fee disclosure legislation. In fact, it made a bold statement when it also enacted legislation banning lobbyists from serving as fundraisers for political campaigns if they actively lobby the city. Additionally, the City passed a law banning campaign contributions from lobbyists on real estate and procurement issues.

Source: Prepared by C. Prkic, Miami Dade County, USA. E-mail: cprkic@yahoo.com

Box 41: Regulating Lobbying at the National Level – The Lobbying Disclosure Act, USA

The Lobbying Disclosure Act of 1995 requires that almost anyone who is paid for lobbying at the federal level must register with the Secretary of the Senate and the Clerk of the House, if they meet the requirements of the Act.

It is important to note that this process is not a credential system to permit lobbying, but rather a reporting system on lobbying activity. Lobbying firms, self-employed lobbyists and organizations employing lobbyists may be required to file reports, regardless of whether they represent foreign or domestic interests. Failure to comply is subject to a fine of not more than $50,000.

The Act has adopted standard forms for registering Lobbyists called the LD-1 and for reporting semi-annual activity called LD-2. Both can be obtained, along with instructions and advisory guidance, from two central point government offices Washington, DC. Instructions on how to file the reports may also be obtained from those offices.

Source: http://www.centeronline.org/knowledge/whitepaper.cfm?ID=1796, E-mail: jstenenbaum@venable.com

The State of Commonwealth Virginia has outlined it requirements for the Lobbyists and their registrations in order to streamline the activities of lobbyists and their principals. While registering, lobbyists are required to fill in standard registration forms provided by the Secretary of the Commonwealth and must include the following mandatory information:

1. The name and business address and telephone number of the lobbyist.
2. The name and business address and telephone number of the person who will keep custody of the lobbyist's and the lobbyist's principal's accounts and records required to comply with this article, and the location and telephone number for the place where the accounts and records are kept.
3. The name and business address and telephone number of the lobbyist's principal.
4. The kind of business of the lobbyist's principal.
5. For each principal, the full name of the individual to whom the lobbyist reports.
6. For each principal, a statement whether the lobbyist is employed or retained and whether exclusively for the purpose of lobbying.
7. The position held by the lobbyist if he is a part-time or full-time employee of the principal.
8. The full name and business address and telephone number of each lobbyist employed by or representing the lobbyist's principal.
9. An identification of the subject matter (with as much specificity as possible) with regard to which the lobbyist or lobbyist's principal will engage in lobbying.
10. The signed statement by the lobbyist that the information contained on the registration statement is true and correct.

The Commonwealth also requires that whenever any change, modification or addition to on status of the lobbyist occurs, he or she must furnish full information regarding the same within one week. The Secretary of the Commonwealth also undertakes to furnish the principal with a copy of the information provided by the Lobbyist representing him. The principal is required to sign an affidavit within ten days of receipt of the information if he wishes to deny that the lobbyist appears for him. The Lobbyist are required to pay an annual registration fee of fifty dollars to the Secretary for each principal on whose behalf, the lobbyist will act. Lobbyist Registration information is recorded in legislative docket maintained by the Secretary of the Commonwealth

On lobbyist reporting, the Commonwealth requires that each lobbyist file a separate annual report of expenditures, including gifts, for each principal for whom he lobbies. The report is done on a form provided by the Secretary of the Commonwealth.

Source: http://www.soc.vipnet.org/Lobbyist/lobbyDocs/lobbyistRegAct.pdf; www.commonwealth.virginia.gov; http://www.commonwealth.virginia.gov/Lobbyist/lobbyist.cfm

FURTHER INFORMATION AND CONTACTS

San Francisco, California, USA

Website: http://www.ci.sf.us/ethics

Miami Dade County, USA

Staff Attorney, Miami-Dade County Commission on Ethics and Public Trust, 19 W. Flagler ST, #207, Miami, FL 33130, USA.
Tel: +1-305-579-2594
E-mail: cprkic@yahoo.com; Website: http://www.miamidade.gov/ethics

Lobbyist Disclosure Act, USA

Tenenbaum, Jeffrey S. (2002). **White paper on The Lobbyist Registration Act of 1995**.
The Centre for Association Leadership.
Website: http://www.centeronline.org/knowledge/whitepaper.cfm?ID=1796
E-mail: jstenenbaum@venable.com

Virginia, USA

The Lobbyist Specialist, Office of the Secretary of the Commonwealth, P.O. Box 2454, Richmond, Virginia 23218-2454, USA.
Tel: +1-804-786-2441
E-mail: chris.frink@governor.virginia.gov
Website: http://www.commonwealth.virginia.gov/Lobbyist/lobbyist.cfm

2.18 WHISTLEBLOWER PROTECTION

INTRODUCTION

In order to encourage officials, employees and aggrieved citizens to report instances of ethical misconduct, waste, fraud and other forms of corruption in local government, whistleblower protection is crucial. In some countries, social taboos about "denouncing" fellow citizens have to be overcome. Raising public awareness in these matters is much talked about, but is left almost entirely to civil society to address. Affording protection against retaliation for "blowing the whistle" on those who are violating public trust increases the likelihood of cooperation from government employees as well as other stakeholders, especially during investigations of ethics violations. Anonymous complaints can also be filed with institutions such as anti-corruption commissions or Ombudsman offices, or through telephone "hot-lines". Complainants must be assured that their complaints will be taken seriously, and that they themselves will not be placed at risk. This protection can be specified within the local ethics law or code, or can appear as a separate law.

PURPOSE

* To enhance detection of fraud and corruption and encourage reporting of cases of corruption and other malpractice that may jeopardise the integrity of an administration.

LINKAGE TO TRANSPARENCY

Whistleblower protection is an integral part of any exercise to promote transparent dealings in the public sector. By encouraging professionals, employees, stakeholders and citizens to expose corruption and malpractice, the government not only receives information but also sends out a signal that accountability is essential, transparency is a priority and malpractices will not be tolerated.

HOW IT WORKS – THE KEY ELEMENTS

Enacting a policy or law on the protection of whistleblowers. For a whistleblowing mechanism to be effective, there must be complete confidentiality and protection of the identity of the whistleblower. Follow-up of all bona fide disclosures must be ensured. Different government organs, therefore, would need to put in place policies and procedures to comply with any central enactment of this nature.

Setting up Hotline services. Operation of well functioning hotline services has been found to be a useful mechanism for encouraging whistleblowers. The key aspect is to install appropriate procedures to operate the hotlines effectively and efficiently, and provide support in terms of investigation capacity, policies and evaluation. Hotline systems could

either be operated at a central level or left to different organs and departments of the government. It is important, however, that an effective data management system be established for all hotlines to provide a coherent recording of disclosures.

Training. Specific training courses may be needed to support the specialised staff working on hotlines. A standard investigating procedure also needs to be developed for the designated investigating unit of the hotline. The responsibility for the day-to-day operation of the hotline system needs to be at the appropriate management level, to ensure buy-in of senior managers and staff within the organization.

Finally, the governance system should endeavour to promote other laws and codes that may encourage and supplement whistleblowing, such as Access to Information Laws *(See also 2.9)*. This must be accompanied by appropriate public education measures in order to encourage the public to play a more active role in using these laws to combat maladministration and corruption in the public and private sectors.

CITY/COUNTRY EXAMPLES

Box 43: Whistleblower Safeguards in King County, USA

The King County Whistleblower Protection Code is an avenue for King County employees to report improper governmental action and retaliation. Improper governmental action is defined as any action by a county office or employee undertaken in the course of the employee's official duties that:
- violates any county, state, or federal law;
- constitutes an abuse of authority;
- creates a substantial danger to public health or safety;
- results in a gross waste of public funds.

The Code stresses that improper governmental action does not include personnel actions or authorised action to which an employee or the investigating authority disagrees. It does encourage employees to report privileged information or information that is legally protected from disclosure. It does not provide for immunity from discipline for the report of an employee's own improper governmental action.

The employees who report improper governmental action are protected from retaliation. Whistleblower complaints must be made in writing to an appropriate investigating official, either the department director in which the proposed improper governmental action occurred, or the Ombudsman's office. The Whistleblower Protection Code further provides guidance on which agency or individual a whistleblower complaint should be made to.

Complaints are investigated by the King County Ombudsman's office or referred to the subject department for investigation. Investigation results are provided to the complainant. Any retaliation for whistleblowing is to be reported to the Ombudsman office, in writing, within thirty days of the incident.

The Ombudsman's office encourages employees to review the Whistleblower Protection Code and to pay special attention to the reporting requirements and is open to answer employees' questions about the code.

Source: The King County Office of Citizenship Complaints - Ombudsman; http://www.metrokc.gov/ombuds/

FURTHER INFORMATION AND CONTACTS

Office of Citizen Complaints-Ombudsman, 400 Yesler Way, Room 240, Seattle, WA 98104, USA

Tel: +1-206-296-3452; Fax: +1-206-296-0948
E-mail: ombudsman@metrokc.gov, Website: http://www.metrokc.gov/ombuds/
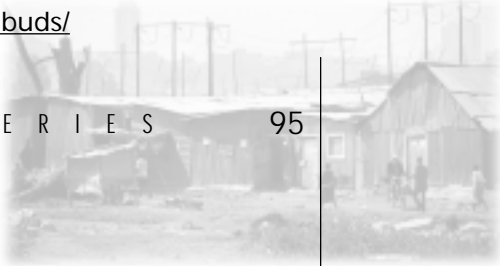
2.19 THE INTEGRITY PACT

INTRODUCTION

The field of public procurement has been a battleground for corruption fighters. It is in public procurement that most of the "grand corruption" occurs with much of the damage visibly inflicted upon the development process in poorer countries and countries in transition. Although initially there were sceptics who fought against the "islands of integrity" approach, successes are increasingly being recognised. "Islands of integrity" is a process in which voluntary agreements are made, involving bidders and the government, to restrict opportunities for corruption in a particular project. The use being made of the Internet for public procurement by the city of Seoul (Korea), Pori (Finland) and in Mexico is likewise promising *(see also 2.11 E-government).*

The Integrity Pact (IP) was designed and launched by Transparency International in the 1990s with the primary objective of safeguarding public procurement from corruption. It has been formulated as a tool that can be used by a government agency, indeed, any procurement body, in its procurement practice. The Integrity Pact has already been implemented in several countries and in large-scale infrastructure projects ranging from telecommunications to public transport.

PURPOSE

The goal of the Integrity pact is to reduce any (and almost ensure no) chances of corrupt practices during procurement through a binding agreement between the agency and bidders for specific contracts.

The IP is intended to accomplish two primary objectives:

*   To enable <u>companies</u> to abstain from bribing by providing assurances to them that

    *   their competitors will also refrain from bribing, and

    *   government procurement, privatisation or licensing agencies will undertake to prevent corruption, including extortion, by their officials and to follow transparent procedures; and

*   To enable <u>governments</u> to reduce the high cost and the distortionary impact of corruption on public procurement, privatisation or licensing.

LINKAGE TO TRANSPARENCY

The Integrity Pact is a specific tool used to build transparency in public procurement. By declaring up-front that the procurement, bidding or licensing process will be free of any form of corruption, both public institutions and private agencies open up their operations for public scrutiny. The establishment of a fair and transparent basis for awarding contracts

not only ensures efficiency but also helps in building public trust in government and the private sector[52].

HOW IT WORKS – THE KEY ELEMENTS

The Integrity Pact is a binding agreement between the agency and bidders for specific contracts in which the agency promises that it will not accept bribes during the procurement process and bidders promise that they will not offer bribes. Under the IP, the bidders for specific services or contracts agree with the procurement agency or office to carry out the procurement in a specified manner. The essential elements of the IP are enumerated below:[53]

- a pact (contract) among a government office inviting public tenders for a supply, construction, consultancy or other service contract, or for the sale of government assets, or for a government license or concession (the Authority or the "principal") and those companies submitting a tender for this specific activity (the "bidders");

- an undertaking by the principal that its officials will not demand or accept any bribes, gifts, etc., with appropriate disciplinary or criminal sanctions in case of violation;

- a statement by each bidder that it has not paid, and will not pay, any bribes;

- an undertaking by each bidder to disclose all payments made in connection with the contract in question to anybody (including agents and other middlemen as well as family members, etc., of officials); the disclosure would be made either at time of tender submission or upon demand of the principal, especially when a suspicion of a violation by that bidder emerges;

- the explicit acceptance by each bidder that the no-bribery commitment and the disclosure obligation as well as the attendant sanctions remain in force for the winning bidder until the contract has been fully executed;

- undertakings on behalf of a bidding company will be made "in the name and on behalf of the company's Chief Executive Officer";

- a pre-announced set of sanctions for any violation by a bidder of its commitments or undertakings, including (some or all):

    - denial or loss of contract;

    - forfeiture of the bid security and performance bond;

    - liability for damages to the principal and the competing bidders, and

    - debarment of the violator by the principal for an appropriate period of time.

---

[52] A number of authors have referred to the urgent need for addressing corruption in public procurement. Klitgaard et al emphasise on changing rewards and penalties facing bidders, for example, through "incentive contracts" that favour ethical bidders, and through "strengthening the severity and certainty of penalties, disbarment, criminal sanctions, etc." For more information, see Klitgaard, MacLean-Abaroa and Parris (2000) *op. cit.*, p. 133.

[53] Transparency International (2002) *The Integrity Pact: The Concept, the Model and the Present Applications (A Status Report).* pp. 4-5. Available at: http://www.transparency.org/building_coalitions/integrity_pact/
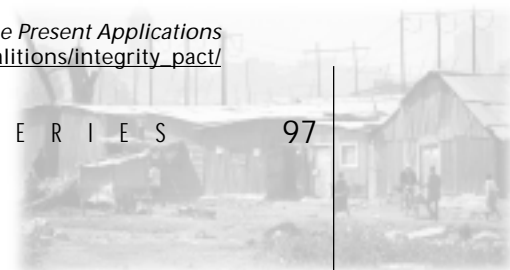
Bidders are also advised to have a company Code of Conduct (clearly rejecting the use of bribes and other unethical behaviour) and a Compliance Program for the implementation of the Code of Conduct throughout the company.

In some cases, for instance in Nepal, the Integrity Pact has been adapted to suit local conditions and priorities. In Nepal, it not only involves improving the procurement process, but it is a much more comprehensive effort on the part of the municipalities to eschew corrupt activities. What is most original about the TI-Nepal approach and the participating municipalities is that it involves solemn pledges on the part of elected officials and staff in the municipalities to foreswear being involved in corrupt practices. It also involves establishment of public grievance mechanism as well as an effective monitoring and evaluation system within the municipalities.
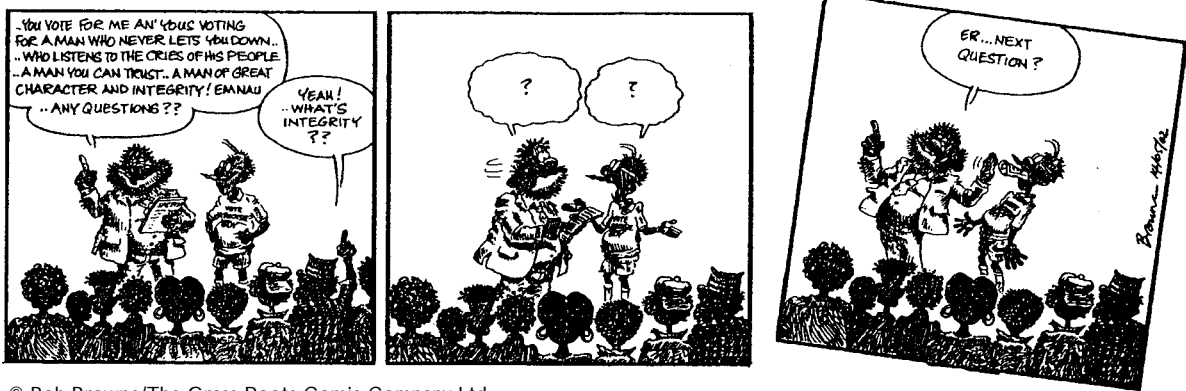
© Bob Browne/The Grass Roots Comic Company Ltd.

Box 44: Combination of Public Hearings and Integrity Pacts to ensure transparent procurement in Argentina

Poder Ciudadano (Transparency International – Argentina) has played a leading role in introducing innovative changes in the way municipalities function. Poder has combined the use of public hearings and the integrity pact to demonstrate that cities can save substantial sums of money through this process. This process was first tried in the city of Morón, a municipality of over 350,000 inhabitants, located in the centre of the Buenos Aires Metropolitan Area.

When Poder Ciudadano offered their *Programme for Transparent Contracting* to 40 local governments in the Province of Buenos Aires, the Mayor of Morón was the only one to express an interest in Poder Ciudadano monitoring the bidding for this public contracting decision from start to finish. Under the previous government, Morón had become synonymous with corruption and administrative chaos. In the previous contracting of a waste collection service, the municipal officials were known to have been the owners of the company chosen to deliver the waste collection service. This created an atmosphere of distrust and suspicion among the citizens. In order to promote civic participation and transparency in this important decision-making process, and to support the Mayor's initiative, Poder Ciudadano implemented its *Programme for Transparent Contracting*. This was the first time that this programme, which included the Public Hearing and the Integrity Pact, was implemented in Argentina.

The programme combines two components:

a) Holding a **Public Hearing** where the responsible authority convenes citizens, businesses, experts, and representatives of the opposition to express their objections and suggestions about the planned terms of the contracting; and

b) Signing an **Integrity Pact** wherein the government and all businesses competing in the bidding share a contract of reciprocal control to prevent the payment of bribes between the bidders and the municipal authorities.

Phase 1, Public Hearing: The municipal authorities agreed to discuss the draft tender document with the bidders and interested citizens in an extraordinary session of the City Council. Poder Ciudadano monitored the preparation of this public hearing and ensured maximum coverage in the print and electronic media, at both local and national levels. In addition, a group of independent local experts (lawyers, engineers, economists, etc.) proposed by Poder Ciudadano were invited to review the documents and present its opinions at the public hearing. The draft tender document was put on the website of the Municipality and was available in print from the office of Poder Ciudadano.

Phase 2, Integrity Pact: Poder Ciudadano introduced the IP concept to the respective bidders very early in the process, so as to insure that the new rules were established before interested parties had the opportunity to enter into alternative arrangements. All four bidders accepted the conditions imposed by the IP without objection, and signed in September 2000. The IP contained important mutual commitments made by the city and the bidders, including the following:

- A formal and voluntary no-bribery commitment by the bidders not to bribe or collude; full disclosure of all payments; to report any violations by other bidders during the bidding and during contract execution.
- A commitment to guarantee full transparency of the documents; public disclosure of the award and the major elements of the evaluation and reasons for selecting the successful bidder; and resolution of any conflict by national arbitration.
- A corresponding commitment by the Mayor of Morón (on behalf of all officials in his office) not to demand or accept any bribes, and to prevent the extortion and acceptance of bribes by other officials.
- Heavy sanctions by the government office against any official or bidder violating the non-bribery commitment: including damages to the municipality in the amount of 10% of the contract value and blacklisting for 5 years.
- Public disclosure of the award decision, including the major elements of the evaluation and the reasons for the selection of the successful bidder.

The results of the implementation of the tool are the following:

- **Savings**: The value of the contract was reduced by 35%. The Spanish company chosen offered better service for less money.
- **Transparency**: A forum was created where the bidders, external experts and the interested public presented comments and objections regarding the nature of the service wanted, and the terms for the bidding, before being confronted with the consequences of the decision-making process.
- **Consensus**: Critical decisions about the service and the process of the bidding, e.g., the arbitrator, were made by consensus.
- **Better Service**: The involvement of citizens and external experts resulted in the changes described above, and in the extension of the tender documents to include environmental concerns including a recycling plan for the collected waste (Pilot Plan).
- **More Control**: The signed Integrity Pact provided an important control mechanism for the losing bidders to monitor how the winning bidder addresses the terms of the contract, and the establishing of an independent arbitrator for cases of complaint.
- **Confidence and Empowerment**: The implementation of the tool opened up a closed and stigmatised public institution and empowered the citizens of Morón to monitor the meeting of the terms of contract.

Source: http://www.poderciudadano.org; http://www.transparency.org
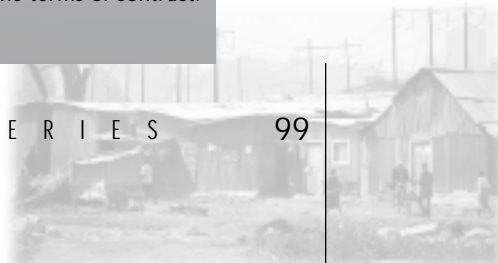
Box 45: Successful Application of Integrity Pacts and the OPEN system in Pakistan

An open bidding process, monitored by Transparency International (TI), has resulted in savings of the order of Rs.187 million (US$ 3.1m) for the Karachi Water and Sewerage Board (KW&SB). This achievement has been the result of introduction of a no-bribes "Integrity Pact" and the Least Cost Selection Method into the tender for a consultant for the Greater Karachi Water Supply Scheme (K-III Project).

The Integrity Pact for Transparency in Public Procurement Procedures with the Karachi Water and Sewerage Board includes a formal no-bribery commitment by all the bidders and the KW&SB. According to TI-Pakistan, "the pact's effectiveness rests on the binding commitment on all sides not to bribe, nor accept bribes, nor to collude with other bidders, to disclose all payments, and to report the violation of the Integrity Pact by other bidders during the bidding or the execution of the service". This project "represents a milestone in transparent bidding, the first of its kind in Pakistan". Recognition of the success of the Integrity Pact has taken root at the highest levels in the Karachi City District Administration.

"The result of this Integrity Pact," outlined TI-Pakistan, "is a stark reminder of the importance of a transparent bidding process – and the tremendous opportunity that arises for Karachi and the Government of Pakistan, as these savings can then be allocated to other sectors such as education, health and other vital public services."

In the event of a breach of the Integrity Pact, sanctions come into force against bidders and officials, including liability for damages and blacklisting from future tenders. Michael Wiehen, a member of TI's Advisory Council who has negotiated Integrity Pacts all over the world, worked closely with TI-Pakistan and the KW&SB during the whole process, which was officially launched in April 2001. According to Wiehen, "a crucial factor in the success of an Integrity Pact is the subsequent monitoring of the contract by civil society". The Karachi Integrity Pact "included monitoring by TI-Pakistan during the bid evaluation and award process," he continued. There are more than 100 Integrity Pacts worldwide in operation.

The Greater Karachi Water Supply Scheme forms part of the 13-point Programme for Economic Revival of Karachi, and the Karachi city government plans to apply the same transparent process in projects for the construction of three bridges on Sharea Faisal. In a further development, the Asia Development Bank has now indicated that it will consider introducing TI's Integrity Pact methodology for adoption by its Board of Directors in April 2002.

Furthermore, according to TI-Pakistan, on 1 December 2001 the Nazim (Mayor) of Gulshan-e-Iqbal Town Council, Mr Abdul Wahab, signed a Memorandum of Understanding with TI-Pakistan to implement the Integrity Pact for Transparency in Public Procedures and OPEN (Online Procedures Enhancement for Civil Applications) systems in Gulshan-e-Iqbal Town, Karachi. The OPEN system enables citizens to monitor the process of handling civil applications and of public procurement through the Internet. The system, which requires all officials to input the date and time of each application they handle, is viewable in real-time. Free access to all stages of administrative procedures eliminates the need for personal contact with officials or the payment of "express fees", and ensures that no official can delay a case without justifiable reason.

Source: http://www.transparency.org.pk

FURTHER INFORMATION AND CONTACTS

General

Transparency International (TI), Otto-Suhr-Allee 97-99, 10585 Berlin, Germany.
Tel.: +49-30-343-8200; Fax: +49-30-34703912
E-mail: ti@transparency.org
Website: http://www.transparency.org/building_coalitions/integrity_pact/i_pact.pdf

Argentina

Fundación Poder Ciudadano – TI Argentina, Piedras 547 "2"; Buenos Aires 1070AAJ
Tel./Fax: +54-11-4331-4925
E-mail: fundacion@poderciudadano.org
Website: http://www.poderciudadano.org, www.moron.gov.ar

2.20 CODE OF ETHICS

INTRODUCTION

Codes of ethics are a necessary element of good governance. Municipal codes of ethics not only provide ethical guidelines for municipal officials and employees, they are critical in restoring public trust in government. Such codes ought to affirm transparent conduct and government practices, by mandating that elected officials and executive-level personnel file financial disclosure forms disclosing assets and liabilities in excess of a certain value threshold.

Similarly, codes of ethics for NGOs, professional associations and the media, must also lay down the principles of expected behaviour from the other pillars of society. Such codes can act as one of the most effective tools for bringing about positive changes within civil society organizations and the constituencies they serve. Codes of ethics for these organizations must be developed and applied through active participation of all concerned stakeholders.

PURPOSE OF MUNICIPAL CODE OF ETHICS

- To establish transparent frameworks for government officials with respect to voting and other decision-making processes.

- To ensure transparency and ethical conduct by government employees and officials.

- To restore or foster public trust and citizen confidence in the administration of government.

- To demonstrate a formal and codified commitment to ethical behaviour by government officials.

PURPOSE OF CODE OF ETHICS FOR CIVIL SOCIETY

- To provide a framework for self-governance of the civil society organizations and institutions through a set of statements of principles and values that inform and improve decision-making.

LINKAGE TO TRANSPARENCY

All Codes of Ethics, whether for municipal officials, civil society organizations, the media or professional associations, must include certain basic principles of professional conduct. These could comprise (but need not be restricted to) the following:

- Impartiality, objectivity, discrimination

- Confidentiality

- Due diligence/duty of care

- Fidelity to professional responsibilities

- Avoiding potential or apparent conflict of interest

- Legality (respect for the rule of law)

- Integrity and honesty

- Transparency and openness;

- Efficiency;

- Equality;

- Justice; and

- Responsibility, i.e., maintaining one's reputation and responsibility for faults.

There is no single method for constructing an ethics infrastructure in public service. Rather, a combination of incentives and sanctions is needed to encourage professional standards of conduct. This is also prudent counsel to those who are taking on the responsibility of drafting, adopting, and implementing codes of ethics.

Codes of Ethics, when combined with other tools such as Conflict of Interest Laws *(see 2.15)* and Disclosure Laws *(see 2.16),* promote openness and transparency by establishing processes that support the application of the latter.

How It Works – Municipal Code of Ethics

Creation. The process of producing a code of ethics must itself be an exercise in ethics. It must intentionally involve all members of the social group that it will include and represent. This necessitates a system or process of setting out "from top to bottom", from the sundry to the specific, and constitutes progressive agreements in such a way that the final result is recognised as representative of all the moral and ethical character of the group. Governments, for instance, can begin by conducting surveys to determine the core values and concerns of the community and government employees, and the most pressing problems.

Determining jurisdiction. This is critical for municipal bodies. What governmental entity or independent agency will have authority to interpret and enforce the code? Municipalities
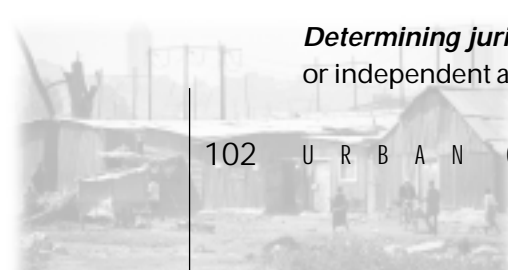
need to designate individuals responsible for establishing enforcement guidelines and advisory procedures, and subsequently, including named entity within the code of ethics.

Disseminating the code of ethics. Municipal employees and officials must understand the rules, obligations and expectations of standards to which they must abide. An important consideration at this stage is determining how the code of ethics will be produced and made readily available to the public. Generally, printing brochures or creating "plain language" informational guides has been a useful tool. The codes also need to be made available via the Internet *(See also 2.22 - Ethics Training.)*

Co-ordinating inter-government support. Here, the relevant municipal stakeholders need to strategise enforcement, communication and administrative support. The various activities involved might entail, for instance, delegating responsibility for the collection and review of financial disclosure statements; maintenance of lobbyist registration and reporting requirements, post employment forms and distribution of the printed code of ethics.

Identifying gaps and loopholes. Generally, codes of ethics are works in progress. Weaknesses and loopholes in such codes emerge during the process of interpretation and application. There must be a process for continual review of the codes to determine what provisions, for example, need to be clarified, rewritten or eliminated.

Establishing a library of decisions and opinions. The transparent element of a code of ethics is best effectuated through cogent opinions and decisions interpreting the various laws and provisions. Understanding the application of the code is an important element for transparent municipal governance. Therefore, under this component, local governments should consider an on-line library of opinions so that employees, officials and the public can view who is requesting opinions and access the nature of those requests.

How It Works – Code of Ethics for professional and civil society organizations

The components of an ethics infrastructure for professional and civil society organizations can be categorised into three functions: guidance, management, and control.

Guidance

- **Political Commitment:** Without sustained commitment and support from the political leadership of the organization or institution to ethical standards of conduct, most efforts will be in vain. The leadership of the association needs to demonstrate by its actions a sustained commitment to enforcing the code. In the politics of association management, it's a political commitment.

- **Workable Codes of Conduct:** These codes define in varying degrees of detail the expected standards of behaviour in the workplace. These will be recognized as formally adopted statements of applied ethics or what is expected in practice from those individuals who operate within an organization that has formally declared its operating values and principles. Most codes of conduct describe, in preamble-like statements, the principles and values their organization aspires to. Many of these, while primarily espousing principles and values, also feature the prohibition of specific behaviours or actions on the part of those covered by the code. The ICMA Code of Ethics *(see Boxes 46, 50)* fits this hybrid model.

- **Professional Socialisation Mechanisms:** These are the ways organization members learn about and take on the norms and standards of conduct that are expected of them. Training, role models, and recognition of exemplary service that highlights accepted behaviour are some of the socialising tools available to the organization.

Management

- **Creation of an ethics coordinating body:** In the case of a local government, this might be a specially created working group representing elected leadership, organization employees, and the public with oversight responsibilities on issues of ethics within the organization and its working environment.

- **Supportive public service conditions:** This refers to the provision of acceptable working conditions within public service employment that, when absent, can often tempt employees to undertake unethical actions. For example, low pay, discrimination in the workplace, promotions based on personal connections rather than merit – these practices and many others can foster unethical behaviour on the part of employees.

Control

- **An effective legal framework** that defines the outside boundaries of acceptable conduct and penalties for stepping over them.

- **Efficient accountability mechanisms** for tracking and reporting ethics-related activities.

- **An active civil society** with rigorous expectations about the norms and standards of public service.

Professional codes of ethics are only as effective as the actions that result from those who live by them. The results can be measured in two ways. First, have they had a positive effect on the overall credibility and performance of the profession and its membership association? This will depend in large measure on the association's ability and commitment to manage the implementation and enforcement of the code.

The second measure of effectiveness is more difficult to either qualify or quantify. It's not just the unblemished track record of the professionals who comply with the code, although this is important. It is also the leadership they bring to their organizations and communities to establish the ethics infrastructure and integrity systems. Professional city managers and finance officers, for example, are valuable assets in providing guidance within their own organizations, and their leadership roles are enhanced when backed by their professions' stand on ethics as defined in a formal code *(See Box 46)*.

At the very heart of managing a code are two challenges: one proactive, the other reactive. Managing a code of ethics proactively is about constant learning and yearning – helping members to live within the values and principles of such codes more effectively through constant dialogue and learning opportunities *(See also 2.22 - Ethics Training)* and helping them yearn to set the standard for exemplary performance within their respective work places. At times, the profession will need to react to member indiscretions to assure that the code is complied with in a fair and judicious manner.

Box 46: ICMA Code of Ethics – Central to the City Management Profession

The city management profession was born during the reform era in the early 1900s. Groups like the League of Women Voters, the National Municipal League, and the U.S. Chamber of Commerce saw the council-manager plan as an antidote to the rampant corruption and machine politics that reformers wanted to change. The early city managers approached their new jobs with the energy and idealism of that reform era. Eight of those city managers formed a professional association in 1914.

The first city managers battled with the entrenched corruption, crossed racial and economic barriers to address public health issues, and fought for merit principles in personnel. Just 10 years after the city managers formed what now is called the International City/County Management Association, they adopted their first code of ethics in 1924. They brought their vision and values into that Code of Ethics, including the principle that the city manager is the administrator for all the people and serves them without discrimination.

That sense of responsibility to the community has been a hallmark of the local government management profession. City and county managers rely on their ethical framework in dealing with elected officials, citizens, and employees. Prospective members of ICMA must sign a statement that they have read the Code of Ethics and that they agree to abide by its enforcement procedures, which includes a peer review process. In a typical year, 20-25 complaints alleging ethical misconduct are investigated. While some complaints are dismissed, others require an investigation by a fact-finding committee. A Committee of the ICMA Executive Board reviews all of the complaints and fact-finding reports and makes recommendations for sanctions, as appropriate. Sanctions for violating the Code of Ethics range from private censure to public censure and expulsion from membership. The full Executive Board votes on all public censures, expulsions, or membership bars.

While many city and county managers find the ICMA Code of Ethics to be inspirational and they may display it in their offices, it is the enforcement process that distinguishes this profession's code from many others. While most complaints about possible violations of the code come from members of ICMA, occasionally an elected official, employee, or citizen will alert the Association to a potential problem. Education is given considerable attention to help members avoid ethics complaints. Members are encouraged to contact the Association for ethics advice and to attend training sessions. The Association publishes a monthly ethics column and offers workshops and training materials for students, employees, and managers.

The goal of ICMA's ethics programme is to inspire the membership to avoid even the appearance of impropriety. ICMA's approach is 90 percent inspiration and 10 percent regulation. It is a living Code of Ethics that has been amended by the membership seven times since its adoption. One example of a 1952 revision was the insertion of a new tenet that articulated the manager's duty to develop the competence of the manager's staff. As the complexities of service delivery grew in the United States, so, too, grew the need for a wider range of competence in the local government staff. Guidelines for the Code of Ethics were first added in 1972 and are frequently updated.

The fact that the membership has continued to debate and discuss the principles that guide the profession is one reason that members "own" this Code of Ethics. While there are lively debates, in the end, ICMA members embrace the overall purpose of the code: to remind them of their responsibilities to the community, to elected officials, and to their colleagues.

Source: Prepared by Corinne Rothblum for UN-HABITAT, http://www.icma.org

Box 47: Ethics in South Africa – Disseminating the Code of Conduct and evaluating its impact

The White Paper on the transformation of the Public Service in South Africa (1994) made provision for the development of Codes of Conduct in the workplace in order to uphold the values which had been agreed upon as essential in promoting high standards of professionalism in a free and participatory democracy. Subsequently, the national Constitution (1996) endorsed this view by prescribing the values and principles of public administration.

The then Public Service Commission developed a Code of Conduct, which was promulgated in 1997. It was intended that this Code of Conduct would be made known through an intensive workshop programme throughout the public service, and would thus be the vehicle to operationalise professional ethics in the public service.

The PSC conducted workshops with national departments and a workshop programme for Provincial Administrations, which involved Premiers, MECs, and Directors-General. The primary purpose of the workshops was to inform managers about the contents of the Code of Conduct and to generate practical ideas for its implementation. The workshops were attended by well over 800 managers, who were responsible for cascading the outcomes to all levels of the departmental administrations. At each workshop the Commission also assessed the progress already made by the participating departments in the implementation of the Code of Conduct.

The positive way in which the code was received at both provincial and national levels of governance was indeed indicative of the impact which professional ethics has made generally and in the public sector in particular. Successful training events and workshops specifically tailored to deal with anti-corruption issues were conducted throughout the country and the code was translated into all the official languages, and into Braille. An explanatory manual on the code was produced in 2001, aiming to promote practical understanding of the stipulations in the Code of Conduct. It serves as guide to employees to understand and resolve ethical dilemmas in their daily work. The manual also serves as an aid in the development and teaching of short courses for employees, particularly at the induction stage. One million pocket-sized booklets have been produced by the Public Service Commission for distribution to all public servants.

The Code of Conduct and the Explanatory Manual; the National Ethics Survey undertaken by the Public Service Commission in collaboration with KMPG and Transparency South Africa; and the research on the existence, functioning and management of hotlines conducted in 2001 and 2002, illustrate the impact of professional ethics awareness on the public service. The development of whistle-blowing mechanisms and the management of the asset register are indicative of the meaningful contribution this ethics principle is making to professional integrity and excellence.

The key achievements of the South African Ethics system are:
- Most public and private organizations have some form of Ethics Code.
- A Code of Conduct for the Public Service has been developed and communicated, with training and manuals. Most departments have implemented it.
- An Ethics System and Code of Conduct for Parliament has been implemented.
- Senior management members in the Public Service are required to disclose their interests.

There are also some weaknesses in the process, however. These include:
- Managing discipline in the public service, especially in the light of reluctance by some senior managers to take disciplinary action against employees who have violated ethical standards.
- Lack of encouragement of employees to blow the whistle on unethical conduct in the workplace.
- Financial risks given far more attention than reputational risks.
- Lack of full disclosure of interests both in Parliament and in the public service.
- Exclusion of local government and many organs of the state from the process.
- Poor integration of ethics management practices as an integral part of all processes within the public service.

Source: Country Corruption Assessment Report South Africa, 2003. http://www.pmg.org.za/docs/2003/appendices/ETHICS.htm

The Public Service Act 1996 in Queensland, Australia underscores the traditional expectation of the state's Ministers, namely that professional public servants will be apolitical, responsive to the Government of the day and sensitive to its programme objectives. A decision to reinforce the "career service" aspects of employment in the Public Service was articulated in1997, and is supported by employment, deployment and appeals provisions in the Act.

Separately, the framework of values which defines Public Service integrity – professionalism, ethicality (for example, personally disinterested conduct in office), and service to the community — are defined by the Public Sector Ethics Act, enacted in 1994.

Queensland is the only jurisdiction in Australia, and one of few in the world, to have enacted specific legislation for ethical conduct in public management. The Public Sector Ethics Act 1994, and its companion piece, the Whistleblowers Protection Act 1994, are Australia's first examples of specific ethics legislation which aim to ensure high professional standards in the public sector by requiring Chief Executives of Departments to develop codes, to have them accessible to staff and to the public, to institute training, and to include an implementation statement in the department's annual report. The legislation clearly acknowledges the necessity for public management to be ethical, professional, and accountable. It explicitly articulates a set of professional expectations – "socialisation values" – which had been in Queensland, until 1988, the subject of convention alone. Both Acts were responses to an explicit demand by employees and managers for greater certainty about what was expected of them in the workplace. This demand was driven by everyday concerns about fairness, equity, responsiveness and integrity, and by community expectations that official wrongdoing would be effectively countered by the system itself.

The Act, as passed, declares five principles to be the basis of "Ethics Obligations", also specified by the Act, and required to be the basis of the agency-specific Codes of Conduct which individual public sector agencies are required to develop, in consultation with affected staff and the relevant community interests.

The framework values are:
- respect for the law and the system of (parliamentary) government;
- respect for persons;
- integrity;
- diligence; and,
- economy and efficiency.

The Ethics Act requires Chief Executives of public sector agencies to ensure that the Act is implemented in their agency, that training in ethics is undertaken, and that the agency's "administrative practices and procedures" are consistent with the Act and with the agency's Code of Conduct. Failure to do so could result in sanctions under the Chief Executive's contract of employment, or (potentially) in a private legal action for compensation resulting from breach of statutory duty. Such an action might arise – in an ethics context – where the interests of a citizen or client of the agency suffered damage from the foreseeable and preventable unethical conduct of an employee, for example, in a contract negotiation or tendering process involving the Chief Executive's agency.

Clearly, the legislation establishes a "role ethic" based on a traditional version of the role of the appointed public official in a system of responsible Parliamentary Government. The Guidelines issued to Queensland public sector agencies in 1995 went further in reinforcing this traditional view of the appointed official's responsibility and accountability, and the official's relationship to delegated power and the community at large. The Guidelines include the following statement:

Public employment involves a position of trust. The standards of conduct which may be expected of public officials at all levels are therefore a matter for legitimate and continuing concern by the Government of the day, public sector organizations, and the community. Public officials control, in various ways, the use of financial and other valuable resources provided by the community. The use, and misuse, of those resources raises important questions of professional ethics for administrators. It is similarly expected that those public officials who control the financial and other resources provided by the community have an ethical obligation to ensure that those resources are used efficiently and appropriately.

Source: Pope, Jeremy (2000) TI Sourcebook, www.transparency.org

Box 49: Code of Conduct for NGOs in Ethiopia

The Code of Conduct for NGOs in Ethiopia was developed collectively by various NGOs in Ethiopia in 1998 and endorsed by almost all NGOs that are operational in the country. It is a Code that all signatories have vowed to abide by during the course of their development activities.

The document defines "Code of Conduct" as "a set of norms, principles and values to standardise the conduct, action and behaviour of NGOs" and recognises an NGO as a voluntary, not-for-profit, non-self-serving, non-governmental, non-partisan and independent organization or association involved in the promotion of social justice and development. NGOs may thus be national or international; secular or "faith-based"; and of membership and non-membership categories.

The Ethiopian NGOs Code of Conduct has the following objectives:
- To ensure transparency and accountability in the operation of NGOs by voluntary self-regulation;
- To improve the quality of services provided by NGOs by helping NGOs to adopt high standards of conduct and to devise efficient decision-making processes;
- To improve communication between the NGO community and the various stakeholders.
- To improve the performance of the NGO community by encouraging the exchange of experiences among its members and learning from proven best practices. The Standard of Conduct shall refer to the way in which signatories behave and work.

The document has two parts – **Standards of Conduct** and **Code Observance**. The Standards of Conduct are the norms that need to be adhered to. These include various codes under the sub-headings of people centred; fairness and equity; moral and ethical integrity; transparency and accountability; good governance; independence; communication and collaboration; gender equity; environmental consciousness; sustainability and impact of programmes. The sections on Moral and Ethical Integrity, Transparency and Accountability, and Good Governance are quoted below.

Moral and Ethical Integrity
- *We shall be truthful in all our activities and refrain from practices that undermine the moral and ethical integrity of our organizations.*
- *We shall utilise all the resources and privileges available to our organizations in order to meet our mission and strategic objectives.*
- *We shall accept funds and donations only from sources whose aims are consistent with our mission, objectives and capacity and which do not undermine our independence and identity.*

Transparency and Accountability
- *We shall be transparent and accountable in our dealings with the Government and community partners, the public, donors and other interested parties. We shall use all available opportunities to inform the public about our work and about the origin and use of our resources.*
- *We shall maintain and make available to all concerned bodies, periodic audit, financial and activity reports.*
- *We shall conform to the constitution, laws, rules and regulations of the Government of Ethiopia and, where necessary, lobby for change.*
- *We shall devise and develop sound financial policies and systems in order to manage our accounts.*
- *We shall be truthful and honest in all matters related to the raising, using and accounting for funds.*
- *We shall maintain an annual financial audit performed by an independent auditing firm and make the same public. All financial statements shall be available upon a request by relevant and interested parties.*
- *We shall maintain a sound financial and accounting system that ensures the use of resources in accordance with intended purposes.*

Good Governance
- *We shall have a written constitution or a memorandum of association that clearly defines our mission, our objectives and our organizational structure.*
- *We shall develop a written policy that affirms our commitment to equal opportunities in: our employment practices; the promotion of staff; and board composition.*
- *All of our organizational transactions shall be free of conflicts of personal and professional interest.*
- *The services of the governing body shall be given freely and voluntarily other than reimbursements for essential costs incurred during service."*

The second part of the document is titled "Code Observance" and pertains to the mechanism of enforcement of the Code. Two organs were established for ensuring observance of the Code of Conduct for NGOs in Ethiopia. These are the General Assembly and the Code Observance Committee. The General Assembly is the supreme body while the Code Observance Committee is composed of elected members from the General Assembly and representative members of Civil Society. The Code Observance Committee is responsible for receiving and entertaining any complaints and/or suggestions concerning the observance of the Code by the signatories.

Source: The Code of Conduct for NGOs in Ethiopia, 1998, www.crdaethiopia.org

Box 50: The Code of Ethics for City Managers' Association, Gujarat (CMAG)

City Managers' Association, Gujarat (CMAG) is the professional association of urban local bodies in the state of Gujarat, India. A membership-based association, its members comprise municipal bodies of Gujarat and institutions/individuals involved in the field of urban governance. CMAG provides a common platform to the "City Managers" to interact, exchange information and channelise their efforts to achieve common goals. It also acts as a nodal agency to carry out various programmes to strengthen local governance. The International City/County Management Association, Washington (ICMA), provided the technical support in setting up the CMGA and contributed to the formulation of its code of ethics.

The 12 points of the Code of Ethics formulated by ICMA are accepted by CMAG :
1. Be dedicated to the concept of effective and democratic local government by responsible elected officials and believe that professional general management is essential to the achievement of this objective.
2. Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative and practical attitude towards urban affairs and a deep sense of social responsibility as a public servant.
3. Be dedicated to the highest ideals of honour and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees and of the public.
4. Recognise that the chief function of local government at all times is to serve the best interests of all of the people.
5. Submit policy proposals to elected officials, provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals and uphold and implement municipal policies adopted by elected officials.
6. Recognise that elected representatives of the people are entitled to the credit for establishment of municipal policies; responsibility for policy execution rests with the members.
7. Refrain from participation in the election of members of the employing legislative body and from all partisan political activity.
8. Make it a duty continually to improve the members' professional ability and to develop the competence of associates in the use of management techniques.
9. Keep the community informed on municipal affairs; encourage communication between citizens and all municipal officers; emphasise friendly and courteous service to the public; and seek to improve the quality and the image of public service.
10. Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.
11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern the members' decisions pertaining to appointments, pay adjustments, promotions and discipline.
12. Seek no favour, believe that personal aggrandisement or profit secured by confidential information or by misuse of public time is dishonest.

Over and above these, the CMAG has added the following additional points:
13. We are dedicated to providing our citizens responsible government characterized by integrity, accountability and transparency.
14. We will provide service in a professional manner with sensitivity to the needs of all people and to sustainability of our environment.
15. We are committed to the concept that the public deserves honest consideration, professional conduct and respect regarding all government activities.
16. We believe that our reputation for integrity, credibility and sensitivity to employee and citizen need is a key asset.
17. We recognise that our employees are a valuable resource to be treated with equity, fairness and justice.
18. We believe that accountability, responsibility and transparency in handling the public's property and money are essential.
19. We will show sensitivity and special concern for the underprivileged, disadvantaged and vulnerable groups in the society.
20. We will uphold the "Rule of Law".
21. We recognise the right of citizens to have complete access to essential public information that affect their daily lives.

Source: http://www.cmag-india.org/about_cmag_ethics.htm; http://www.icma.org

FURTHER **INFORMATION AND CONTACTS**

General

UN-HABITAT (2002). **Developing and Managing Professional Codes of Ethics: Resource Guide for Professional Associations Contributing to Good Local Governance.** UN-HABITAT, Nairobi
UN-HABITAT, P.O. Box 30030, 00100 Nairobi, Kenya.
E-mail: governance@unhabitat.org, Website: www.unhabitat.org
Colero's Universal Principles on Professional Ethics, University of British Columbia.
Website: http://www.ethics.ubc.ca/papers/invited/colero.html

International City/County Management Association (ICMA) Code of Ethics, History, Guidelines, and Rules of Procedure

ICMA, 777 North Capitol Street, NE, Suite 500, Washington, D.C. 20002, USA.
E-mail: ekellar@icma.org, Website: http://www.icma.org

South Africa

The Government of South Africa and the United Nations Office on Drugs and Crime - Regional Office for Southern Africa - UNODC/ROSA (2003) **Country Corruption Assessment Report South Africa.**
The Parliamentary Monitoring Group, 10th floor, Church Square House, 5 Spin Street, Cape Town 8001, South Africa
Tel: +27-21-465-8885; Fax: +27-21-465-8887; E-mail: info@pmg.org.za
Website: http://www.pmg.org.za/docs/2003/appendices/ETHICS.htm

Queensland, Australia

Pope, Jeremy (2000) **Transparency International Sourcebook** (Chapter 20)
Transparency International (TI), Otto-Suhr-Allee 97-99, 10585 Berlin, Germany
Tel.: +49-30-343-8200; Fax: +49-30-34703912
E-mail: ti@transparency.org; Website: http://www.transparency.org
Queensland Government, Australia. Website: www.qsl.gov.au

Ethiopia

Christian Relief and Development Association (CRDA) Training Centre, P.O. Box 5674, Addis Ababa, Ethiopia.
Tel.: +251-1-420100; E-mail: crda@telecom.net.et; Website: http://www.crdaethiopia.org

Gujarat, India

The City Managers Association of Gujarat, Ahmedabad Municipal Corporation West Zone Office, Usmanpura crossroad, Ahmedabad 380013, India
Tel: +91-79-7561184/ 7561185; Fax: +91-79-7551595
E-mail: "imgs/small_ma.jpg"cmag@cmag-india.org; Website: http://www.cmag-india.org

2.21 ETHICAL CAMPAIGN PRACTICES

INTRODUCTION

The perception of integrity and honesty in government is shaped, in many instances, by the nature of the electoral process. When campaign practices operate with a high degree of unethical behaviour, or in other words "mudslinging," confidence in government administration wanes. Therefore, many local governments have established ethical or fair campaign practices laws. These laws generally include prohibitions against publishing untrue and malicious statements about another candidate and their family, wilfully damaging campaign material and obtaining another's campaign property. Many of these laws also codify disclosure requirements of campaign contributions and other types of financial support.

PURPOSE

- To ensure that candidates stay focused on the issues and not sully the election process with personal attacks.

- To establish mechanisms to publicise the goals and positions of the candidates.

- To encourage debates so that more information is easily accessed and available.

- To disclose how candidates are funding campaigns and who the contributors are.

- To provide meaningful opportunities for citizen participation in the election process.

- To deter political campaigning in and misuse of administrative and other apolitical governmental entities by employees and other officials.

LINKAGE TO TRANSPARENCY

Ethical or fair campaigning on the surface may not seem like fundamental aspect of a transparent government. However, when the citizenry "tunes out" of the election process, the apathy transcends into other administrative arenas. Ethical campaign practices laws create a transparent and open environment whereby a community has information about a potential elected official's policy positions, contributors and how or if such support may affect voting record.

Issue-focused campaigns, where ethical debates are encouraged, genuinely create avenues of access and accountability. Citizens become more engaged, demand information and promote an active civic culture. Candidates and elected officials, therefore, know that their campaign books, voting records and other various programmes are subject for inspection and publication. Recent surveys/public opinion polls conducted in the United States [there may also be some reflecting international opinion] indicate that the nature of elections, the way candidates behave and conduct their campaigns directly affects voter turnout.[54] Further data also reveals that when campaigns are negative, fewer people participate and take interest in local governance issues thereby negatively impacting transparency in government.

How it Works – The Key Elements

- Institute training forums for candidates.

- Collaborate with civic and business groups to sponsor debates and issue-focused forums.

- Coordinate intergovernmental support that will monitor, audit and enforce ethical campaign statements.

- Encourage activism by the media and other news groups to publish names of candidates who pledge to run ethical campaigns.

City Examples

Box 51: Santa Clara, California – Ethical Campaigning Is Possible

The November 2000 election saw active campaigning in Santa Clara, and the strategies and tactics employed by candidates and their supporters were, for the most part, positive approaches. Almost universally, campaigns emphasised why one candidate would be a good choice for Santa Clara – rather than negative attacks on another candidate. A group of senior citizens painted small rocks with gold paint and handed them out to candidates, reminding them "not to be the first to throw stones." These served as a tangible reminder to candidates to monitor themselves and their supporters.

At a follow-up meeting held after the election, candidates and their supporters evaluated the ethics and values demonstrated during the campaign. Low key, objective discussion took place about the judgements candidates and their supporters made during the campaigning period and what they would do differently in the future, based on their experience in this election.

Everyone involved with the election – candidates, campaign managers, supporters, current elected officials and voters – were more aware of, and thoughtful about, the ethics and values reflected in each campaign. The workshops on ethics and values in political campaigns were the catalyst for lively discussions about freedom of speech and other constitutional issues, the community's core values, the importance of leaders as role models for citizen attitudes and behaviours, and the benefits of using positive campaign strategies and tactics.

As a result, 100 percent of the candidates in 2000 voluntarily limited their campaign spending to the recommended cap, even though several easily could have raised and spent much more. In preparation for the 2002 election, the City of Santa Clara repeated its workshops earlier in the year for prospective and declared candidates.

Source: Prepared by C. Prkic for Transparency International and UN-HABITAT. E-mail: cprkic@yahoo.com
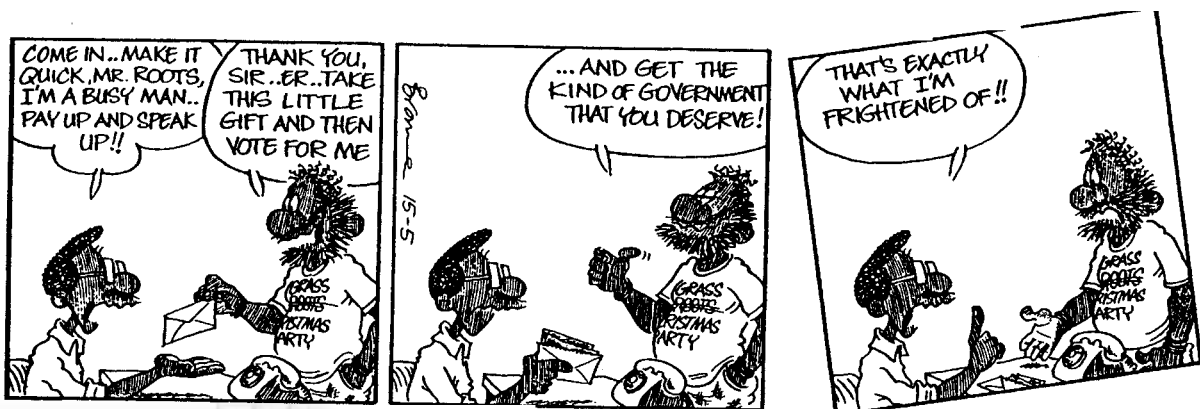
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Box 52: Promoting Ethical Campaign Practices in Azerbaijan through an Election Administration Programme

IFES is a private, non-profit, non-partisan organization providing needs-based assistance for election administration and sustainable democracy building. IFES also serves as a clearinghouse for information and resources on national as well as local elections worldwide. In 1995 IFES Azerbaijan considered it necessary to build a constituency for democratic change in Azerbaijan by promoting the further evolution of a sustainable system of elections. The following means were employed to achieve this objective:

- encouraging increased professionalism among election officials;
- providing targeted training to elected local officials;
- encouraging broader citizen participation in public life; and
- providing citizens with essential information on democracy and democratic governance.

IFES aims to improve democratic practices through the transfer of needed skills to election officials and municipal members, while also influencing the legislative basis for elections and local governance thorough on-site legal consultation with lawmakers.

Activities to achieve the aforementioned objectives include:

1. Technical assistance to the Central Election Commission (CEC) of Azerbaijan to pursue regulatory, institutional, and procedural reform that engenders greater professionalism, efficiency, and transparency of the election administration process and thereby increase public confidence in the legitimacy of election results. In March 2001, IFES signed Memorandum of Understanding (MOU) with the CEC. The MOU, which was updated in December 2001, details specific areas of co-operation, including technical election assistance, implementation of election laws, training of election officials, and voter and citizen education. IFES promotes increased professional development of the CEC leadership by supporting their membership and participation in professional associations of international election officials. IFES also endeavours to identify alternative funding sources to allow select election administrators to participate in election observation missions in other democracies.

2. Election Administration Curriculum Development and Training, which takes place twice per quarter and includes (but is not limited to) the following topics:
   - Operational rules and administrative regulations for proper election administration.
   - Management processes for the organization and daily work of the CEC, and lower level commissions.
   - Election calendars and strategic planning for election administrators.
   - Ballot design to increase transparency and accountability (marking procedures, numbering, distribution control).
   - Validity of ballots.
   - Vote counting systems and consolidation of results.
   - Design of protocols and numbering of official protocols.
   - Election Day management.
   - Public service ethics and codes of conduct for election administrators.
   - Ballot and protocol archiving systems.
   - Public relations before and after Election Day.
   - Election dispute adjudication (standardised complaints procedures, form design, accessibility).
   - Post-election evaluation.

3. Electoral and Political Processes Legislative Development, which seeks to ensure that shortcomings in current election legislation are addressed in a timely fashion prior to the next nation-wide elections. This activity is conducted in close cooperation with the Presidential Apparatus, the Milli Majlis, political parties, and members of the NGO community.

4. Voter Education, which involves working closely with the CEC and providing assistance in developing a public information strategy and a voter education department in anticipation of presidential elections in 2003.

5. Domestic Observer Training, which involves training candidate representatives, local NGOs, media and other domestic observers on electoral processes and election observation.

Source: http://www.ifesaze.org/demo

General

http://www.ci.seattle.wa.us/ethics/el03a/report/home/intro.htm
http://www.ccps.virginia.edu/sorensen/leaders/default.html
http://www.cga.state.ct.us/2003/olrdata/gae/ba/2003HB-06594-R000505-BA.htm

Santa Clara, USA

Carol McCarthy, Deputy City Manager, City of Santa Clara, California, USA.
Tel.: +1-408-615-2210, E-mail: cmccarthy@ci.santa-clara.ca.us
Website: http://www.ci.santa-clara.ca.us/

Azerbaijan

IFES-Azerbaijan Office, 30 Bul-Bul Avenue, Office 57, Third Floor, Baku 370000, Azerbaijan.
Tel: +994-12-984420, 988490, 984307; Fax: +994-12-984306
E-mail: *ifesaze@ifesaze.org*, Website *http://www.ifesaze.org/demo*

2.22 ETHICS TRAINING

INTRODUCTION

Ethics training is a fundamental aspect of local government employment. Not only is it imperative to support the procedures and administrative arrangements established to build transparency, it also creates opportunities for dialogue. Through this dialogue, the practical applications of the ethics laws are revealed, so that potential loopholes or impediments to ethical and transparent governance may be addressed. More importantly, challenges to transparency, by way of legal conflicts of interest or ethical dilemmas, can be more effectively countered by providing comprehensive education on the ethics rules, laws and regulations.

Ethics training should be readily available. Ethics information disseminated through formal mechanisms must be easily adapted to satisfy changing contexts and circumstances. From a practical standpoint, training strengthens a government employee's capacity to assess ethics laws and to meaningfully participate in their creation and reformulation.

PURPOSE

- To educate employees about the ethics rules and regulations.

- To establish the capacity to maintain open governance processes.

- To reinforce the principles of transparency and accountability within government administration.

LINKAGE TO TRANSPARENCY

Transparent and accountable governance is contingent upon a substantive understanding of the rules and laws that support such a governance system. Employees must be aware of the standards created to bolster good governance. A comprehensive ethics training and education programme vests employees with the capacity building tools to sustain government transparency. More importantly, ethics training institutionalises a framework

that generates, nurtures and sustains transparent government decision-making processes and procedures. In so doing, situations that are counter-productive to transparency are more readily identified.

Ethics training must be substantive, engaging and continual. When local governments invest resources toward ethics training, it demonstrates an overall commitment to good governance. Such programmes also provide a framework for dialogue, so that the laws supporting transparency are routinely assessed and measured for effectiveness. Ethics training encourages open and critical discussion of government administration – its ethical rules and obligations. Transparency does not exist by virtue of establishing laws, which for example, mandate disclosure and open decision-making processes. Transparency exists, in large part, because ethics training illustrates the synergy between ethics laws and transparent governance.

Wide-scale government ethics training, therefore, is a critical tool to reinforce the importance of transparency and accountability in government. It communicates to the public that government shoulders an important responsibility in nurturing an ethical and transparent culture. In this vein, government's credibility is enhanced. Equally important, government employees and the public as well, become vital stakeholders in the maintenance of these principles.

How it Works: The Key Elements

Develop an Ethics Training Programme. Any ethics training programme must derive its major elements from the ethics infrastructure of the city or nation, i.e., the laws and regulations and codes that are in place to promote ethical behaviour. It must also highlight the importance of adopting ethical practices with the ultimate objective of enhancing transparency and improving governance.

Determine the amount of financial resources available. Effective training does not have to be costly. Nevertheless, it is important to determine how much of a budget is allocated for training purposes. This is an important factor in finally determining the type of training programme administered.

Designate individuals who will administer ethics training. An effective programme is contingent upon delivery. Trainers must be well regarded and knowledgeable about the laws so that they can illustrate the links between ethics laws and transparent governance.

Establish training schedule. Ensuring participation is crucial. A regular schedule builds trust and credibility in the ethics programme. Also, inviting public participation buttresses transparency. The open sessions allow the public to learn about the ethical standards incumbent upon public service.

Create innovative approaches. Training must be a continual process of engagement. How is this accomplished? Through innovative approaches, which may include Intranet systems, such as on-line quizzes, ethics updates, etc. If technology is not easily accessed, devising creative games or case studies to educate the employees is equally beneficial. Inviting employees to take part in the planning process also strengthens the transparency paradigm in ethics training.

Design an evaluation process. How effective and useful was the programme? It's critical to gauge the effectiveness of the programme through evaluations and surveys. In the interest of transparency, the results should be openly available for inspection.

CITY EXAMPLES

Box 53: Learning the Hard Way – The Importance of Ethics Training, Washington, DC

During the summer of 2003, residents of Washington, DC learned that local government employees were using and misusing credit cards issued to them by the DC local government.

Many local governments in the United States issue credit cards to employees to facilitate certain types of procurement, usually smaller items that do not require an elaborate bid or other kinds of complex procurement processes. In Washington, there was a limit of $2,500 per purchase. Normally, there is also a certain amount of training that is involved before the credit card is issued and there are usually safeguards placed on the use of the cards.

Unfortunately, in Washington, DC, something went wrong, and it was left to an audit to discover that there had been serious abuses in a number of different departments. The audit then triggered a high-profile dispute between the Mayor and the City Council, which resulted in the Council suspending the credit card programme, the Mayor vetoing this action, and the Council overruling the Mayor's veto. As a result of this, a new ethics training programme was put into place and the Mayor was required to certify that the training had been undertaken for each department that wished to make use of the cards.

The wayward and illegal expenditures first came to light during an FBI investigation of city issued leases. The city's deputy director of Property Management, responsible for leases, had also made more than $444,000 in purchases on his city-issued credit card, many of which were suspicious. For example, he purchased $15,000 worth of computer equipment at one store on one day, paying $2,500 with his card six times. The findings were forwarded to the city, which began its own investigation. Eventually, the investigation and audit widened to include numerous departments, including the public schools. The media and the local council also began their own investigations.

While the city administration argued that there was not widespread abuse, the investigations revealed that of more than $40 million spent during a two-year period through the use of 790 city-issued credit cards, there were 1,200 questionable incidents, totalling $5.5 million, or nearly 15%, in which employees evaded the spending limits by making multiple purchases at the same store on the same day. City officials nevertheless stood by the programme, saying that it had saved the city $2 million through its more efficient process. Critics countered that there was widespread abuse and that the programme had cost the city over $170,000 in interest charges due to late payments by the DC government to the credit card company.

Following the Council's decision to end the programme, pending re-certification by the Mayor of individual departments, an extensive retraining programme was instituted. This was carried out by the locally based Ethics Resource Center. The President of the Center was interviewed in the *Washington Post* and was quoted as saying: "I've taught and talked to several hundred senior managers on the D.C. government, and by and large, the people I work with are decent and hardworking and want to do the right thing… but they are trapped in an antiquated system that encourages them and their staffs to do the wrong thing because its so hard to get things done and to hire the highest quality people and provide them with the best training…" He added that "What needs to undergird the behaviour of a public servant is a strong sense of obligation…"

The use of credit cards programme is slowly returning to Washington as each department is retrained. In addition, there have been new rules put in place that include a maximum limit of purchases of $2,500 a day on any one card and $10,000 per month in the absence of specific higher-up approval, and the establishment of oversight committees in each department that uses the programme.

In addition to the use of ethics training, this example is also interesting because it demonstrates how important it can be to ensure that there are multiple actors looking into situations that are potentially dangerous. These include the active roles of other agencies such as the FBI, the city audit department, the city council, and the local media. Furthermore, there are a number of simple audit and oversight procedures in addition to training, which, if institutionalised, can help in preventing such situations

Source: Prepared by M. Lippe, Transparency International, from various stories of Washington Post, June-Oct 2003.

FURTHER INFORMATION AND CONTACTS

Miami-Dade County Commission on Ethics and Public Trust, 19 W. Flagler ST, #207, Miami, FL 33130, USA.

Tel: +1-305-579-2594, E-mail: cprkic@yahoo.com

Transparency International (TI), Otto-Suhr-Allee 97-99, 10585 Berlin, Germany.

Tel.: +49-30-343-8200; Fax: +49-30-34703912
E-mail: ti@transparency.org, mjlippe@aol.com; Website: http://www.transparency.org

Part 2D: Tools to Increase Transparency through Institutional Reforms
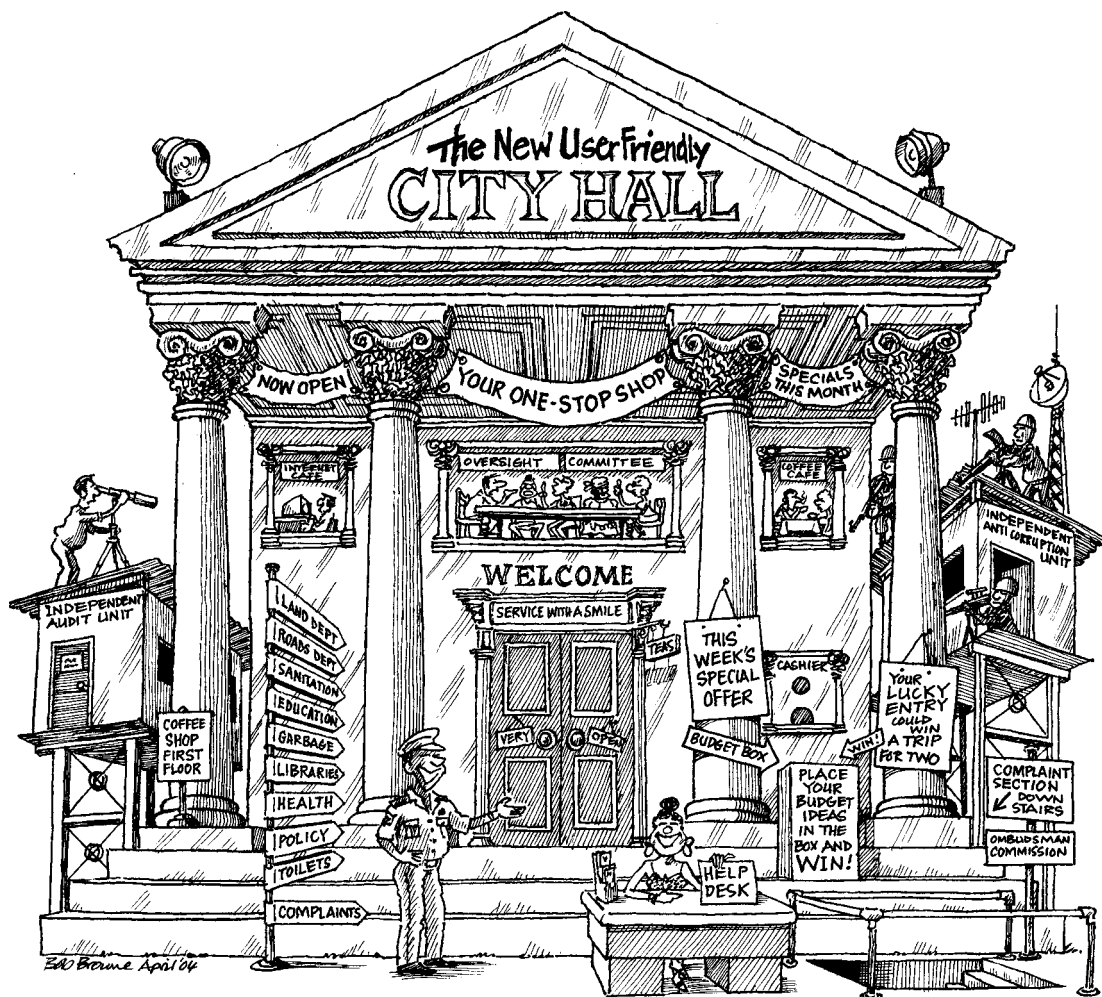
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In any public agency, a conscious effort needs to be made to establish an organizational structure that increases the opportunities for transparency. This may include structuring the various offices of the organization and applying ethical codes and approaches already elaborated in the previous section.

Much of the work of local government is reliant on administrative processes that are often complex and time-consuming. These processes govern how land is allocated, how businesses obtain licenses, how staff is promoted or hired, and many other activities. If such processes are not understood by the public, they are likely to generate unfavourable comment because the decisions that are made may not be viewed as fair. Transparency assists in building this understanding. It is equally important that administrative processes be as simple and direct as possible, with limited staff discretion. This reduces the possibility of abuse in administrative systems both internally, e.g., for hiring and promotion, and externally, e.g., for the sale of land or the provision of business licenses.

There are a number of different approaches to doing business that can enhance openness and transparency in local governance. Seven of these are described below. Some focus on improving the local government's communication with the citizens and streamlining administrative procedures to make the local government more responsive (for instance, the Complaints and Ombudsman Office, Municipal Front Office and One-Stop Shop). Others describe special organizational elements or arrangements that can prevent malpractice and counter corruption (e.g., Oversight committees, Independent Audit Function and Independent Anti-Corruption Agency). Finally, the Participatory Budgeting Approach describes how the municipal budgeting processes, hitherto solely under the control of local bureaucrats and politicians, can be opened up to the communities, with positive results.

While this section mainly covers institutional changes in the sphere of local government, there are also examples of how institutional changes in other spheres of government can help to enhance transparency in local governance. For instance, in recent years, one organ of the government that has increasingly played an important role in catalysing institutional reform in public organizations is the judiciary. The judiciary is the custodian or the law and the Constitution. In many countries, the judiciary has taken on a more proactive role, especially in matters of public interest, and where malpractice and corruption are involved. Of course, using the judiciary to enhance transparency depends in a large measure on the independence and honesty of the judicial system itself. Taking recourse to the judiciary, however, should not be the first step but should form part of a comprehensive strategy that might include involvement of the media, town meetings, and approaches to government agencies most directly involved.

The tools included in this section are listed below:

2.23 Complaints and Ombudsman Office

2.24 Municipal Front Office (or Public Office)

2.25 One Stop Shop

2.26 Oversight Committees

2.27 Independent Audit Function

2.28 Independent Anti-Corruption Agencies

2.29 Participatory Budgeting

2.23 COMPLAINTS AND OMBUDSMAN OFFICE

INTRODUCTION

It is widely known and accepted that more often than not, grievances and complaints about government bureaucracies, whether arising from the public or from within the organization, tend to fall on deaf ears. The legal systems in place in many countries that aim to address such grievances are found to be inadequate as they are slow, expensive, public and far from user-friendly. In addition, the courts of law may be in disarray, subject to corruption and defaulting in the rule of law. The Complaints and Ombudsman's offices – sometimes separate but often combined – provide an option for addressing such grievances within the local government system. The institution of Ombudsman gives individuals an opportunity to place complaints about the practices of government/local authority before an independent and expert body, in addition or as an alternative to utilising existing provisions such as Parliament, the Judiciary, and internal complaints procedures. Ideally, an Ombudsman's Office must not be captive to the organizations it is supposed to monitor, but rather be independent of them. It is this independence which, above all, distinguishes recognised Ombudsman arrangements from other complaints procedures.

PURPOSE

The Ombudsman constitutes an Office that independently receives and investigates allegations of maladministration. \l "note4" It does not compete with the courts, or act as a further body to which those unsuccessful in the courts can appeal. The primary function of the Ombudsman is to examine:

- a decision, process, recommendation, act of omission or commission which is contrary to law, rules or regulations, or is a departure from established practice or procedure, unless it is bona fide and has valid reason; is perverse, arbitrary or unreasonable, unjust, biased, oppressive or discriminatory; based on irrelevant grounds; or, involves the exercise of powers or the failure or refusal to do so for reasons of corrupt or improper motives such as bribery, jobbery, favouritism, nepotism, and administrative excesses; and,

- neglect, inattention, delay, incompetence, inefficiency and ineptitude in the administration or discharge of duties and responsibilities.

LINKAGE TO TRANSPARENCY

Creation of a Complaints and Ombudsman's office in itself is a testimony to the importance an organization or local authority institution attaches to transparency and accountability. Complaints to the Ombudsman may result in remedial action being taken to resolve maladministration in particular cases – including corrupt practices – and, in a broader context, help to restore confidence in the integrity of institutions.

HOW IT WORKS – THE KEY ELEMENTS

In view of the role of an ombudsman as described above – under *purpose* – the law establishing an Ombudsman office often deliberately elects to place **a single person**, the Ombudsman (or Ombudsperson), as the representative of the institution.

Essential features of the Ombudsman's Office include:

- independence of the Ombudsman from the organizations the Ombudsman has the power to investigate;

- effectiveness;

- fairness; and

- public accountability.

Typical Functions of the Office of Ombudsman include:

- To receive and investigate allegations of maladministration including corruption (an Ombudsman will need to tackle corruption where it is the cause of malfunction in the administration).

- To review and to monitor declarations of income and assets made by senior public officials.

The above functions are indicative but not inclusive of all functions of the Office.

Term of office. To ensure independence of the Ombudsman Office, a fixed term of office needs to be laid down which makes it impossible for him or her to be dismissed before this term expires. Or, in the event that they can be dismissed prematurely, special procedural and substantive conditions must be enshrined in statutory provisions, to guard against any political or administrative influence that might prejudice the independence of the Ombudsman's Office.

CITY/COUNTRY EXAMPLES

Box 54: Some indicators for assessing the Office of Ombudsman as an integrity pillar

1. Is there an Office of the Ombudsman or a comparable institution?
2. Is the public generally aware of the existence of any such Office? If so, is the Office respected by the community?
3. Does the Office have adequate budget and is it adequately staffed?
4. Is the appointment of an Ombudsman made in a non-partisan manner?
5. Is the office-holder protected from arbitrary removal from office by the government of the day?
6. Does the Executive at the Local Authority respect and act on the reports of the Office?
7. Is there ease of access for complainants?
8. Can complainants complain anonymously where they believe they might suffer reprisals if their identity is known?

Source: Pope, Jeremy, TI sourcebook 2000, Chapter 10; www.transparency.org

Box 55: The King County Office of Citizen Complaints – Ombudsman, USA

The King County Office of Citizen Complaints, which is also the office of the Ombudsman, manages the complaints of citizens over the government agencies in King County. The Investigations carried out by this office include the allegations regarding violations of the Employee Code of Ethics, and reports of improper governmental action and retaliation filed under the Whistleblower Protection Act.

The mission of the King County Ombudsman's office is "to promote public confidence in King County government by responding to citizen complaints in an impartial, efficient and timely manner, and to contribute to the improved operation of County government by making recommendations based upon the results of complaint investigations."

Known as the Office of Citizen Complaints - Ombudsman, the office was created by the voters of King County and operates as an independent office within the legislative branch of the King County government. Apart from investigating violation of the County's code of Ethics as well as actions and/or retaliations under the Whistleblower act, it is authorised by King County legislation to investigate complaints regarding administrative conduct by King County agencies, and to publish recommendations for change based on the results of investigations.

While the jurisdiction of King County Ombudsman covers executive branch agencies like the Sheriff (Police) department, it is not empowered to investigate the administrative conduct of certain other organs, for example, members of the metropolitan King County and their staff, the King County Executive and his/her personal staff, the Prosecuting Attorney, Judges, and any private business or non- profit agency.

Citizens' complaints are resolved through information and referral, or assistance and facilitation. Complaints that cannot be resolved by staff of the Complaints office are handled as complaint investigations – these are summarised and then sent to the subject agency director for review and response. The objectives of complaint investigations are to determine if the complaint was substantiated or unsubstantiated, make recommendations to the department for improved practices or policy changes, and to resolve the problem.

The King County Complaints office is often the first recourse of aggrieved citizens. It is strongly recommended, however, that citizens try to resolve their complaint with the agency before contacting this office. It is also emphasised that a Complaints-Ombudsman Office cannot be an office of first recourse. Clear guidelines are provided to citizens by this office for filing complaints and resolving problems.

The King County runs a website with a designated web page for its Complaints - Ombudsman office at http://www.metrokc.gov/ombuds

Source: http://www.metrokc.gov/ombuds/

Box 56: National Office of the Ombudsman - Northern Ireland

The purpose of the Ombudsman Office of Northern Ireland is "to ensure that every citizen in Northern Ireland is served by a fair and efficient public administration that is committed to accountability; openness; and quality of service."

The Northern Ireland Ombudsman Office deals with complaints from people who believe they have suffered injustice as a result of mal-administration by government departments and public bodies in Northern Ireland. The Ombudsman is completely independent of the Northern Ireland Assembly, the Northern Ireland Executive, and of the government departments and public bodies which can be investigated. All complaints made to the Ombudsman are treated in confidence and the services are provided for free.

The jurisdiction for investigation by the Ombudsman includes all local councils, education and library boards, health and social services boards and trusts, as well as all government departments and their agencies.

Source: http://www.ni-ombudsman.org.uk/

The following FAQ's about the Office of the Ombudsman in Alberta, Canada, illustrate the role and responsibilities of the Ombudsman.

What is an Ombudsman?

The Ombudsman conducts impartial investigations on receipt of written complaints for individuals who believe they have been treated unfairly by the provincial government. The authority to investigate these complaints is given by the Alberta *Ombudsman Act*. The Ombudsman is independent of government and has broad powers to investigate actions, decisions, practices and procedures of Alberta government departments, boards, agencies and commissions.

What Does an Ombudsman Do?

The Office of the Ombudsman is a complaint mechanism of last resort. This means the Ombudsman cannot become involved until all formal and informal appeals have been completed by the individual who has a complaint. It is an individual's responsibility to try to resolve the issue before involving the Ombudsman. For instance, many Alberta government departments, boards, agencies and commissions have internal appeal processes available to resolve complaints. If an individual has completed all available appeals and remains dissatisfied with either the fairness of the process or the outcome, the individual is encouraged to write to the Ombudsman.

How do I Complain to the Ombudsman?

In order for an investigation to be conducted, the complaint must be in writing. Another person may write the complaint out, but it must be signed by the person who was affected by a decision of an Alberta government department, board, agency or commission. Written complaints should contain:

- Name, address, phone number(s) and any file numbers relating to the complaint.
- The name of the department or agency being complained about.
- Sufficient detail outlining the complaint.
- The steps that have been taken to resolve the complaint (i.e., contact with department supervisor/manager, formal appeal hearing).
- Copies of any documents which may be relevant.

Is There Any Cost to Me for Making a Complaint?

No. This investigative service is provided free of charge.

How Does an Investigation Occur?

Once the Ombudsman approves a complaint for investigation, a letter is sent informing the appropriate Deputy Minister, President or Chairman of the Ombudsman's decision to investigate. Sufficient information outlining the nature of the complaint is provided with a request for a detailed departmental response. Once a reply has been received, an Ombudsman investigator gathers additional information to enable the Ombudsman to reach a conclusion regarding the merits of the complaint. If, after a thorough investigation, the Ombudsman concludes a complaint is justified, the objective is to resolve the issue in a fair and reasonable manner. In most cases, government representatives are receptive and responsive in initiating corrective action.

Can the Ombudsman Change a Decision?

No. The Ombudsman has the power of recommendation. If negotiations with a department are unsuccessful, the Ombudsman may take the recommendations to the appropriate Minister. If the complaint is not resolved at the Ministerial level, the Ombudsman has the power to present it to the Lieutenant Governor in Council (the Cabinet) and ultimately to the Alberta Legislative Assembly. The Ombudsman may also make public any matter considered to be of public interest.

Will I Know the Results of an Investigation?

Yes, even if the Ombudsman is unable to support the complaint, an investigator reviews the findings with the individual lodging the complaint. In addition, the Ombudsman writes each client advising of the outcome of the investigation. Each individual has the assurance that an independent and impartial investigation has taken place.

Can the Ombudsman Investigate Everybody?

No. The Ombudsman does not have jurisdiction over the actions and decisions of the courts, the Legislature, the Mental Health Patient Advocate or government lawyers acting as solicitors for the Crown in a proceeding. Also outside of the Ombudsman's jurisdiction are complaints against federal and municipal governments as well as boards of hospitals, universities, schools and technical institutes. The Ombudsman does not investigate disputes between private individuals. For individuals whose complaints are outside the Ombudsman's jurisdiction to investigate, the Office of the Ombudsman serves as an information resource by directing such individuals to the appropriate body to deal with their specific concerns.

Source: http://www.ombudsman.ab.ca/default.html

FURTHER INFORMATION AND CONTACTS

General

Pope, Jeremy (2000). **Transparency International Source Book** (Chapter 10: The Ombudsman)
Transparency International (TI), Otto-Suhr-Allee 97-99 - 10585 Berlin, Germany.
Tel.: +49-30-343-8200; Fax: +49-30-3470-3912
E-mail: ti@transparency.org; Website: http://www.transparency.org

King County, USA

Office of Citizen Complaints-Ombudsman, 400 Yesler Way, Room 240, Seattle, WA 98104, USA.
Tel: +1-206-296-3452; Fax: +1-206-296-0948
E-mail: ombudsman@metrokc.gov; Website: http://www.metrokc.gov/ombuds

Northern Ireland, UK

The Ombudsman, Freepost BEL 1478, Belfast, BT1 6BR
Tel: +44-28-9023-3821; Fax: +44-28-9023-4912
E-mail: ombudsman@ni-ombudsman.org.uk; Website: http://www.ni-ombudsman.org.uk

Alberta, Canada

Office of the Ombudsman, 10303 - Jasper Ave., NW, Suite 2800, Edmonton, AB T5J 5C3
Tel.: +1-780-427-2756; Fax: +1-780-427-2759
E-mail: om.buds@gov.ab.ca; Website: http://www.ombudsman.ab.ca/default.html

2.24 MUNICIPAL FRONT OFFICE (OR PUBLIC OFFICE)

INTRODUCTION

The Municipal Front Office (sometimes known as Municipal Public Office) is the local government's office that the public first encounters. It is the office that directs people where to go, how to obtain forms, and often offers advice on how to solve specific problems. It is therefore important that experienced staff be placed in a Front Office. The same type of service could also be made available by telephone or through the local government website.

PURPOSE

The purpose of the Municipal Front Office is to facilitate:

• Better information flow to the general public.

• Increased access to decision makers and the decision making process.

• Efficient and equitable provision of public services.

LINKAGE TO TRANSPARENCY

The Municipal Front office as set up in most local authorities is structured to deal with practically all issues relating to the geographical area that fall under the jurisdiction of a particular local government. Visitors from all walks of life who visit a municipal front office should be provided with easy and flexible assistance. The Office serves as a tool for increased public accessibility to information and decision makers, increased understanding of local governance issues, and in turn increased power and capacities to meaningfully participate in local development. A Municipal Front Office thus enhances transparency in government operations and builds confidence of the community in the local administration.

How it works – The Key Elements

Purpose. Municipal Front Offices can be established either for specific purposes or for providing general assistance and information to the community. Some Front Offices are created to deal with specific priority policy issues of a city such as housing services or water supply. On the other hand, many municipal public offices have been created to deal with a wide spectrum of public concerns, ranging from city waste management to payment of bills and access to city rental properties.

Staffing. It is useful to designate personnel with skill, enthusiasm and dedication to their work to the Front Office. They must also be courteous and pleasant in dealing with the public, as they have the responsibility to portray and build a positive image of the municipality.

Information and records management. The effectiveness of a Front Office lies in its linkages with the back offices and the information flow between them. Ensuring adequate information flow and putting in place systems for follow-up and further guidance are crucial for the success of a Front Office.

Box 58: The Municipal Front Offices in Kosovo

In the aftermath of a bloody conflict, there was a complete breakdown of governance structures at national and local levels in Kosovo in 1999. The international community stepped in to assist in physical as well as institutional reconstruction of the territory. One of the first regulations issued by the UN administration in Kosovo pertained to Self-Government of Municipalities in Kosovo. The regulation provided framework for gradually transferring authority from the Central Government to the municipalities. However, municipalities were ill prepared to take on their new responsibilities. Citizens were often dissatisfied with the quality and efficiency of services and information provided by the municipality. To enable municipalities to better respond to the needs of their citizens, and to enhance transparency and accountability at the local government level, UN-HABITAT assisted six municipalities of Kosovo to establish Municipal Front Offices. The success of the Front Offices illustrates the interest and willingness of Kosovars to adopt modern, responsive and transparent governance practices.

Implementation of the Front Office initiative began in early 2002. A series of workshops were organized for the six municipalities, which were attended by selected municipal staff – Chief Executive Officers, directors of various departments, operation officers as well as members of the Assembly. A formal group was established in each municipality to work out the concept, organizational rules and the range of responsibilities of the new structure that would deal with customer service. The proposal for the structure was based on a slender top structure with the involvement of less than a dozen departments, depending on the main services (products) the municipality should deliver.

One of the biggest constraints in implementation of the Front Offices was lack of computers in the municipalities. Most of the municipalities registered and issued documents by hand. Some of them were equipped with computers not connected into a network. Therefore, the implementation of the Front Office approach was difficult and slow.

The Front Offices in all six municipalities became functional in 2003. Front Offices now answer almost all questions from the citizens. In case they cannot respond satisfactorily, they seek assistance from the respective departments. Common and simple forms have been designed for citizens to request services. Civil servants working in front offices help people to fill in forms and inform them on the documentation to be enclosed. They receive all useful information relating to service delivery in one place. Front Offices also take in complaints and ensure they are directed to the right departments.

The establishment of the Front Office in six Kosovo municipalities has not only improved quality of services provided to citizens, but also created better working conditions for civil servants. The flow of citizens through the municipal building in search of the right person to deal with their case has been reduced almost to zero. When required, the Front Office arranges meetings of citizens with the civil servants, thus allowing both parties to use their time more efficiently. The Front Office has also improved the information flow between the municipalities and citizens. It also helped simplify the procedures for submitting application for documents issued by the municipalities, as well as collection of these documents. Through the establishment of the Front Office, the municipalities are able to begin the process of restructuring their departments leading to clustering its services according to products. Gradually, the Front Office in each municipality is proposed to be developed into One Stop Shop, staffed with trained personnel prepared to make quick and informed decisions about the course of action on submitted cases.

Source: Prepared by A. Kostecka, UN-HABITAT Urban Planning and Management Programme, Kosovo.

Box 59: Flatonia City Hall Front Office - FAQs

Selected Frequently Asked Questions (FAQs) of the Flatonia City Hall Front Office are copied below to provide an indication of the diversity of the nature of information and assistance a Front Office should be able to render to the public.

1.   *How much are the utility deposits? When do I get my deposit back?*
   Renters - $50 water $150 electric; Owners - $10 water $40 electric; Deposits are applied to the last month's bill when you turn off your utilities. If there is anything left after that, it will be refunded, if not, you will receive another bill for the remaining balance. You are responsible for any remaining balance on the account.

2.   How quickly can my utilities be turned on (or changed into my name)?
   Once you come in and put down your deposits, we will get out there as quickly as possible, usually within one or two days, unless you request otherwise.

3.   Where do I pay my deposits?
   At the City Hall.

4.   When are utility bills due?
   Bills go out on the first day of the month and are due by the tenth. If you mail your bill and the postmark is on the tenth or before, you will not be considered late. If the postmark is after the tenth, however, it is considered late and is subject to all penalties thereof. A 10% late fee is charged for any bill that is not paid by the tenth. A late notice is sent to you if you have not paid by the fifteenth. If you do not pay your bill by the twentieth, your utilities are subject to disconnection.

5.   *If the tenth is on a weekend or holiday, is the bill still due on that day?*
   City Hall has a drop box by the front door for just such occasions. If your payment is in the drop box by 8 a.m. on the next business day, it is not considered to be late. If it is brought in after 8 a.m., it is considered late. The bill is due on the tenth.

6.   *If I don't receive my bill, am I still responsible for it?*
   You are responsible for your bill even if it is lost in the mail. City Hall has a list of how much all bills are for the month and can be contacted to get your total bill.

7.   *Does the City read my meter or am I responsible for it?*
   If you are within the city limits, city employees will read your meter. If you are outside the city limits, you are responsible for reading your meter and making sure that City Hall has your reading. If you do not read your meter, the city will estimate for two months. If you do not read your meter on the third month, a $10 meter-reading fee will appear on your bill and a city employee will go out and read your meter.

8.   *Does the city pick up stray animals?*
   There is a leash law in Flatonia for dogs and they will be picked up or a trap will be set to catch dogs which are roaming the streets. If you have licensed your dog with the city and it is picked up for being loose, you will be charged a $25 impoundment fee. If your dog is not licensed (a $2 yearly fee), you will be charged a $50 impoundment fee. If a dog is not claimed, the dog will be taken to the Fayette County Animal Shelter for adoption or euthanization. Flatonia does not have an ordinance about stray cats and we do not pick up stray cats.

9.   *Who do I call to rent the Civic Center?*
   Flatonia Chamber of Commerce 865-3920

10.   *Does the City have a listing of rental properties*?
   The City does not keep a listing of rental property. You can contact the Chamber of Commerce or any of the local realtors for this information.

11.   I understand that the city will pick up and chip limbs and such that come from my yard. How often is this done and is there any charge for this?
   This is done once a month, usually during the first week of the month, unless something more pressing comes up. There is no charge for this service, unless the pile is so large that it takes the city employees more than 15 minutes to chip. Then there is a charge of $15 for 15 minutes or any portion of 15 minutes used until the pile is completely taken care of.

12   If I have a utility emergency after business hours or on the weekend, how do I get help?
   Call the City Hall phone number, 865-3548. The city has contracted with an answering service who will take your call and contact whoever is on call at that time and they will handle the problem.

13.   Does Flatonia have 911 service?
   Yes

14.   Do we have a city dump?
   No. The county has a recycling centre that it operates on the I-10W feeder road.

15.   What do we do if our trash is not picked up on the scheduled day?
   Contact the city office as soon as possible. We will try to get hold of the disposal service and have their employees go back by the same day. If we are unable to get them that day, we will make every effort to get them to go by on the next scheduled day that they are to be here.

Source: City of Flatonia, E-mail: cityhall@ci.flatonia.tx.us

Kosovo

UN-HABITAT Kosovo Office, Nazim Gafurri Street, Pristina, Kosovo.
Tel.: +381-38-517835; Fax: +381-38-517836; E-mail: ludeking@un.org

Flatonia, USA

City of Flatonia, 125 E. South Main P.O. Box 329, Flatonia TX 78941, USA.
Tel.: +1-361-865-3548; Fax: +1-361-865-2817; E-mail: cityhall@ci.flatonia.tx.us

2.25 ONE STOP SHOP

INTRODUCTION

The One Stop Shop is a place where citizens can obtain many different kinds of city services in one place. Services, rather than directions, are provided. It is in this respect that a One Stop Shop is different from a Front Office. One Stop Shops are often located at convenient places in the city neighbourhoods, to facilitate access of all citizens. The One Stop Shop plays an important role in streamlining procedures and making municipal services user-friendly and responsive.

PURPOSE

•   To increase access to the services offered by the city.

•   To maximise the use of local government resources through the "one stop" approach.

LINKAGE TO TRANSPARENCY

The One Stop Shop provides the community with easy access to not only information and guidance but also services. Through provision of a variety of services over the counter and in one place, the One Stop Shop reduces opportunities for delay and corruption, increases accountability of personnel, thereby enhancing transparency.

HOW IT WORKS – THE KEY ELEMENTS

Role of the One Stop Shop. The One Stop Shop should ideally provide a range of services such as application for utilities, filing of property taxes and making various payments. In some cases, however, One Stop Shops are set up for providing specialised assistance related to a particular utility (e.g., electricity or water), or a particular service (such as filing tax returns). In such cases, the One Stop Shop provides all information, application forms, guidelines, etc.; accepts completed applications, fees and payments; and ensures follow-up, related to that particular service.

Location and physical structure. The One Stop Shop should be conveniently located to facilitate citizens' access. Furthermore, the office should be laid out in a user-friendly way with clear signs and directions.

Personnel. Like the Front Office, the One Stop Shop should be staffed with courteous and well-informed personnel who can advise citizens and help in resolving their problems.

Box 60: One Stop Shop, City of Sydney, Australia

The One Stop Shop offers an initial "one stop" location for basic planning, development, building and general inquiries related to activities and services offered by the City of Sydney.

The primary functions of the Sydney One Stop Shop are:
- Lodging planning and building applications.
- Advice on application fees and details to be submitted with planning and building applications.
- Advice on town planning and property zonings.
- Issue of the following permits:
  - ❏ residential parking
  - ❏ dog registration
  - ❏ temporary vehicle crossings
  - ❏ cranes
  - ❏ concrete boom pumps
  - ❏ hoardings
- Issue of Section 149 Certificates.
- Advice on general rating and property ownership matters.
- Sale of City of Sydney Publications.
- Cash receipting for all divisions of City of Sydney.

The One Stop Shop is supported by two Town Planners as well as a Building Surveyor, who provide specialist assistance with technical inquiries.

Source: http://www.cityofsydney.nsw.gov.au/cs_one_stop_shop.asp

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Box 61: One Stop Shop for Building Permits in Nashville

The Department of Codes Administration in Nashville is vested with the authority and duty to administer Metro's Comprehensive Zoning Ordinance, as well as to issue building permits and Use & Occupancy certificates. It thus becomes quite natural for the Codes Department to function as an *"umbrella"* agency administering the permit process.

The various Metro departments and agencies, with an interest in the permit process (Public Works, Water Services, Fire Marshal, Health Department, Historic Commission, Planning Commission, and others) have been linked up electronically through a common computer programme and a common database to facilitate processing of applications for permits. This process is commonly referred to as "permit tracking". It is through this common tracking system that Metro departments and agencies freely share access to the permit process, administered at the Department of Codes Administration.

To further facilitate the effective delivery of services in processing applications for building permits (and for customer convenience) departments which have the greatest input into the permit process have located on-campus, *"outposts"* of their departments at the offices of the Codes Department, known as "One Stop Shops."

Over 87% of all permits issued by the Codes Department are issued during a single visit to the One Stop Shops of Nashville.

Source: http://www.nashville.gov/codes/services.html

Box 62: One Stop Shop of the Slough Borough Council, UK

The Slough Borough Councils' One stop shop is conveniently situated at a common place in the town at the Queensmere shopping centre. It deals with practically all queries about council services. The staff are trained and friendly. The one stop shop is open all days of the week except Sunday.

The Shop is able to give assistance on the following;
- Housing Advice – homelessness
- Housing Repairs
- Housing Allocations
- Housing Benefits
- Council Tax
- Season Tickets and Parking Permits
- Highway Defects
- Bus Passes
- Welfare Rights
- Tourist and General Information
- Orange Badges
- Rubbish Collections and Recycling
- Cash Payments, including Car Park Fines
- Consumer Advice

The Slough Borough One Stop Shop – Commonly asked questions

How do I register for Council Tax?
You could either ring the Council on 875323 or call in to the One Stop Shop to make sure you are registered. For written enquiries regarding council tax payments please write to Slough Borough Council, P.O. Box 1733, Slough, SL1 3YP.

What do I do if I lose my Council Tax payment book?
Either call in to the One Stop Shop and the Receptionist will be happy to help you, or phone on 875323 to ask for a new book.

What do I do if I'm struggling to make my Council Tax payments?
You could call in to the One Stop Shop to speak to one of the Advisers who will be able to talk over any possible entitlement to benefits and also liaise with the Council Tax Recovery section. Or you could call the Recovery Team on 875390 or 875391.

Where can I get advice about my entitlement Welfare Benefits?
If you want to find out about your possible entitlement to Welfare Benefits you can get advice from the Welfare Rights Team based at the One Stop Shop, or call them on 875399.

Where can I get information about children's' activities in the area?
Telephone the Children's Information Service on 787828.

How do I get a Bus Pass?
Slough Borough Council has a Bus Pass scheme for elderly residents (men over 65 and women over 60) and for some people with disabilities. To find out more, and whether you will qualify, call in to the One Stop Shop, or ring 787889.

How do I apply for a Blue Badge for Disabled Parking (used to be called Orange Badge)?
You can get an application for the Blue Badge scheme from the One Stop Shop Reception. The Receptionist will be able to advise you what to do next. Alternatively you could ring 690400 for information.

Where can I collect Dog Pooper-Scoopers?
Pooper-Scoopers are available at the Ground Floor Reception of the One Stop Shop free of charge.

How do I get a Resident's Parking Permit?
To apply for a permit, please go to the First Floor Reception at the One Stop Shop. The Receptionist will be able to explain the system and will advise you whether or not you are entitled to a permit. All you need to bring is some official identification showing your name and address (e.g., a Council Tax book, recent Gas/Water bill) and your payment of £10 per permit.

How do I get a Brunel or Hatfield Car Park Season Ticket?
Please call at the First Floor Reception at the One Stop Shop and the Receptionist will be able to help you.

Source: www.slough.gov.uk

Box 63: Durham City One Stop Shop

Durham City Info, a unique customer service facility at The Linden Centre, Coxhoe, is the first of its kind in the region. Staff chosen for their personality and customer care skills will deal with all enquires from the communities of the city such as Coxhoe, Bowburn, Cassop, Quarrington Hill and Kelloe. The staff underwent a comprehensive training programme and have access to computerised systems which enable them to deal with the majority of day to day enquiries and service requests including council tax, benefits, repairs, housing, rents and refuse.

Citizens can get the following types of assistance from the Durham City One Stop Shop:
- Information and advice
- Leaflets, application forms for City Council services and help in understanding/completing them
- Handling complaints, compliments and comments
- Payment facilities

Partnerships are also being developed with other government and voluntary services including Durham County Council's Highways Section, Durham Citizens Advice, Job Centre Plus, Pension Service, Connexions, Social Care Direct, Age Concern and CDC Enterprise Agency.

Extensive community consultation was carried out throughout the project development and customer feedback is deemed as important to the future of the service. City Council has plans to expand the service in the future to cover the whole district especially since it has been successful so far.

Source: http://www.durhamcity.gov.uk/html/residents/keyservices/

FURTHER INFORMATION AND CONTACTS

Sydney, Australia

City of Sydney Government, Level 2, Town Hall House, 456 Kent Street, SYDNEY 2000; GPO Box 1591, SYDNEY NSW 2001.
Tel.: 1300 65 1301; Fax: 02 9265 9415
Website: http://www.cityofsydney.nsw.gov.au/cs_one_stop_shop.asp

Nashville, USA

Council Staff Office, 102 Metro Courthouse, Nashville 37201.
Tel: +1-615-862-6780; Fax: +1-615-862-6784
Website: http://www.nashville.gov/codes/services.html

Slough, UK

Slough Borough Council, Town Hall, Bath Road, Slough, Berkshire. SL1 3UQ.
Tel: +44-1753-552288; Fax: +44-1753 692499
E-mail: Stop query" info@slough.gov.uk, enquiries@slough.gov.uk; Website: www.slough.gov.uk

Durham, UK

Customer Services, Durham City. Tel.: +44-191-3777157; Fax: +44-191-3777169; E-mail: DurhamCityInfo@durhamcity.gov.uk, Lbooth@durhamcity.gov.uk

2.26 OVERSIGHT COMMITTEES

INTRODUCTION

Oversight committees are external committees that oversee the operations and activities of specific local government committees such as finance, public works, health, education, etc. These committees perform an important role in gathering information on the functioning of individual departments and ensuring, through their oversight and questioning of management officials, that corrupt practices do not take place. Furthermore, these committees which often comprise local experts, citizens and community representatives, can be an excellent starting point for the simplification of administrative procedures.

PURPOSE

Oversight committees fulfil the following main functions:

- to oversee the operations/activities of specific development committees

- to ensure proper and more efficient use of resources while maximising benefits for achieving the intended goals or services of the local government.

Linkage to Transparency

Oversight committees can be created to deal with specific issues of priority for service delivery or overall development initiatives. By virtue of their composition, they are less subject to corrupt activities and are in fact in a position to unearth any such practices from the departments they deal with in the course of their duties. These committees can be used to provide advice on simplification of administrative procedures. Complex administrative procedures often provide the opportunity for corrupt practices to flourish. Through the use of oversight committees, corruption can be considerably reduced and transparency enhanced. The formation of an oversight committee in itself indicates the local government's commitment to public accountability and a transparent way of operation.

HOW IT WORKS – THE KEY ELEMENTS

Specific purpose of the Committee. An oversight committee is chosen for a particular function. Usually the committee works on a single activity that would ensure the achievement of a particular development goal of the local authority, for instance, education, health, services, etc.

Selecting members. Members of an oversight committee are generally chosen based on two important factors:

- Relevance of their expertise to the purpose of the committee. At least some members must possess direct relevant expertise on the committee subject, e.g., water, sanitation or education.

- Background – the members must be members of the local community, and should have a stake in ensuring achievement of the desired development goals.
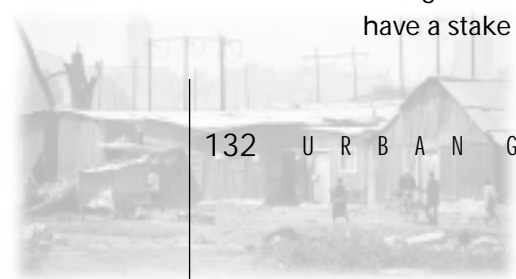
Determining the functions and terms of reference for Committee. The Terms of Reference of the Committee should be as specific and complete as possible. They must be aimed at the development goal, and include a timeline with inception and completion dates a well as outputs. They could include directions of guidelines on functioning of the Committee, e.g., regularity and duration of meetings of the committee, interactions with the officials of the relevant arm or unit of the local authorities, including information gathering procedures (through records access and questioning of the unit officials).

Independence of Oversight Committees. This is crucial to the functioning of a committee. While the oversight committees are usually appointed within a local governance structure, its members are often not employees of the authority and should work as independently as possible from such authorities, with little or no interference. However, the local authority may be represented in such committees.

CITY EXAMPLES

Box 64: South Carolina Oversight Committee on Education

South Carolina's 2010 Education Goal states that "By 2010, South Carolina's student achievement will be ranked in the top half of states nationally. To achieve this goal, we must become one of the five fastest improving systems in the country."

The South Carolina Education Oversight Committee (EOC) is an independent, nonpartisan group made up of 18 educators, business people, and legislators who have been appointed by the legislature and governor to enact the South Carolina Education Accountability Act of 1998. The Act sets standards for improving the state's K-12 educational system. The EOC provides regular, routine and ongoing review of the state's education improvement process, assesses how our schools are doing and evaluates the standards our schools must meet to build the education system needed to compete in the next century. The committee accomplishes its work through five subcommittees and the full committee. Each of the subcommittees addresses issues that support higher levels of student achievement.

Source: http://www.state.sc.us/eoc/

Box 65: City of Bartlesville – Oversight Committee for water system improvement

In August 2001, the City Council of Bartlesville had appointed the Water System Improvement Oversight Committee (WSIOC) to oversee the proposed improvements and to advise the council on such matters. Specifically, the WSIOC objectives are as follows:
1. The WSIOC works with the Director of Water Utilities and water plant staff to identify and resolve all issues related to the construction of a new water treatment plant, raw and finished water improvements.
2. The goal of the committee is to provide the infrastructure necessary to produce and deliver water of sufficient quantity and quality, complying will all state and federal regulations, to meet the needs of the customers of the City of Bartlesville.
3. The committee will also provide recommendations to the City Council on the necessary action required to complete the improvements in a timely manner, for enhancement of the production and delivery capabilities of the water system.

The WSIOC is composed of ten members and regularly meets monthly on the first Wednesday of the month.

Source: http://www.cityofbartlesville.org/

South Carolina, USA

S.C. Education Oversight Committee, P.O. Box 11867, Room 227 Blatt Building, Columbia, SC 29211, USA.
Tel: +1-803-734-6148; Fax: +1-803-734-6167; Website: http://www.state.sc.us/eoc/

Bartlesville, Oklahoma, USA

401 S. Johnstone, Bartlesville, OK 74003, USA.
Tel: +1-338-4282/338-4110; Fax: +1-338-4279
E-mail: mjbean@cityofbartlesville.org; Website: http//:www.cityofbartlesville.org/

2.27 INDEPENDENT AUDIT FUNCTION

Audits of local government management functions and financial operations are a key source of information on practices that are either corrupt or susceptible to corruption. While it is common practice to have a central office at the national/federal level to monitor the effectiveness and efficiency of governmental programmes, local government (as well as other government departments) would be well served in having its own audit department. In order to be effective as well as credible, an audit department or agency needs to be both well funded and to have a certain independence.

PURPOSE

The overall purpose of an audit function is to provide for verification of records, processes or functions in a sufficiently independent manner from the institution or subject being audited in order to add its value and improve its operations. Specifically, its objectives are:

*   To independently identify information which is essential to develop an overall picture of the institution/local authority.

*   To identify any weaknesses or administrative flows which otherwise would not be identified due to unwillingness or inability by insiders of the institutions.

*   To identify strengths and weaknesses of the administrative structures in order to inform decisions on overall strengthening of the institution.

*   To provide baselines on which reforms can be assessed.

*   To provide the government (other governing bodies) and general public with credible information that result in public faith or trust of the institution and/or pressure for any reforms to address problems identified.

LINKAGE TO TRANSPARENCY

The underlying principle of auditing is disclosure of administrative processes and financial practices in any organization. This exercise aims at building transparency and enhancing accountability of key officials and decision makers within the organization being audited. Positive findings of an independent audit can go a long way in building public trust in the organization, while negative findings can serve to catalyse change.

How it Works – The Key Elements

Auditors, both internal and external, have the general responsibilities of investigating administrative and financial practices and developing factual reports. They can and often do make recommendations or refer findings to other bodies for action. The real powers of auditing is in the fact that audit reports are made public. Key aspects of the audit function are described below.

Scope. Auditing can be quite specific, wherein which auditors are mandated to carry out specified tasks, such as only examining only administrative procedures of an organization. Alternatively, the scope of the audit can be wide-ranging, covering administrative, legal, financial and other practices, i.e., an overall audit of the organization or local authority.

Selection of auditors. The important factors in choosing auditors include the level of expertise needed, degree of autonomy and resistance to undue influence. Audits may be carried out by specialised units within the local authority or government, or by external specialised auditing agencies. Auditors must also be financially and budgetary independent in accomplishing their tasks.

Audit procedures. Auditors are also better safeguarded against oversights or abuses by the agency being audited if audit methods and procedures are standardised. Such standards are available universally and are meant to provide a framework for performing and promoting value-added audit activities that improve the operations of agencies/local authorities.

Dissemination of audit report. Audit reports must be made available to stakeholders in the city or community. As stated earlier, these can help in building accountability and enhancing trust in public agencies, or in reinforcing the need for change.

City Examples

Box 66: City of Windhoek, Namibia – Office of the Chief Internal Auditor

The Office of the Chief Internal Auditor (OCIA) of Windhoek reports directly to the Chief Executive Officer of the city and undertakes the audit functions of the city's 9 major departments. The city undertook a strategic visioning process in 2000 and, as a result, totally restructured itself in accordance with its new vision to:
- Render affordable, effective services and infrastructure to our customers through the optimal use of resources, technology and sound financial management.
- Create competitive economic development opportunities, while applying sound environmental management principles.
- Promote a user-friendly culture while encouraging public participation and ensuring customer satisfaction.
- Seek cooperation between Government, parastatals and the business community in pursuit of synergy between service providers.
- Promote tourism.
- Ensure a crime-free and safe environment.

As part of this restructuring, it was recognised that a strong internal audit function was needed reporting directly to the CEO, with strengthened powers. Malfeasance within some of the council departments, including collusion with service users, resulted in substantial losses of revenue, particularly through theft of water and electricity, meter tampering, or simple non-payment of fees. The OCIA has been able, through internal auditing to pinpoint a number of the common practices and to assist departments to improve their procedures. The OCIA also has a customer hotline to enable residents of Windhoek and city employees to report any cases of a suspicious nature.

Source: Prepared by M. Lippe, Transparency International.

FURTHER INFORMATION AND CONTACTS

General

UNODC (2002). **United Nations Anti-Corruption Toolkit.** UNODC, Vienna.
Global Programme against Corruption; UN Office on Drugs and Crime, Vienna International
Centre; P.O. Box 500, Room E1272; A-1400 Vienna, Austria
Tel.: +43-1-26060-4406; Fax: +43–1-26060-5898; E-mail: Petter.Langseth@unodc.org
Website: http://www.unodc.org/unodc/corruption_toolkit.html

The Institute of Internal Auditors (2003). Internal Auditing Standards. IIA, Florida.

The Institute of Internal Auditors, 247 Maitland Avenue, Altamonte Springs, Florida 32701-
4201, U.S.A. Tel.: +1-407-937-1100, Fax +1-407-937-1101
E-mail: standards@theiia.org; Website: www.theiia.org

Namibia

City of Windhoek, Postal address: P.O. Box 59, Windhoek, Namibia.
Tel.: +264-61-290-2374; Fax: +264-61-290-2111, Website: http://www.windhoekcc.org.na

2.28 INDEPENDENT ANTI-CORRUPTION AGENCIES

INTRODUCTION

With corruption in local and national governments on a rise, many countries and cities are calling for the creation and strengthening of independent anti-corruption agencies. As corruption grows more sophisticated in character and method, conventional law enforcement agencies are less able to detect and prosecute complex corruption cases. Furthermore, in a system in which corruption is endemic, standard law enforcement mechanisms may themselves harbour corrupt officials. Considering these limitations of conventional anti-corruption measures and systems, governments have sought to bolster detection efforts by introducing independent Anti-Corruption Agencies or Commissions.

Some countries combine such an Agency with the office of the Ombudsman *(see also 2.23 Complaints and Ombudsman Office)*. Others would argue that there is a clear distinction between the two roles. The Ombudsman is there to promote administrative fairness, and that this is best achieved by winning the confidence of the bureaucracy, while an Agency or Commission which is also charged with the investigation and prosecution of public servants is more likely to be feared than trusted.

PURPOSE

The objectives of establishing independent anti-corruption agencies at the local level are:

*   To serve as watchdog for local government entities.

*   To provide an effective vehicle to disseminate information regarding the ethics rules and regulations pertaining to government employment.

*   To study and draft good governance policies and to ensure that those in government who breach the public trust are held accountable for their actions.

Corruption is one of the key manifestations of lack of transparency. Establishing an independent anti-corruption agency has two key implications for building transparency in local governance. First, it helps in evaluating cases of corruption and determining its root causes, which can then be systematically eliminated. Second, it sends a strong message to the local government officials and employees, as well as the local community, that corruption would not be tolerated. This helps in building confidence of stakeholders in the commitment of the local government to transparency in every aspect of its operations.

It must be kept in mind that anti-corruption measures (such as anti-corruption agencies, Ombudsman) and preventive tools (legislation, codes of ethics, public information and participation tools, etc.) are two sides of the same coin and must be used in conjunction to achieve the best results.

HOW IT WORKS – THE KEY ELEMENTS

Although different kinds of anti-corruption agencies function in various capacities and with differing authorities, some key elements must be present in order to guarantee their effectiveness. These include:

Independent and non-partisan ethics commissioners. Independent and non-partisan ethics commissioners are necessary to ensure a high level of impartiality in investigating corruption cases. It is imperative that the influence of political affiliations and conflicts of interest be kept to an absolute minimum in such cases. Non-partisan individuals and organizations such as judges, universities/law schools and non-profit groups can thus form part of the anti-corruption agencies.

Strong education and training unit. Regular ethics education and training for government employees and elected and appointed officials is essential in maintaining a high ethical culture. As government grows and the bureaucracy becomes more complex, corruption also rises. Training provides a routine source for disseminating information about the new and changing laws and regulations, addressing ethics issues and reminding employees of the standards they must uphold. Essentially, strong training and education leaves little room for the "I didn't know the rules" excuse.

Proactive community/grassroots outreach programme. It is difficult to restore public trust or engage the community in the fight against corruption, if the general public is not aware that anti-corruption agencies exist. Operating a proactive community and grassroots outreach programme, through a community affairs staff person, for example, is imperative in rebuilding community confidence in municipal government entities. Through such outreach programmes, effective collaborations can be made with community non-profit groups and business associations. These collaborations can increase citizen access to local government and encourage a wider network of individuals to share in municipal accountability measures.

Staff and Commission representative of the Community. Anti-corruption agencies and ethics commissions must reflect the ethnic and racial diversity of the communities they serve. In light of the prosecutorial and sensitive investigative nature of the work, such diversity deflects accusations of selective prosecution or insensitivity toward particular community
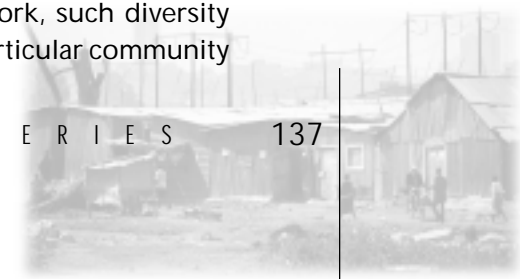
groups or elected leadership, to name a few. Besides, such diversity expands an agency's reach into a wider cross-section of the community and expands its capacity to obtain information about and expose government corruption.

Enforcement capabilities and resources. Directing appropriate level of financial resources towards the enforcement function of anti-corruption agencies and ethics commissions are crucial for weeding out and prosecuting corruption, fraud, mismanagement and violations of conflict of interest laws by government employees and officials. Qualified investigative and legal staff as well as advanced technological support systems are costly but necessary tools in combating local government corruption. In addition to the financial resources, broad enforcement capabilities strengthen credibility. These capabilities include: subpoena and audit power, jurisdiction over financial disclosure and lobbying registration reports, the authority to self-initiate complaints based upon anonymous tips and the authority to make recommendations and issue letters of instruction. Without resources, an anti-corruption agency is in danger of being ineffective and quickly losing the confidence of the residents of the local jurisdiction.

Legal advisory unit. A legal advisory unit placed within an independent anti-corruption agency can offer guidance to both municipal employees/officials and to businesses seeking to contract with local government on government ethics and conflict of interest laws.

The success in operation of an independent agency is dependent on the quality and determination of its staff, and of the legal framework that facilitates their work, and very importantly, the concepts of both prevention and prosecution as its functions. Prevention through community education and awareness raising needs to a core activity of a commission/agency. It is also important from the outset, to assess whether such a new body is necessary, and in particular whether the costs of running a properly-funded organization can be assured.

Box 67: Commission on Ethics and Public Trust and the Office of the Inspector-General, Miami-Dade County, Florida, United States

The Miami-Dade County Commission on Ethics and Public Trust and Office of the Inspector General were established in response to the myriad of corruption scandals that plagued the community and led to Miami being labelled a "banana republic." In 1996, the citizens of Miami-Dade County went to the polls and voted for the creation of an independent ethics commission, thereby giving life to Florida's first local ethics commission, officially named the Miami-Dade County Commission on Ethics and Public Trust ["Ethics Commission"]. Additionally, an Office of the Inspector General ["OIG"] was established to monitor and to expose fraud and financial mismanagement in local government contracts and programmes. Through a staff of auditors, attorneys and investigators, it randomly audits past and present County contracts, issues reports and makes recommendations to County officials regarding its findings. In addition, the OIG through memorandums of understanding, has established permanent investigative oversight offices at various government departments, including the airport and water and sewer. Both agencies work closely through shared resources including a joint hotline. Pursuant to its enabling ordinance, the Inspector General is appointed by and reports to the members of the Ethics Commission.

The Ethics Commission, similarly modelled after other local ethics commissions around the country, is a powerful local anti-corruption initiative. The Ethics Commission functions in the following capacities: advice giving, policy-making, enforcement and education and outreach and conducts such activities/programmes as ethics training programmes for elected officials, community-wide town hall meetings, policy initiatives including lobbying reform. Its five independent volunteer ethics commissioners, who reflect the diversity of the community, hear cases and render the agency's official advisory opinions. Additionally, the Commission's Advocate, who essentially serves as the prosecutor, brings cases before the Ethics Commission and oversees the investigation component. The Legal Unit renders conflict of interest opinions and works to develop good government policies with other local legislators. Finally, the Community Outreach staff work at the grassroots level raising awareness and building strategic community collaborations.

Since their creation, both agencies have attained various accomplishments. The OIG for example:
- Uncovered multimillion-dollar construction fraud.
- Exposed water theft with recovery of millions and a new anti-theft ordinance.
- Participated in the successful investigation of an insurance fraud scheme which targeted the County's health insurance programme.
- Uncovered a scandal involving over $3 million in unpaid county loans resulting in the adoption of a new ordinance which prohibits vendors and contractors who owe money to local government from procuring new contracts.

Similarly, the Ethics Commission has attained various accomplishments as well:
- Participated in the investigation and subsequent removal of an elected official from office for exploiting his official position.
- Determined violations of the lobbyist registration and reporting ordinances resulting in new laws requiring lobbyists to submit detailed expenditure reports.
- Rendered more than 400 advisory opinions to government employees and elected officials.
- Uncovered false financial disclosure reports filed by an elected official.

There is a growing interest from other municipalities around the United States to establish local ethics commissions. Maintaining integrity in government decision-making structures requires municipalities to invest resources in such agencies. Furthermore, investing resources into research and evaluation studies in order to measure the effectiveness of local anti-corruption agencies and to benchmark and assess performance outcomes is equally important. Despite the fact that each state has an Ethics Commission, it cannot always effectively and efficiently address the interests and concerns at the local government level. Geographic proximity is crucial and allows for greater interaction and dialogue between municipal government officials and employees and anti-corruption agencies, while generating avenues for greater citizen access in the municipal governance arena.

Source: Prepared by C.Prkic for Transparency International and UN-HABITAT. E-mail: cprkic@yahoo.com

Box 68: Directorate of Corruption and Economic Crime, Botswana

Botswana is an example of a country that has much in the way of resources, a large geographical area, but a small population. In the mid-1990s, Botswana established its Directorate of Corruption and Economic Crime and since then has consistently strengthened it. There are now approximately 120 employees in the Directorate. It has two offices – one in the capital, Gabbarone, and the other in the second largest city, Francistown. The Directorate has brought an increasing number of cases of corruption to the courts, where it has an excellent record. There are problems, it appears, in having the increasing number of cases it is bringing make their way through the approval process for prosecution within the AG's Chambers. A zero tolerance policy is in effect in the country that appears to reflect what the ordinary citizen expects the government to do. Corruption is simply not acceptable! The government has responded and has provided the resources, which it has, to do something about this.

All is not perfect, of course, and there may well be legitimate criticisms of the Directorate, related to cronyism and favouritism that is reputed to exist. In general, however, the anti-corruption effort in Botswana seems to have been a strong and effective one.

Source: The Annual Report of the Directorate on Corruption and Economic Crime for the Year Ending 31 December 2000, published in March 2002.

FURTHER INFORMATION AND CONTACTS

Miami-Dade County, USA

Staff Attorney, Miami-Dade County Commission on Ethics and Public Trust, 19 W Flagler ST, #207, Miami, FL 33130 USA.
Tel.: +1-305-579-2594
E-mail: cprkic@yahoo.com; Website: http://www.miamidade.gov/ethics

The Director, Public Affairs, Stephen P. Clark Center, 111 N.W. 1st Street, 29th Floor, Miami, Florida 33128, USA.

Tel: +1-305-375-5071; Fax: +1-305-375-3618
E-mail: mesa@miamidade.gov, mayor@miamidade.gov
Website: http://miamidade.gov/mdfr

Botswana

Directorate on Corruption and Economic Crime, Botswana.

2.29 PARTICIPATORY BUDGETING

INTRODUCTION

Participatory Budgeting is an innovative financial practice that helps to enhance participation and improve accountability and transparency in administration of financial matters. It is a mechanism to involve and empower people in decision-making and more equitable distribution of resources. Participatory budgeting tools have been widely applied in Latin America and Europe and are now spreading to countries in Asia and Africa. It is estimated that at least 300 cities are currently applying the participatory budgeting methodology. The mechanism of participatory budgeting provides an excellent entry point to promoting the application of principles of good urban governance, especially transparency, within the context of local government finance. The ultimate beneficiaries of participatory budgeting are urban residents, particularly the urban poor, who have a direct input in the allocation of municipal financial expenditure on urban infrastructure and basic services.

The objectives of participatory budgeting are:

- To ensure that the finances of the local government are properly accounted for and thus decrease the potential for abuse by individuals both within and outside the system.

- To involve the community, including the lower-income neighbourhoods of the city, in the priority-setting and budgeting process.

- To enhance local democratic culture, nurture civic engagement, and stimulate the development of social capital.

LINKAGE TO TRANSPARENCY

Participatory budgeting is an innovation by cities to engage directly with citizens, eliminating the "party politics" that undermines representative democracy in many countries. By involving communities in identification of priorities and allocation of resources, local governments can respond more effectively to the needs of their communities. The process enhances transparency by sharing information and holding decision makers accountable to the public at large, builds trust and improves the quality of governance in the city.

HOW IT WORKS – THE KEY ELEMENTS

Value of the participatory budget. Municipalities may identify clearly the proportion of the budget subject to the participatory budgeting process, either before the process of participatory budgeting (generally voted by the Municipal Council), or after the process, based on the demands and on the municipal resources available. It is possible to establish in both cases a relationship between the budget discussed and effectively put into practice and the municipal budget implemented. However, it is important to note here that in certain municipalities it may not be easy to establish figures directly attributed to Participatory Budgeting process. This is due to the fact that the values may be only symbolic, or proportionally low compared to the total municipal budget.

Participation. The success of the participatory budgeting process is based on the extent of popular participation – whether individual participation or community-based participation/representation. One of the main characteristics of participatory budgets in Brazilian cities is the acknowledgement of one's right to participate individually and directly, and not necessarily through representatives of communities, unions or other associations. The number of participants in thematic and neighbourhood plenary meetings may vary from time to time or from one year to another.

Encouraging the participation of minority groups. To serve one of the fundamental principles of participatory budgeting, it is imperative to explore means of effectively including minorities and diverse groups of people both in the process and in its benefits. Such diversity should take into account, for instance, issues of gender, ethnicity and age groups. However, noting that participatory budgets are built fundamentally on territorial spaces (districts, neighbourhoods, regions of the participatory budget, etc.), thematic entry points will be specific to each city. Thematic committees to approach issues that are specific to vulnerable groups are also a good mechanism to elicit their participation and ensure that their priorities are included. The thematic committee of social inclusion as found in the City of Caxias do Sul, where issues related to youngsters and women are discussed, is one such example. Alternatively, actor-specific
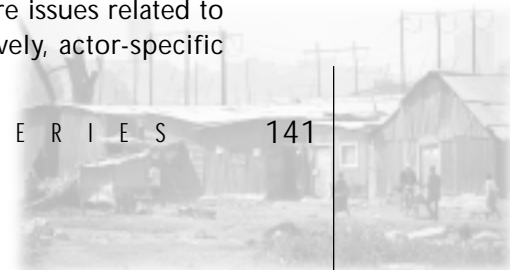
committees can be formed, e.g., committee dedicated to women such as the one in Recife's Participatory Budget, or the one on Youth Participatory Budgeting established in Barra Mansa in Brazil *(See Box 70).*

Final approval of the budget, and the role of the City Council. Experiences of most cities which have experimented with participatory budgeting suggest that the legislative branch and the municipal councils should keep their traditional role of approving the budget. This element is extremely important in that participatory budgets recognise both representative democracy and the legislative power.

The most widespread and well-known modality is the one in which the budget is elaborated and consolidated in a participatory way by means of neighbourhood and thematic plenary meetings. The last stage of the budgetary allocation is generally the responsibility of the Participatory Budget Council (or its equivalent), and is presented to the Municipal Council for final approval.

A second approach is one in which the Municipal Council approves the budgetary allocation first. Once approved by the Municipal Council, it will be discussed in the following year by the executive branch (the mayor and the several departments) along with the population, generally through its social organizations.

Decision-making spaces and channels. The participatory budgeting process in different cities/ countries has involved different decision-making channels. These include, for example, the Participatory Budget Council, an authority specifically created for the participatory budget. It is the dominant model in Brazil, with some variants (e.g., Congress of the City in Belém) and some adaptations outside Brazil (e.g., Assembly of the City in Córdoba or Directive Committee of the Participatory Budget in Ilo).

Another mechanism of decision-making for participatory budgeting is to build on existing political structures (e.g., Parish associations in Cuenca), or social structures (e.g., neighbourhood councils in Montevideo), that integrate the participatory budget process into their activities. In this sense, the participatory budget strengthens and extends the role of pre-existing organizations.

Elsewhere, citizen-based organizations that have other responsibilities besides the participatory budget have also been used for decision-making. Many cities have tended to favour participation through representatives of existing organizations.

Communicating the results. A key aspect of the participatory budgeting process is the communication of the financial results and the presentation of public accounts about the works that have been prioritised, their location, value, and time-frame for implementation.

Most municipalities accord great importance to keeping the population well informed, through a wide range of solutions such as public hearings, written reports and digital information. The most common ways are public meetings in which the Mayor and his/her staff render their accounts and answer questions. They are usually annual meetings at the beginning of a new cycle of participatory budget in each sub-region or district and during the thematic forums. In some cities, they occur twice a year or are even more frequent, throughout the cycle.

Alternatively, in some cities, the Mayor and his/her staff render their accounts not to the general public but to the Participatory Budget Council (or its equivalent). Councillors, in turn, are responsible for informing the delegates and the citizenry.
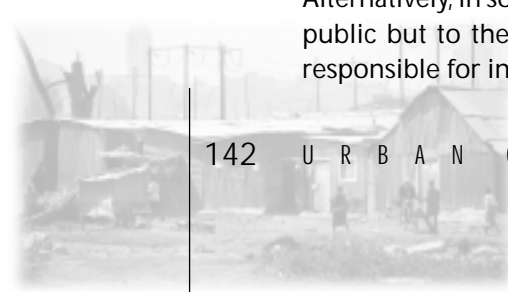
Other tools to share information about the accounts and the budget are the publication of an annual paper (such as a newspaper supplement), brochures, or reports in which each of the works and services is detailed, data are consolidated by regions, and the location of the works is mentioned. They are the main source of information about the concrete results of participatory budgets. This information can also be placed on the municipality's website.

Legal and regulatory mechanisms to institutionalise participatory budgets. It is important to determine when and how to formalise a participatory budget process to ensure not only its success but also effectiveness and sustainability. It is also critical to assess the appropriate level of institutionalisation in order to preserve the dynamics of participation. From experience, the institutionalisation or formalising of participatory budgets is best done through Internal Regulation. It can begin with developing system for the election of delegates, forms of representation, criteria for distribution of resources, responsibilities of the PB council (if any), number of plenary meetings and thematic areas, etc. In some cases, such as in Porto Alegre, the institutionalisation process has further been crystallised by developing manuals containing guidelines and general criteria; or, as in the case of Belém, special regulations. Further still, some cities such as Santo André and Icapuí, have made the participatory budget become part of the municipality's Organic Law. This gives the participatory budget a more formal and statutory status.

CITY/COUNTRY EXAMPLES

Box 69: The Pioneer in Participatory Budgeting – Porto Alegre, Brazil

The city of Porto Alegre pioneered the concept of participatory budgeting more than a dozen years ago. It was a conscious effort by a new political administration in 1989 to incorporate citizens directly into the decision-making process and to break away from the old way of doing things. It was intended to be a comprehensive management practice that brought the population directly into the formulation and execution of the city's capital projects budget.

The process of participatory budgeting relied heavily on the involvement of local neighbourhood associations, NGOs, and labour unions, and it also required the city administration to dedicate human and financial resources to ensure that it would work. The essence of the practice involves the establishment of citizens' commissions or forums that help formulate budget priorities and then continue to help to oversee the works that are being carried out. Since in the beginning the city had relatively little money for capital projects, the system started slowly. However, once the neighbourhoods could notice the tangible benefits of participation, more and more citizens and neighbourhoods have become involved. From an initial level of 1,500 participants, there are now more than 45,000 residents who take part in this process on an annual basis. Furthermore, the concept of participation has now been extended from budgetary matters to many more aspects of local government management, including policy planning.

One issue that surfaced was the need to ensure that regional planning and regional concerns were incorporated into the planning process. This was accomplished through the establishment of thematic plenary assemblies that have addressed, again with citizen participation, the different concerns. A second issue that immediately arose concerned the relationship between the elected representatives, the councillors and the municipal parliament, and the local forums. In spite of tensions, there has been successful dialogue and the municipal executive has been able to accomplish its objectives.

In Porto Alegre, 100% of the budget is regarded as participatory. The Participatory Budget Council (COP in Portuguese), made up of delegates elected in the process, examine and influence the overall budget before it is sent to the *Câmara de Vereadores* (City Council). The portion discussed in assemblies in which all citizens can participate corresponds to 100% of the resources for investment, which vary every year and represents more than 10% of the overall budget.

Numerous other towns in Brazil have adopted some form of participatory budgeting. There appear to be two important requirements for the process to succeed – a real and sustained commitment by the city management to transparency and changing the ways in which things are done, and continuous publicity and education of the citizens who are being asked to participate.

Source: http://www.bestpractices.org

Box 70: Citizenship knows no age – Children's participation in the governance and municipal budget of Barra Mansa, Brazil

The case of Barra Mansa illustrates the development of a children's Participatory Budget Council in the city of Barra Mansa (Brazil), to which 18 boys and 18 girls are elected by their peers to ensure that the municipal council addresses their needs and priorities. This council determines how a proportion of the municipal budget (equivalent to around US$125,000 a year) is spent on addressing children's priorities, and its child councillors are also involved in other aspects of government.

Each year since 1998, more than 6,000 children have taken part in discussions and assemblies to elect their child councillors and discuss their own priorities. The elected children learn how to represent their peers within democratic structures, to prioritise based on available resources, and then to develop projects within the complex and often slow political and bureaucratic process of city governance. This process has extended to children the concept of Participatory Budgeting that is now widely used in Brazil for increasing citizen involvement in urban governance. It is encouraging similar innovations in other cities in Latin America, as the example becomes better known and as more people visit Barra Mansa.

Source: Environment and Urbanisation, October 2002, Vol. 14 No. 2, pp 71-85. http://www.iied.org/human/eandu

This is the abstract of an article prepared for the monographic issue of "Environment and Urbanization" on "Building cities with and for children and youth." The article itself is drawn from two original papers in Portuguese written by Eliana Guerra, and supplemented with information from staff at the United Nations Urban Management Programme for Latin America and the Caribbean, which helped start this initiative. It has been jointly prepared by IIED – International Institute for Environment and Development and UNICEF Headquarters, field offices and IRC's Child Friendly Cities Secretariat.

Box 71: Towards More Transparent Budgeting and Public Procurement in Municipalities in Serbia

In order to increase the efficiency and quality of municipal services, improve communications and relations between the municipal administration and citizens, and to establish a more efficient and transparent budgeting and public procurement system that would help to curb corruption and attract investment, the European Movement in Serbia (EMS) developed a programme titled "Towards More Transparent Budgeting and Public Procurement in Municipalities in Serbia". This programme consisted of the following elements:
- An opinion poll with citizens, public officials and the business community in three municipalities to identify the main problem areas in public service.
- Workshops with public officials on budgeting, introducing a new budgeting software and on public procurement, developing new standards for public procurement.
- Polls about the quality of service provided among service users in the three municipalities.
- Based on these polls, distribute awards to the Best Civil Servants.
- Conduct an opinion poll to assess the impact of the project.

The programme was met with overwhelming interest by the municipalities. Within just over 6 months, the number of participating municipalities has risen from 3 to 27. Other important outcomes included:
- Increased citizens' interest in local administration, with a much higher percentage of people demanding more information shows.
- Establishment of an effective communication system between public officials and citizens. This contributed to raising the citizens' trust in their civil servants despite the persistence of problems in the service provision.
- Generation of many ideas and project proposals through a participatory process, that have since been integrated into the follow-up project.

The success of the programme can be attributed to the following factors:
- Through the project, municipalities are provided with new tools and technologies, as well as with assistance and training. Local officials thus derive a direct benefit from getting involved.
- A problem often encountered in local government initiatives is that surveys and evaluations of services are perceived as accusations by the authorities. In this case, this risk could be avoided by focusing on positive incentives (awards for best civil servants) and innovations (introduction of new budgeting and accounting software).

Source: Prepared by Julia Steets for Transparency International. Article available in full at http://www.transparency.org/building_coalitions/public/public_intro.html

In Cotacachi (Ecuador), the part of the budget discussed in public assemblies has grown steadily, reaching 58% of the total in 2002, and expected to reach 72% in 2003. This high value is related to the high percentage of resources that the municipality directs to investment, despite its being one of the poorest cities among the Latin American cities that currently practice Participatory Budgeting. It tends to show that political willingness can give rise to a participatory budget with expressive values. As a consequence, the value discussed per inhabitant in Cotacachi is above that of much more "famous" cities in the Region.

Transparency in Cotacachi extends beyond participatory budgeting, to implementation and management of projects as well. There is a Committee of Social Controllership, part of Cotacachi's Cantonal Assembly, which controls the works and projects that have been approved by the municipal participatory budget. This Committee reviews the pre-contractual process as well as the process of implementation of projects. The members of this committee carry out inspection of projects without any remuneration.

Through the initiative on Transparency and Social Control in Public Works, the municipality of Cotacachi has successfully involved the community and/or the neighbourhood into the process of pre-contract and implementation of the project. Regular monitoring and evaluation exercises, along with a requirement to submit certificates of delivery and receipt of any purchases, ensure that there is no corruption. The community's acceptance of the work or project implemented is also taken into account.

Source: UN-HABITAT (in press) Toolkit on Participatory Budgeting: A collection of resources to facilitate inter-regional transfers.

FURTHER INFORMATION AND CONTACTS

General

UN-HABITAT Best Practices Programme, P.O. Box 30030, Nairobi, Kenya.
Website: http://www.bestpractices.org, http://www.unhabitat.og

UN-HABITAT (in press) Toolkit on Participatory Budgeting: A collection of resources to facilitate inter-regional transfers.

UN-HABITAT, Nairobi, P.O. Box 30030, Nairobi, Kenya.
Tel: +254-20-623216; Fax: +254-20-623536
E-mail: governance@unhabitat.org; Website: http://www.unhabitat.org/governance
Transparency International (2003) **The Corruption Fighters' Toolkit**.

Transparency International, Otto-Suhr-Allee 97-99 - 10585 Berlin, Germany.

Tel.: +49-30-343-8200; Fax: +49-30-3470-3912
E-mail: ti@transparency.org; Website: http://www.transparency.org

Brazil

Urban Studies and Assistance Centre – City Regina Pozzobon, 141, Vieira de Castro Street, Porto Alegre, RS, Brazil - Zip Code: 90.040-320.
Tel./Fax: +55-51-330-6756; E-mail: Cidadepa@Portoweb.Com.BR

Porto Alegre Community Associations Alliance – UAMPA; Mercado Pì©£o Central - Ground Floor. Porto Alegre RS, Brazil - Zip Code: 90.020-070.

Tel.: +55-51-211-5800; Fax: +55-51-228-7766; E-mail: Uampa@Cpovo.Net

Serbia

Transparency International – Serbia (Transparentnost Srbija), Ulica 29, novembra. br. 36/I, 11000 Beograd, Serbia.
Tel./Fax: +381-11-3228-196
E-mail: ts@transparentnost.org.yu, dem@eunet.yu, emins@eunet.yu
Website: http://www.transparentnost.org.yu

Barra Mansa, Brazil

International Child Friendly Cities Secretariat, UNICEF Innocenti Research Centre
Tel.: +39-55-033226/20330
E-mail: eriggio@unicef.org, Website: www.unicef.org/irc, www.childfriendlycities.org

Cotacachi, Ecuador

UN-HABITAT *(in press)* **Toolkit on Participatory Budgeting: A collection of resources to facilitate inter-regional transfers**.

UN-HABITAT, Nairobi, P.O. Box 30030, Nairobi, Kenya.

Tel: +254-20-623216; Fax: +254-20-623536
E-mail: governance@unhabitat.org; Website: http://www.unhabitat.org/governance

accountability
To enhance public accountability of
decision-makers in government,
the private sector and
community organization
in all areas
(political, fiscal, budgetary).

CHAPTER THREE

GLOSSARY

The purpose of this glossary is to explain the specific meaning of key words or terms as they are used in this Toolkit and in the particular context of transparency in local governance. Wherever necessary, the literal or "dictionary" definitions of words and phrases precede the contextual reference.

Accountability

Holding individuals and organizations responsible for performance measured as objectively as possible. Accountability stands on three key pillars: financial, political and administrative.

Codes of ethics

Statements of principle and values.

Conflict of Interest Laws

"Conflict of interest" indicates a situation where a private interest may influence a public decision. Conflict of Interest Laws are laws and regulations designed to prevent conflicts of interest. These laws may contain provisions related to financial or asset disclosure, exploitation of one's official position and privileges, regulation of campaign practices, etc.

Corruption

Misuse of office for private gain. The office is a position of trust, where one receives authority in order to act on behalf of an institution, be it private, public, or non-profit. *(Klitgaard, MacLean-Abaroa and Parris, 1996)*

Ethics

•   The discipline dealing with what is good and bad and with moral duty and obligation.

•   A set of moral principles or values.

•   A theory or system of moral values and the principles of conduct governing an individual or a group.

•   A guiding philosophy, generally accepted standards of right and wrong.

Global Campaign on Urban Governance

UN-HABITAT led campaign to reduce urban poverty through good urban governance. Launched in 1999, its objectives are: (a) the increased capacity of local governments and other stakeholders to practice good urban governance; and (b) raised awareness of and advocacy for good urban governance around the world.

Influence

An ability to modify some action, as in indirect power or indirect control. Influence, as an essential characteristic of a stakeholder, refers to the impact that a stakeholder can have on resolving the issue.

Integrity

• Firm adherence to a code of especially moral or ethical values.

• Incorruptibility.

Lobbyist

• An individual who is employed and receives payments, or who contracts for economic consideration, including reimbursement for reasonable travel and living expenses, for the purpose of lobbying.

• An individual who represents an organization, association, or other group for the purpose of lobbying.

• A local government employee who lobbies.

Municipal Checklist

An information collection tool that aims to assess the vulnerability of the municipal system to abuse of authority and resources.

Municipal Vulnerability Assessment

A tool that can be applied by the municipality as well as other organizations to assess how the local government addresses integrity and transparency issues. It generates information that helps in identifying loopholes for corruption in the system.

Norms of Good Urban Governance

The universal norms that characterise good urban governance as identified by the UN-HABITAT-led Global Campaign on Urban Governance. These are: sustainability, subsidiarity, equity, efficiency, transparency and accountability, civic engagement and citizenship, and security.

Ombudsman

• Defender of the People – Public Protector.

• An impartial authority or institution established to independently receive and investigate allegations of maladministration, including corruption, in public agencies.

Open Meetings Laws

Laws that regulate the conduct of open meetings for consultations with stakeholders. Open Meetings Laws facilitate citizen participation in policy discussions.

Oversight Committees

External committees that oversee the operation and activities of specific local government committees such as finance, public works, health, education etc.

Participatory Corruption Appraisal

A tool that assesses the impact of corruption on the lives of poor people, and helps poor communities to plan and act to reduce corruption, in partnership with the policy makers and the public at large. First introduced in Indonesia by the World Bank and the Partnership for Governance Reform in Indonesia.

Stakeholders

Individuals, groups or institutions with relative importance, interests, agenda, influence on a particular issue, concern or initiative towards a definite and common goal or purpose.

Tool

A problem-solving technique, or a combination of such techniques, which can be applied to a variety of situations.

Transparency

• Clarity; clearness.

• Sharing information and acting in an open manner.

• As a core principle of good urban governance, transparency connotes the conduct of public business in a manner that affords stakeholders wide accessibility to the decision-making process and the ability to effectively influence it. *(UNDP 1997, UN-HABITAT, 2000)*

Transparent systems

Organizational systems that make complete, accurate and timely information available to stakeholders, have clear procedures for public decision-making, and facilitate open communication between stakeholders and decision makers.

Urban Governance

The exercise of political, economic, social, and administrative authority in the management of a city's affairs. The sum of the many ways individuals and institutions, public and private, plan and manage the common affairs of the city. It is a continuing process through which conflicting or diverse interest may be accommodated and cooperative action can be taken. It includes formal institutions as well as informal arrangements and the social capital of citizens. It is thus a broader concept than "government", which refers only to the formal and legally established organs of political structure. *(UN-HABITAT, 2000)*

Whistleblower

An individual who reports instances of ethical misconduct, fraud, malpractice or corruption in an organization. A whistleblower could be an official or employee of the organization, or simply an aggrieved citizen.

CHAPTER FOUR

THE "YELLOW PAGES" – DETAILED REFERENCES

4.1 INTRODUCTION

A number of tools and approaches have been developed globally to promote good urban governance and in particular, to enhance transparency and accountability. These are efforts by various international, regional and national development agencies that work in the field of governance. Such agencies include:

- Audit Commission, UK

- Carnegie Endowment For International Peace

- Council of Europe (COE)

- International City/County Management Association (ICMA)

- International Institute for Environment and Development (IIED)

- International NGO Training and Research Centre (ITRAC)

- Municipal Development Programme (MDP)

- Open Society Institute

- Organization for Economic Cooperation And Development (OECD)

- Public Affairs Centre (PAC), India

- Transparency International

- United Nations Children's Fund (UNICEF) – Child Friendly Cities

- United Nations Development Programme (UNDP)

- United Nations Human Settlements Programme (UN-HABITAT).

- United Nations Office on Drugs and Crime (UNODC)

- World Bank/World Bank Institute

The Tools included in this Toolkit have been derived or extracted form a range of source books, training manuals or compilations of case studies published by the aforementioned organizations. The purpose of this chapter is to provide details on various resource materials to complement the information already furnished in the previous sections of this Toolkit.
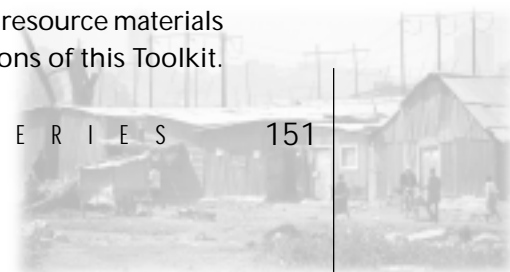
It also aims to provide readers and users with an expanded range of materials to enhance practical application of tools that promote transparency in urban governance. This section lists the additional resource materials in the following order:

Section 4.2 Alphabetical Listing of Resource Materials

Section 4.3 Full Description of Resource Materials, Listed by Organization

Section 4.4 Additional References

Section 4.2 enables the users to search for a particular resource by alphabetical order. Under Section 4.3, the tools are listed by the organization which has developed or disseminated them. Each resource is presented in a standard format, with a summary description of what it is and how it can be applied. In addition, contact information is given for each product, so as to enable the user to contact those responsible for preparing or disseminating it. This detailed description is intended to provide support to users who may wish to adopt a particular approach or a combination of approaches to suit their particular context. Section 4.4 lists the additional references used in this publication.

4.2   GENERAL LISTING IN ALPHABETICAL ORDER

1.   Access to Information in Developing Countries, *Transparency International.*

2.   Best Practises Database, *UN-HABITAT.*

3.   Checklist for E-Government Leaders – Policy Brief, *OECD.*

4.   Citizenship Knows No Age: Children's Participation in the Governance and Municipal Budget of Barra Mansa, *UNICEF and IIED.*

5.   Coalition-Building to Fight Corruption, *World Bank Institute.*

6.   CORIS – "Corruption Online Research and Information System", *Transparency International.*

7.   Conflicts of Interest: Legislators, Ministers and Public Officials, *Transparency International.*

8.   Corporate Governance – Improvement and Trust in Local Public Services, *Audit Commission, UK.*

9.   Corruption and Environment at the Local Level, *Transparency International.*

10.   The Corruption Fighters' Toolkit, *Transparency International.*

11.   Country Assessment in Accountability and Transparency – CONTACT, *UNDP.*

12.   Country Corruption Assessment Report – South Africa, *Government of South Africa and UNODC/ROSA.*

13. Developing and Managing Professional Code of Ethics – A Resource Guide For Professional Associations, *UN-HABITAT.*

14. Does the Invisible Hand need a Transparent Glove? The Politics of Transparency, *Carnegie Endowment for International Peace.*

15. The E-Government Imperative, *OECD.*

16. Ethics in Action Training Package, *ICMA.*

17. Financial Management for Development: Accounting and Finance for the Non-Specialist in Development Organizations, *INTRAC.*

18. The Global Campaign For Urban Governance – Concept Paper (2nd edition), *UN-HABITAT.*

19. Governance And Anti- Corruption Newsletter, *World Bank Institute*

20. The Kenya Urban Bribery Index (Report), *Transparency International – Kenya.*

21. The Media's Role in Curbing Corruption, *World Bank Institute.*

22. New Mechanisms for Public Accountability: The Indian Experience, *Public Affairs Centre.*

23. Public Ethics at the Local Level – Model Initiatives Package, *Council of Europe* .

24. Public Services for the Urban Poor: A Report Card on Three Indian Cities, *Public Affairs Centre.*

25. Reducing Corruption at the Local Level, *World Bank Institute.*

26. Service Delivery Surveys: A Means of Increasing Accountability, Transparency and Integrity in Local Government, *Municipal Development Partnership.*

27. The Role of Civil Society in Containing Corruption at the Municipal Level, *Open Society Institute.*

28. The Transparency International Source Book, *Transparency International.*

29. TILAC Toolkit – Latin American Anti-Corruption Toolkit, *Transparency International.*

30. Toolkit on Participatory Budgeting - A collection of resources to facilitate inter-regional transfers, *UN-HABITAT.*

31. Tools to Support Participatory Urban Decision-Making, *UN-HABITAT.*

32. United Nations Anti-Corruption Toolkit, *UNODC.*

33. United Nations Manual on Anti-Corruption Policy, *UNODC.*

4.3 DESCRIPTIVE LISTING BY ORGANIZATIONS

1.   TRANSPARENCY INTERNATIONAL

Title	**The Transparency International Source Book**
Author	Jeremy Pope
Organization	Transparency International
Year of Publication	1998 and 2000
Areas of Application	Transparency and Accountability

Description:

The first version of this Source Book (now translated into over 20 languages) argued the case for a "National Integrity System", a holistic approach to **transparency and accountability** and embracing a range of accountability "pillars", democratic, judicial, media and civil society. The expression has since passed into common usage in development circles, and the argument for a holistic approach to anti-corruption efforts has similarly achieved a widespread consensus.

The current edition of the TI Source Book seeks to combine the ease of the printed word with the immediacy of the Internet. With many initiatives being taken in many different parts of the world, emerging best practice is a rapidly growing area. Readers will find references to the Best Practice documentation, and this is available on the Internet. A summary of the Best Practice material compiled appears as Part Five of this book.

The Internet version of the Source Book is to be kept up-to-date in the light of emerging developments. Additional material is available on the TI web-site, where a searchable bibliography will be found.

Further Information:

Transparency International (TI), Otto Suhr-Allee 97-99,D-10585 Berlin, Germany.
Tel.: +49-30-343-8200 • Fax: +49-30-34703912
E-mail: ti@transparency.org • Website: http://www.transparency.org

Title	TILAC Toolkit - Latin American Anti-Corruption Toolkit
Author	—
Organization	Transparency International (TI)
Year of Publication	—
Areas of Application	Transparency and Accountability

Description:
The Latin American Anti-Corruption Toolkit or TILAC Toolkit developed by Transparency International (TI) highlights the enormous potential of the civil society to create mechanisms for social control, demanding and promoting action for **accountable** and responsive public administrations.

The Latin American Anti-Corruption Toolkit presents a range of anti-corruption activities, both tools as well as experiences from Latin American countries, in an accessible and concrete format. The cases point towards the importance of collaboration with the public and private sectors and the need for coalition building within civil society.

The tools are situated in the specific national socio-political context and in the context of the responsible organization. The publication includes detailed descriptions of the stages of implementation, sections on tangible positive and negative results, and lessons learned. The Latin American Anti-Corruption Toolkit covers a range of activities, in different areas, including: Corruption control in public procurement; Transparency in Election Processes; Monitoring of public institutions; Awareness raising and education; Emerging best practice in the public sector; Media; Surveys on Corruption; etc.

The Toolkit presents cases that the Latin American chapters believe other civil society groups can duplicate in their own countries and users are encouraged to communicate with the organizations responsible for the different activities. Their contact information is included in the publication.

The Toolkit should be considered as work in progress. Future plans include its enrichment through inclusion of the activities of other TI Chapters as well as other civil society organizations. In due course, the Toolkit could serve as best practice reference and a site for broad exchange of experience elsewhere. This Toolkit is a useful resource in promoting civic engagement and participation, as well as transparency and accountability.

Further Information:
Transparency International (TI), Otto Suhr-Allee 97-99,D-10585 Berlin, Germany.
Tel.: +49-30-343-8200 • Fax: +49-30-34703912
E-mail: ti@transparency.org • Website: http://www.transparency.org/lac_tool-kit/intro.html

Title	CORIS - Corruption Online Research and Information System
Author	—
Organization	Transparency International
Year of Publication	Online - continuous
Areas of Application	Transparency and Accountability

Description:

The Corruption Online Research Information System (CORIS) is Transparency International's web-based initiative to meet the research needs of anti-corruption practitioners in accessing both published and grey literature on corruption and governance.

CORIS is a searchable database that currently includes more than 6,000 bibliographical references and more than 1,000 full text documents. TI, through its knowledge and information services, collates, documents and disseminates information that is crucial to groups and individuals involved in anti-corruption work and research. Information materials such as news clippings, reports, legal texts, books, periodical articles, research studies and occasional papers, conference papers and proceedings and a variety of grey literature can be accessed through CORIS. The site can be searched using more than 200 keywords. CORIS is thus an important resource for promoting **accountability** and **transparency** in local as well as national governance.

Further Information:
Transparency International (TI), Otto Suhr-Allee 97-99,D-10585 Berlin, Germany.
Tel.: +49-30-343-8200 • Fax: +49-30-34703912
E-mail: ti@transparency.org • Website: http://www.transparency.org

Title	The Corruption Fighters' Toolkit
Author	—
Organization	Transparency International
Year of Publication	2002-2003
Areas of Application	Transparency and Accountability

Description:

The Corruption Fighters' Toolkit has been developed by Transparency International (TI) to facilitate the sharing of experiences of TI's national chapter programmes, best practices and lessons learnt, with others active in the field. It is hoped that the widely tested methodologies and components included in the Toolkit will have extensive application value for those whose mission is the eradication of corruption at all levels.

Civil society has enormous potential to create mechanisms for scrutiny and social control, to demand and promote action for accountable and responsive public administration. The Corruption Fighters' Toolkit is an effort to highlight this potential, and provides ideas and inspiration for those within and outside the TI movement.

The Corruption Fighters' Toolkit presents a range of anti-corruption activities in an accessible format. The breadth and scope of the tools included in the Toolkit allow potential readers of the Toolkit to determine which tools are best suited to their local environments. The cases draw attention to the importance of collaboration with the public and private sectors and, above all, the need for coalition building within civil society. Those who want only the briefest overview of a tool need only look at the Fact Sheets for a concise summary of the more detailed information.

The Toolkit is a new initiative, at this stage primarily sharing experiences from "within TI". In time, it might also be used to disseminate the experiences of other civil society organizations, and to generate much needed civil society synergies. The Toolkit should be considered as work in progress, and as a living document. The Toolkit on the TI web page is being continually expanded to include more tools.

Further Information:

Transparency International (TI), Otto Suhr-Allee 97-99,D-10585 Berlin, Germany.
Tel.: +49-30-343-8200 • Fax: +49-30-34703912
E-mail: ti@transparency.org • Website: http://www.transparency.org

Title	Access to information in developing countries
Authors	Robert Martin and Estelle Feldman
Organization	Transparency International
Year of Publication	1998
Areas of Application	Transparency, access to information

Description:

While some countries provide for access in their constitutions and laws, most deny their citizens access to public files or keep it to the barest minimum. This study, published with assistance from the Ford Foundation, surveys existing laws and practices respecting access to information in developing countries. It also intends to assist those democracies whose constitutions pledge the passage of freedom of information legislation, in framing such legislation.

Further Information:

Transparency International (TI), Otto Suhr-Allee 97-99,D-10585 Berlin, Germany.
Tel.: +49-30-343-8200 • Fax: +49-30-34703912
E-mail: ti@transparency.org • Website: http://www.transparency.org

Title	Conflicts of Interest: Legislators, Ministers and Public Officials
Author	Gerard Carney
Organization	Transparency International
Year of Publication	1998
Areas of Application	Transparency, Conflict of Interest, Ethics

Description:

This study is intended to help legislators, ministers and public officials in identifying potential conflicts of interest before they pose an ethical dilemma in the performance of their official duties and responsibilities. It also suggests mechanisms either to prevent such conflicts arising or to resolve the conflicts when they do arise.

Further Information:

Transparency International (TI), Otto Suhr-Allee 97-99,D-10585 Berlin, Germany.
Tel.: +49-30-343-8200 • Fax: +49-30-34703912
E-mail: ti@transparency.org • Website: http://www.transparency.org

Title	Corruption and Environment at the Local Level: A Working Paper
Author	Michael Lippe
Organization	Transparency International
Year of Publication	1999
Areas of Application	Local Governance, Local Environmental Management, Integrity, Transparency

Description

Corruption can have a devastating impact on the environment. This paper examines two instances of corruption in cities. It describes how urbanisation has created serious pressure on the ability of local governments to achieve their fundamental objectives. Further, it discusses new thinking on environmental management at the local level and integrity in urban governance. The paper emphasises that by using environmental management and integrity systems, local governments can reduce corruption, more effectively manage local environmental issues, and better respond to the challenges of urbanization.

Further Information:
Transparency International (TI), Otto Suhr-Allee 97-99,D-10585 Berlin, Germany,
Tel.: +49-30-343-8200 • Fax: +49-30-34703912
E-mail: ti@transparency.org, mjlippe@aol.com • Website: http://www.transparency.org

Title	**The Kenya Urban Bribery Index - Report**
Author	—
Organization	Transparency International – Kenya
Year of Publication	2002
Areas of Application	Transparency

Description

This report presents the analysis of a study conducted by TI-Kenya, on the magnitude of bribery in Kenya. Based on a survey in which ordinary Kenyans report their daily encounters with corruption – who they bribe, how much, and for what – the study is part of TI-Kenya's effort to inform the anti-corruption effort in Kenya with objective, rigorous research. This study seeks to go beyond perceptions of corruption to provide benchmarks of integrity based on the actual incidence of corruption. The survey was conducted in March and April 2001 in six major cities and towns in Kenya including the capital Nairobi and responded to by 1,164 individuals. It has been used to estimate the magnitude, incidence and direct financial cost of bribery and to produce the Kenya Urban Bribery Index (KUBI).

The Index, which has been cited under Tool 2.2 of this Toolkit as an example, derived its aggregate from six indicators perceived to capture the different dimensions and impact of bribery. These are incidence, prevalence, severity, frequency, cost and bribe size. The Police department had the highest index score.

Further Information:
Transparency International (TI) - Kenya, P.O Box 198, 00200 City Square, Nairobi, Kenya.
Tel: +254-20-727763 • Fax: +254-20-729530
E-mail: tikenya@wananchi.com • Website: http://www. tikenya.org

**2.	United Nations Human Settlements Programme (UN-HABITAT)**

Title	Developing and Managing Professional Code of Ethics – A Resource Guide for Professional Associations
Author	—
Organization	UN-HABITAT
Year of Publication	2002
Areas of Application	Transparency and Accountability, Professional Ethics

Description:

This Resource Guide is targeted at professionals associations contributing to better local governance. This is a small but potentially influential group of professional and their members who serve local government institutions. This target is chosen with the belief that they can help in raising the quality of local public service to a higher ethical standard. This resource is also directed at trainers and facilitators who might be engaged in orienting or training members of professional associations on the importance of codes of ethics. It is also useful for individual professionals involved with local government.

This document has three distinct parts:

Part One: Concepts and Strategies is essentially a conceptual journey. It includes a wide range of concepts, strategies, standards, principles, historical events and other miscellaneous notions that might be helpful in triggering ideas and insights among those who are contemplating the development and implementation of a code of ethics within their profession.

Part Two: Planing an Ethics Course of Action is a series of pointed queries designed to help professional associations make decisions. These decisions will include most of the actions needed to turn that first idea about establishing a professional code of ethics into a successful implementation reality.

Part Three: Managing a Profession's Shared Commitment to Ethics includes an annotated tour of a professional code of ethics that has stood the test of time for nearly a century. It also outlines concrete tactics and strategies for managing a profession's code of ethics. At the very heart of managing any code are two challenges: one proactive, the other reactive. Managing a code of ethics proactively is all about constant learning and yearning – helping members live their values and principles more effectively through constant dialogue and learning opportunities and helping them yearn to set the standard for exemplary performance within their respective work places. At times, the profession will need to react to member indiscretions to assure that the code is complied with in a fair and judicious manner. This resource provides clues about how to become more effective, proactive and, when necessary, reactive managers of your profession's code of ethics.

Further Information:
UN-HABITAT, P.O Box 30030, Nairobi, Kenya.
E-mail: tcbb@unhabitat.org • Website: www.unhabitat.org

Title	Best Practises Database
Author	—
Organization	UN-HABITAT
Year of Publication	Available on the World Wide Web, continuously up-dated
Areas of Application	Transparency and Accountability, urban management, urban governance

Description

The Best Practices database is a powerful resource for analysing current trends; finding information on current human settlement issues; networking; capacity building; technical co-operation; and policy formulation. The database contains over 1,100 tried and tested solutions to the common social, economic and environmental problems of an urbanising world, drawn from more than 120 countries. It demonstrates practical ways in which communities, governments and the private sector are working together to improve governance, eradicate poverty, provide access to shelter, land and basic services, protect the environment and support economic development.

There are currently over 15 Case examples in this database that provide experiences in increasing transparency and accountability. These range from experiences of implementing the Report Card System in India to "Bogota, How are we doing?" – a project in Colombia. The latter is an interesting case study of a project which carries out continuous evaluation of changes that are taking place regarding the quality of life, with the intention of promoting the effectiveness and transparency of the local government in Bogota. It also includes the national level best practice experience from Ethiopia in the initiative titled "Effective and Efficient Services to the Public."

The Best Practices database is a joint product of UN-HABITAT, Dubai Municipality, and The Together Foundation. It has been made possible with the support of the Best Practices Partners and the Governments of Spain, UK and Switzerland.

Further Information:
The Coordinator, Information and Best Practices, The Urban Secretariat, UN-HABITAT, P.O. 30030, 00100 Nairobi, Kenya.
Tel: +254-20-623029 • Fax: +254-20-623080
E-mail: bestpractices@unhabitat.org • Website: http://www.bestpractices.org/

Title	The Global Campaign for Urban Governance, Concept paper (2nd Edition)
Author	—
Organization	UN-HABITAT
Year of Publication	2002
Areas of Application	Good Urban Governance and its Norms, including Transparency and Accountability

Description

This document gives an overview of the UN-HABITAT-led Global Campaign on Urban Governance. The development goal of this Campaign is to contribute to the eradication of poverty through improved urban governance. Its objectives are to increase the capacity of local governments and other stakeholders to practice good urban governance, and to raise awareness of and advocate for good urban governance around the world.

The Campaign theme is "inclusiveness". An "inclusive city" is defined as a place where everyone regardless of wealth, gender, age, race or region in enabled to participate productively and positively in the opportunities offered by the city.

The publication also discusses the seven norms identified by the Campaign as universally accepted principles of good urban governance. These are:

- **Sustainability** in all aspects of urban development
- **Subsidiarity,** or devolution of authority and resources to the lowest appropriate level of decision-making
- **Equity** of access to decision-making processes and the basic necessities of urban life
- **Efficiency** in the delivery of public services and in promoting local economic development
- **Transparency and Accountability** of decision makers and all stakeholders
- **Civic Engagement and Citizenship,** characterised by active participation of citizens in public life, and
- **Security** of individuals and their living environment.

An important element of the Campaign Concept Paper is the description of the four pillars of the Campaign – normative debate, advocacy, operational activities and capacity building, and knowledge management. This section explains how the Campaign is operationalised at the global, regional, national and local levels.

Further Information:
The Global Campaign on Urban Governance, Urban Development Branch, UN-HABITAT, P.O. Box 30030, 00100 Nairobi, Kenya
Tel: +254-20-623216 • Fax: +254-20-623715
E-mail: governance@unhabitat.org • Website: www.unhabitat.org/governance

Title	Tools to Support Participatory Urban Decision-Making
Author	—
Organization	UN-HABITAT
Year of Publication	2002
Areas of Application	Public participation and civic engagement in urban governance

Description

"Tools to Support Participatory Urban Decision-Making" is the first in the series of Urban Governance Toolkits produced under UN-HABITAT's Global Campaign on Urban Governance. The Toolkit has been designed to enhance knowledge and capacities of municipalities and those working in the field of urban governance.

The Toolkit contains 18 tools derived from 15 years' of cities' operational and research experience, in partnership with UN-HABITAT, in improving the living conditions of their citizens through participatory urban decision-making processes. The tools included range from Stakeholder Analysis and Vulnerability Assessment to City Consultations and Conflict Resolution – diverse techniques which can be applied in different phases of urban decision-making processes, in dissimilar contexts, and to resolve a variety of urban problems.

The Toolkit has been widely disseminated across the world, in both print and electronic forms. It is available in English as well as Spanish.

Further Information:
The Global Campaign on Urban Governance, Urban Development Branch, UN-HABITAT, P.O. Box 30030, 00100 Nairobi, Kenya.
Tel: +254-20-623216 • Fax: +254-20-623715
E-mail: governance@unhabitat.org • Website: www.unhabitat.org/governance

3. WORLD BANK

Title	Corrupt Cities - A practical Guide to Cure and Prevention
Authors	Robert Klitgaard, Ronald MacLean-Abaroa, H. Lindsey Parris
Organizations	World Bank Institute, Institute for Contemporary Studies (ICS)
Year of Publication	2000
Areas of Application	Urban Governance, Corruption, Transparency

Brief Description

Corrupt Cities is a practical guide to assist in the diagnosis, investigation and prevention of various kinds of corruption. Bringing together both a conceptual and practical framework, the publication is designed for citizens and public officials, especially at the municipal level. The approach presented discourages more controls, more laws and more bureaucracy, while focusing on systematic corruption and its preventive measurers. It encourages consideration of the economic costs of corruption, rather than moral or ethical factors, as the driving force behind anti-corruption efforts. It also emphasises that "fighting corruption should not be considered an end in itself, but an orienting principle for reforming urban administration."

The arguments put forth are supported by examples of anti-corruption strategies, particularly from Hong Kong and La Paz. The publication also includes practical tips to adapt these strategies to difficult scenarios, for example, in cities/communities characterised by political indifference, bureaucratic inertia, and where citizen support may exist but is yet to be mobilised.

Further Information:

The World Bank Institute, 1818 H Street, N.W ,Washington, DC 20433 USA.
Tel: +1-202-458-2498
E-mail: wbi_infoline@worldbank.org • Website: http://www.worldbank.org/wbi/governance

Institute for Contemporary Studies (ICS), Latham Square, 1611 Telegraph Avenue, Suite 406, Oakland, California CA 94612, USA.
Tel.: +1-510-238-5010 • Fax: +1-510-238-8440
E-mail: mail@icspress.com • Website: http://www.icspress.com

Title	The Media's Role in Curbing Corruption
Author	Rick Stapenhurst
Organization	World Bank Institute
Year of Publication	2000
Areas of Application	Public information tools, role of the media, corruption, ethics

Description

This publication emphasises the role of the media as being critical in promoting good governance and controlling corruption. The responsibilities of the media include raising public awareness about corruption, its causes, consequences and possible remedies. Furthermore, and quite importantly, the media also investigates and reports incidences of corruption. The publication explains, however, that the effectiveness of the media in combating corruption depends on access to information and freedom of expression, as well as a professional and ethical cadre of investigative journalists.

Backed with examples, the paper examines how the media has successfully exposed corrupt officials, prompted investigations by official bodies, reinforced the work and legitimacy of both parliaments and their anti-corruption bodies, and pressured for change in laws and regulations that create a climate favourable to corruption. The paper also gives due consideration to how the media can be strengthened, highlighting private versus public ownership, the need for the protection of journalists who investigate corruption, press freedom and media accountability.

Further Information:

The World Bank Institute (WBI), 1818 H Street, N.W., Washington, DC 20433, USA.
Website: http://www.worldbank.org/wbi/governance/pubs/mediacurb.html

Title	Reducing Corruption at the Local Level
Author	Maria Gonzalez de Asis
Organization	World Bank Institute
Year of Publication	2000
Areas of Application	Anti-Corruption, Transparency, Local Governance

Description

This paper argues that by virtue of being close to the people, the local government has a better chance of providing services to civil society with transparency, fiscal discipline and openness, in order to control corruption. It is aimed at providing both the conceptual and practical framework, as well as an international perspective to address the contexts that create perverse incentives for corruption to exist.

Complemented with examples, the paper also aims to provide practical solutions. It mentions some strategies to combat corruption at the local level and also highlights the tools for fighting corruption. Some of the tools focus on enhancing citizen participation as well as monitoring and evaluation. They include public hearings, computerised data systems, audit commissions as well as internal and external monitoring techniques.

In conclusion, transparency and efficiency are seen as tools for addressing local government reform and as key features in enhancing public sector credibility and legitimacy. Also an innovative mix of political will, instilling technical capacity to execute reforms and forging a strong partnership with civil society are viewed as having powerful and beneficial effects to enhance equity, efficiency and transparency.

Further Information:

The World Bank Institute (WBI), 1818 H Street, N.W., Washington, DC 20433, USA.
Website: http://www.worldbank.org/wbi/governance/pubs/locallevel.html

Title	Coalition-Building to Fight Corruption
Author	Maria Gonzalez de Asis
Organization	World Bank Institute
Year of Publication	2000
Areas of Application	Governance, Transparency, Corruption, Participation

Description

Building coalitions between civil society and government is an important step in fighting corruption. By opening channels through which civil society and government stakeholders can demand greater accountability from each other, this approach can generate and sustain a citizen-government dynamic that will substantially buttress reforms. Incorporating diagnostic tools and broad-based workshops into the coalition-building process, moreover, helps to identify the opportunities and priorities for reform efforts. While WBI is working with many countries around the world, this paper draws principally from the programmes in Paraguay and Bolivia to illustrate WBI's work in fighting corruption.

Further Information:

The World Bank Institute (WBI), 1818 H Street, N.W., Washington, DC 20433, USA
Website: http://www.worldbank.org/wbi/governance/pubs/coalition.html

Title	Governance and Anti- Corruption Newsletter
Author	—
Organization	World Bank Institute
Year of Publication	Periodic
Areas of Application	Governance, Transparency, Corruption, Participation

Description

The World Bank Institute's Governance and Anti-Corruption Newsletter highlights current events, new research and databases, websites, partnerships and other initiatives in the field of governance and anti-corruption. It also includes capacity-building efforts, governance learning and action programmes in relevant topics, such as Parliament, Journalism, Judiciary, Municipal and Public Sector Reform, as well as Diagnostic Techniques, Programmes for Youth and the Public-Private Sector Governance link.

Further Information

The World Bank Institute (WBI), 1818 H Street, N.W., Washington, DC 20433, USA
Website: http://www.worldbank.org/wbi/governance/newsletter/index.html
To subscribe, send an e-mail to: governancewbi@worldbank.org, with "subscribe to newsletter" in the subject line.

4. **UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)**

Title	Country Assessment in Accountability and Transparency or CONTACT – Self-assessment Guidelines to evaluate the financial accountability and transparency of a recipient country
Author	—
Organization	UNDP
Year of Publication	2001
Areas of Application	Transparency , accountability, integrity

Description

Country Assessment in Accountability and Transparency or CONTACT has been developed by the UNDP to provide the international development community with a comprehensive tool to assess the financial architecture and integrity systems of a country. The main objective of CONTACT is to assist governments in conducting a self-assessment of their financial management and anti-corruption systems. In addition, it helps consultants, hired by development agencies or governments, to support governments in their self-assessment efforts or to review cooperation with a government. CONTACT attempts to be a tool for quality control, performance and task measurement, and recommends improvements at desired stages of the accountability process.

Chapters 1 through 4 provide an introduction and the conceptual framework of accountability, transparency and integrity, of the accounting infrastructure and of information management. Chapters 5 through 8 follow the sequence of the financial accountability cycle beginning with expenditure planning and budgeting, internal control and internal auditing, financial reporting and, finally, external auditing. Chapters 9 to 14 provide more detailed crosscutting components such as revenue administration, debt management, project management, foreign aid management, procurement and assets management, and public sector cash management. Chapter 13 stands out and deals with improving integrity to prevent and control corruption.

Further Information

Policy Specialist for Accountability, Transparency and Anti-Corruption, UNDP, 2 UN Plaza, New York, USA.
Tel.: +1-212-906-5349
E-mail: pauline.tamesis@undp.org • Website: http://www.undp.org/governance/contact_2001.htm

5.   INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION (ICMA)

Title	**Ethics in Action Training Package**
Author	—
Organization	International City/County Management Association
Year of Publication	1999
Areas of Application	Anti-corruption, integrity

Description

This ethics training package addresses a broad range of ethical issues in local government, and introduces participants to ethical concepts that can be applied to codes of ethics, policies, and procedures. It presents an ethical decision-making model to help local government officials make ethical decisions. Case studies, sample codes of ethics, and discussion questions are included.

The components of the training package include a leader's guide, participant's handbook, and *The Ethics Edge*, a paperback collection of articles covering contemporary ideas and management practices in ethics.

Further Information:

International City/County Management Association, 777 North Capitol Street, Suite 500, Washington, DC 20002, USA.
Tel.: +1-770-442-8631 (orders), +1-202-289-4262 (general inquiries)
Website: http://icma.org

6. INTERNATIONAL NGO TRAINING AND RESEARCH CENTRE – INTRAC

Title	**Financial Management for Development: Accounting and finance for the Non-Specialist in Development Organizations**
Author	John Cammack (Ed.)
Organizations	INTRAC – International NGO Training and Research Centre
Year of Publication	1999
Areas of Application	Efficiency, Transparency and Accountability

Description

Written for non-financial staff and members of governing bodies of NGOs, who need to understand financial systems and statements, this book shows records and statements used within organizations and how these can be interpreted. Chapters are also included on audit and financial controls and checklist given for analysing accounts and assessing financial systems. International variations in terminology and format and a comprehensive glossary are shown in appendices. It is a useful tool for promoting **efficiency** as well as **transparency and accountability** within organizations.

Further Information:
INTRAC – International NGO Training and Research Centre
E-mail : publication@intrac.org • Website: www.intrac.org/pub-books.htm

7. COUNCIL OF EUROPE

Title	Public Ethics at the Local Level – Model Initiatives Package
Author	—
Organization	Council of Europe
Year of Publication	2002
Areas of Application	Public ethics

Description

This is a package for guiding public ethics, particularly for central and local authorities, elected representatives, candidates and political leaders. The first part of the package is a handbook of good practice. The second part of the package is made up of the contributions of the specialists and the third one of some case studies.

The model initiative package is not a legal instrument. It is simply a collection of good practices. Even if not all practices presented in this document can be implemented in all countries, they are interesting and worth considering during the definition of any reform or policy aimed at ensuring high levels of public ethics and fighting corruption at local level.

Further Information:

Council of Europe, Avenue de l'Europe, 67075 Strasbourg Cedex, France.
Tel.: +33-3-88-41-20-00/88-41-20-33 • Fax: +33-3-88-41-27-45
E-mail: infopoint@coe.int • Website: http://www.coe.int
This document is available for free downloading on the Local Democracy Internet site: http://www.coe.int/local and the LOREG electronic library: http://www.loreg.org.

8.   ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT - OECD

Title	Checklist for E-Government Leaders – Policy Brief
Author	—
Organization	OECD
Year of Publication	2003
Areas of Application	Transparency, E-governance

Description

This *Policy Brief* highlights the issues and challenges of leadership for e-government, drawing on current experiences in OECD countries and the OECD Symposium for Senior E-Government Officials held in June 2003. Building on the outcomes of this Symposium and the OECD report *The E-Government Imperative,* the policy brief provides a **checklist of 10 key areas** where leadership is particularly necessary for the successful implementation of e-government initiatives. These include: mobilising support for e-government, improving coordination and collaboration, identifying and avoiding external barriers to e-government, and facilitating international cooperation.

Further Information

OECD, 2, rue André Pascal, F-75775 Paris Cedex 16, France.
Tel.: +33-1-45-24-90-57
E-mail: elizabeth.muller@oecd.org • Website: www.oecd.org/publications/Pol_brief

Title	The E-Government Imperative
Author	—
Organization	OECD
Year of Publication	2003
Areas of Application	E-Governance, public administration, transparency

Description

E-government is a major societal challenge capable of transforming the relationship between citizens and public officials. *The E-Government Imperative* constitutes an essential tool in managing this transition.

E-government is more about government than about "e". The spread of new information and communication technologies has spurred major changes at all levels of society, especially in citizens' expectations. Governments have also been integrating those technologies into work practices to keep pace and enhance the policy outcomes, service quality, and responsiveness to citizens that determine their effectiveness. The impact of e-government at the broadest level is simply better government by enabling better policy outcomes, higher quality services, greater engagement with and by improving other key outputs.

E-government initiatives can bolster government effectiveness in important ways like facilitating cross-agency cooperation on complex problems, fostering a customer focus for services, and building relationships with private sector partners. Delay in implementing e-government reforms can thus handicap economic development in this increasingly competitive, rapidly changing world.

Further Information

OECD, 2, rue André Pascal, F-75775 Paris Cedex 16, France.
Tel.: +33-1-45-24-89-54
E-mail: christian.vergez@oecd.org • Website: www.oecd.org/publications/Pol_brief

9.   THE MUNICIPAL DEVELOPMENT PROGRAMME (MDP)

Title	**Service Delivery Surveys: A means of increasing Accountability, Transparency and Integrity in Local Government**
Author	George Matovu and Diana Conyers
Organization	The Municipal Development Programme (MDP)
Year of Publication	2001
Areas of Application	Service Delivery, Accountability, Transparency, Integrity

Description

This is a report resulting from an exercise of conducting Service Delivery Surveys (SDS) in two municipalities in Southern Africa. The report summarises the findings of these two pilot surveys and examines the potential of the SDS approach as a means of improving the transparency and accountability of local authority service provision. The surveys included corruption in delivery of housing service and in employment and promotion of staff in the local authorities

The impact of these surveys has been that both municipalities have taken steps to improve service delivery. The Service Delivery Surveys are therefore seen as a potential means for addressing malpractice in local authorities and towards an end to the culture of corruption.

Further Information:

Municipal Development Programme (MDP), Eastern and Southern Africa Region, 7th floor Hurudza House, 14-16 Nelson Mandela Avenue, Harare, Zimbabwe.
Tel: +263-4-774385 • Fax: +263-4-774387
E-mail: region@mdpesa,org • Website: www.mdpesa.org

10. UNICEF – CHILD FRIENDLY CITIES/INTERNATIONAL INSTITUTE FOR ENVIRONMENT AND DEVELOPMENT (IIED)

Title	Citizenship knows no age: Children's participation in the governance and municipal budget of Barra Mansa, Brazil
Author	—
Organizations	UNICEF; IIED-America Latina; International Institute for Environment and Development (IIED)
Year of Publication	2002
Areas of Application	Children's participation, municipal finance and budgeting, governance

Description

This paper describes the development of a children's participatory budget council in the city of Barra Mansa (Brazil), to which 18 boys and 18 girls are elected by their peers to ensure that the municipal council addresses their needs and priorities. This council determines how a proportion of the municipal budget (equivalent to around US$125,000 a year) is spent on addressing children's priorities, and its child councillors are also involved in other aspects of government. This process has extended to children the concept of participatory budgeting that is now widely used in Brazil for increasing citizen involvement in urban governance. It is encouraging similar innovations in other cities in Latin America, as the example becomes better known and as more people visit Barra Mansa.

This article is drawn from two original papers in Portuguese written by Eliana Guerra, and supplemented with information from staff at the United Nations Urban Management Programme for Latin America and the Caribbean, which helped start this initiative. This paper has been prepared for the monographic issue of "Environment and Urbanization" on "Building cities with and for children and youth".

Further Information:
International Child Friendly Cities Secretariat, UNICEF Innocenti Research Centre
Tel.: +39-55-033226/20330
E-mail: eriggio@unicef.org • Website: http://www.unicef.org/irc, http://www.childfriendlycities.org
To order a copy of the issue of *Environment and Urbanization*, consult the IIED Human Settlements website: http://www.iied.org

11. Open Society Institute

Title	**The Role of Civil Society in Containing Corruption at the Municipal Level**
Author	—
Organization	Open Society Institute
Year of Publication	1999
Areas of Application	Transparency, Local Governance

Description

This publication is provides a summary of the results of a regional conference of Transparency International Representatives in Slovakia, 1999. Acknowledging that local level corruption has come to have growing impact on the lives of citizens, the paper provides some insights into the fight against corruption and improvement of services at the municipal level.

The paper is structured in three parts. It beings by presenting the declaration for municipal reform which was developed by the conference participants. This section also includes suggested guidelines for fighting local level corruption and improving municipal service delivery. Though these guidelines are proposed for TI Chapters and the civil society, they can be found useful by other stakeholders – individuals as well as organizations. The second part is a more detailed description of the model outlining the various steps in the identification and implementation process. The third part consists of conference proceedings and explanatory notes.

Further Information:

The Local Government and Public Service Reform Initiative, Open Society Institute, Nador utca 11, 1051 Budapest, Hungary.
Tel: +36-1-327-3104 • Fax: +36 2 327 3105
E-mail: lgprog@osi.hu • Website: www.lgi.osi.hu

12. CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

Title	Does the Invisible Hand Need a Transparent Glove?The Politics of Transparency
Author	Ann M. Florini
Organization	Carnegie Endowment for International Peace
Year of Publication	1999
Areas of Application	Transparency

Description

Transparency is on the rise, touted as the solution to such disparate problems as financial volatility, environmental degradation, money laundering, and corruption. But transparency faces much opposition, particularly from those under scrutiny. Such actors often have strong incentives to avoid providing information. To explain the growing demand for transparency and to assess its prospects for success requires attention to matters of politics – that is, power. Power is often needed to induce disclosures or restructure incentives, and the information thus revealed can shift power from the former holders of secrets to the newly informed.

This paper explores the politics of transparency – why it is emerging, and what are the advantages and difficulties inherent in relying on transparency to address global issues.

Further Information:

Carnegie Endowment for International Peace, 1779 Massachusetts Ave. NW, Washington DC 20036-2103, USA.
Tel.: +1-202-483-7600 • Fax: +1-202-483-1840
E-mail: info@ceip.org • Website: http://www.ceip.org

13. AUDIT COMMISSION, UNITED KINGDOM

Title	**Corporate Governance – Improvement and Trust in local public Services**
Author	—
Organization	Audit Commission, UK
Year of Publication	2003
Areas of Application	Governance, Ethics, Public-Private Partnerships, Audit

Description

This report is about the contribution that corporate governance makes to the quality of public services, for better or worse. It asserts that poor public sector corporate governance is at the heart of many public service failures. There is, therefore, a need for a greater level of understanding of how good corporate governance can contribute to high-quality, appropriate services and greater community cohesion, health, safety and economic well-being.

The study describes some of the strengths in current governance arrangements in the public sector in the UK and some of the areas that are most in need of attention. It also includes elements of Audit Commission and others' work to show how good governance can provide both the means for public services to strengthen themselves and for regulators to ensure that regulation is proportionate to risk.

Further Information:
Audit Commission, 1 Vincent Square, London SW 1P2PN, U.K.
Tel.: +44-20-78281212

14. Public Affairs Centre, India

Title	**New Mechanisms for Public Accountability: The Indian Experience**
Author	Samuel Paul
Organization	Public Affairs Centre
Year of Publication	2003
Areas of Application	Accountability, Transparency

Description

This paper summarises some of the recent initiatives to enhance public accountability in India. These are divided into two categories: initiatives from the government and those that emanated primarily from civil society. India's economic and institutional reforms provided the context in which these initiatives were launched.

Notable among the government's initiatives were the creation of citizen charters in important public services, legislation to facilitate the public's right to information, and experiments in e-governance in sectors and departments serving business and citizens in general. Civil society sought increased transparency and accountability through public hearings and campaigns, and demand greater access to information on public expenditure. It also generated and used public feedback on services through devices such as "report cards", and launched campaigns to increase transparency in the political (election) process. These experiments signal a clear shift of focus from the traditional "vertical" accountability mechanisms to mechanisms of a "horizontal" nature. The paper makes an assessment of these initiatives and notes the lessons to be learnt from them.

Further Information:

The Public Affairs Centre, 422, 80 Feet Road, VI Block, Koramangala, Bangalore 560095, India.
Telefax: +91-80-5520246/5525452/5525453, 5533467/5537260
E-mail: pacindia@vsnl.com • Website: www.pacindia.org

Title	Public Services for the Urban Poor: A Report Card on Three Indian Cities
Author	—
Organization	Public Affairs Centre
Year of Publication	1995
Areas of Application	Transparency, Civic Engagement, Service delivery

Description

The document is a research paper of PAC that focuses on the effectiveness of public services with special reference to the urban poor. The research findings are based on information obtained from the poor themselves, from three cities in India, namely, Ahmedabad, Pune and Bangalore. The paper investigates, among other things:

• the responsiveness of the service providers to the needs of the poor,
• the accessibility of the poor to infrastructure and civic services within their localities
• the view of the poor on quality and adequacy of services

The details of this research for each city, complete with statistical information, as well as the sample questionnaire used to obtain information from the urban poor, are included in the publication.

Further Information:

The Public Affairs Centre, 422, 80 Feet Road, VI Block, Koramangala, Bangalore 560095, India.
Telefax: +91-80-5520246/5525452/5525453, 5533467/5537260
E-mail: pacindia@vsnl.com • Website: www.pacindia.org

15. UNITED NATIONS OFFICE ON DRUGS AND CRIME (UNODC)

Title	United Nations Anti-Corruption Toolkit
Author	—
Organization	United Nations Office on Drugs and Crime (UNODC)
Year of Publication	November 2002 Edition
Areas of Application	Corruption at national and local levels

Description

The fundamental purpose of this Toolkit is to suggest elements for a comprehensive national anti-corruption strategy and to assist governments in developing, integrating, implementing and assessing these elements. The elements can be used to provide basic information about corruption, for the training of officials, and to provide advice or assistance in gathering and assessing information, among other uses.

The Toolkit covers aspects of prevention, enforcement, institution building, awareness raising, empowerment, anti-corruption legislation and monitoring. It emphasises that the anti-corruption tools presented are highly flexible and may be utilised at different stages and levels and in a variety of combinations according to the needs and contexts of each country or sub-region. These tools include assessment tools, institutional building related tools like judicial strengthening, situational prevention related tools like disclosure of assets, and tools for social measurers such as media training.

Further Information:

Global Programme against Corruption, UN Office on Drugs and Crime, Vienna International Centre, P.O. Box 500, Room E1272, A-1400 Vienna, Austria.
Tel.: +43-1-26060-4406 • Fax: +43–1-26060-5898 • E-mail: petter.langseth@unodc.org
Website: http://www.unodc.org/unodc/corruption_toolkit.html

Title	United Nations Manual on Anti-Corruption Policy
Organization	United Nations Office on Drugs and Crime (UNODC)
Year of Publication	Draft of June 2001
Areas of Application	Anti-Corruption, Transparency

Description

This United Nations Manual on Anti-Corruption Policy has been prepared in accordance with UN Resolutions. It serves as a policy guide for governments in their anti-corruption efforts. The Manual is supplemented by, and should be read in conjunction with, the United Nations Anti-Corruption Toolkit *(see above).*

The first part of this manual presents the types causes and effects of corruption which include embezzlement, theft and fraud, favouritism, nepotism and clientelism, money laundering, etc. The second part discusses the policies and measures which include an integrated approach to anti-corruption, prevention, enforcement and institution building; awareness raising and public participation; national and international legal instruments; monitoring and evaluation.

The third part consists of conclusions and recommendations including lessons learnt, and underscores the importance of building partnerships to combat corruption.

Further Information

Global Programme against Corruption, UN Office on Drugs and Crime, Vienna International Centre, P.O. Box 500, Room E1272, A-1400 Vienna, Austria.
Tel.: +43-1-26060-4406 • Fax: +43–1-26060-5898 • E-mail: petter.langseth@unodc.org
Website: http://www.unodc.org/pdf/crime/gpacpublications/manual.pdf

Title	Country Corruption Assessment Report – South Africa
Author	—
Organizations	The Government of South Africa and the United Nations Office on Drugs and Crime – Regional Office for Southern Africa (UNODC/ROSA)
Year of Publication	2003
Areas of Application	Urban Governance, Corruption, Transparency

Description

This Country Corruption Assessment Report will serve as a baseline to measure progress in combating and preventing corruption, as well as perceptions of corruption in South Africa. The Report combines the methodology of the United Nations Global Programme against Corruption with the main strategic considerations of the Public Service Anti-Corruption Strategy. The format of the Report follows the considerations contained in the Strategy both for purposes of presentation, as well as for setting the monitoring and evaluation benchmarks.

This Report provides, for the first time, a comprehensive overview of the phenomenon and nature of corruption in South Africa as well as the responses to it. Although comprehensive, it is not complete. There are still major gaps in knowledge of the incidence of corruption as well as in the systematic trends in perceptions of corruption. There are no consolidated statistics of corruption incidents or of the internal or external legal (civil, criminal and administrative) responses to such incidents. The statistics, which do exist, are ambiguous, because corruption incidents are often classified as fraud or theft in order to facilitate prosecution.

Furthermore, there is also no central database of cases which would allow Government to learn from incidents in order to understand corruption better and to be able to design preventive strategies. The anti-corruption area is still under development, including the rounding of its legislative component. Coordination among various anti-corruption agencies only began a year ago (with the debate on a dedicated and centralised agency versus a devolved but coordinated anti-corruption mandate, although the latter is still under implementation).

The Report describes the corruption scene, analyses the strengths and weaknesses of the counter-measures and proposes some remedies. For a report to be comprehensive even at this stage, it needs to be based on reliable information, parts of which are still lacking. Yet, it should be remembered that this Report is the very first of its kind in South Africa, and it was expected that it would be lacking in some important considerations. It does, however, reflect the state-of-the-art in the corruption and anti-corruption scenario within South Africa.

Further Information:
Global Programme against Corruption, UN Office on Drugs and Crime, Vienna International Centre, P.O. Box 500, Room E1272, A-1400 Vienna, Austria.
Tel.: +43-1-26060-4406 • Fax: +43–1-26060-5898
Website: www.unodc.org, www.pmg.org.za/docs/2003/appendices/ETHICS.htm

16. Miami-dade County – Commission on Ethics and Public Trust

Title	A Community's Resolve to Restore Integrity, Accountability and Public Trust: The Miami-Dade Experience (1996 to present)
Author	—
Organizations	Miami-Dade Commission on Ethics and Public Trust and the Ethics Coalition
Year of Publication	2004
Areas of Application	Urban Governance, Ethics, Anti-corruption

Description

In 2002, under the direction of the Miami-Dade County Commission on Ethics and Public Trust, a group of academics, civic and business associations and law enforcement officials, collectively known as the Ethics Coalition, met to discuss local ethics and anti-corruption efforts. Since 1998, these various individuals and organizations, in no small measure, have been working to improve Miami-Dade County's ethical climate. The Ethics Summit determined it was time to assess the reform efforts of the past six years.

This report addresses such questions as: What resources have been expended in the last six years to combat corruption and restore public trust? Besides law enforcement efforts, what are the other community initiatives, such as, educational programming, ethics training and legislative changes? Outside the government arena, what have local non-profit organizations, universities and business entities done to promote integrity and ethics in the workplace?

The report begins by defining corruption from both a law enforcement perspective and from the general conceptions held by the citizenry. Thereafter, the section on legislative output highlights ethics and other good government laws enacted in Miami-Dade County and in the 32 municipalities. The discussion then turns to enforcement activities from federal, state and local authorities. The efforts are not only limited to aggressive law enforcement action and legislative enactments. Ethics education and training and participation by Miami's civil society, are recognised as additional and necessary components as well. The report offers a considerable review of these public/private initiatives, community partnerships and education programmes. Finally, it offers a set of long-term and short-term recommendations. These, however, are in no way meant to serve as a "magic bullet." They are presented as the collective opinion of the drafters of achievable and financially sustainable goals that can be implemented within a reasonable period of time.

Further Information:

Miami-Dade County Commission on Ethics and Public Trust, 19 W. Flagler ST, #207, Miami, FL 33130, USA.
Tel: +1-305-579-2594 • E-mail: cprkic@yahoo.com

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Launched in 1999, UN-HABITAT's Global Campaign for Urban Governance aims to contribute to the eradication of urban poverty through improved urban governance. A key objective of the Campaign is to build capacity of local governments and other stakeholders to practice good urban governance, characterised by the principles of sustainability, subsidiarity, equity, efficiency, transparency and accountability, civic engagement and citizenship, and security. A wide range of tools and training materials have been developed, field-tested and adapted for application of these principles in various contexts. Some are aimed at effecting systemic change, while other are designed to prepare individual players to enhance their roles in promoting good urban governance.

Tools to Support Transparency in Local Governance forms a part of the Campaign's Urban Governance Toolkit Series. The result of a successful collaborative venture between UN-HABITAT and Transparency International, this Toolkit focuses on transparency and its importance for increasing accountability, for promoting more effective citizen participation and for combating corruption in cities. More fundamentally, however, the Toolkit argues that promoting transparency can not only improve accountability, but can essentially reinvent local governance.

The Toolkit has been developed as a source of ideas and inspiration for all stakeholders active in improving the quality of local governance. This includes national, state, provincial and local government officials, non-governmental and community-based organisations, the media, the private sector, academics and international support agencies. Each of these actors can use the ideas in this Toolkit to mobilise stakeholders behind a programme to improve transparency and local governance in general.