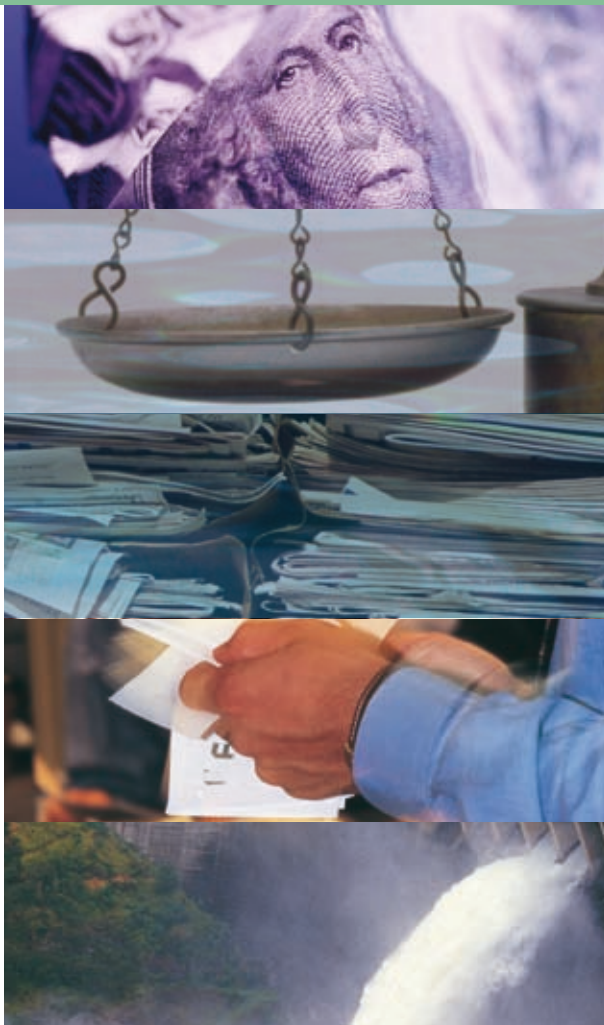




# TRAINING MANUAL ON WATER INTEGRITY





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# TRAINING MANUAL ON WATER INTEGRITY

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Photo p: Mats Lammerstad

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# List of abbreviations

ADB	Asian Development Bank	PPT	Powerpoint Presentation
ACODAL	Colombian Sanitary and Environmental Engineering Association	RO	Regional Office of DWAF
AWIS	Annotated Water Integrity Scan	SADC	Southern African Development Community
CEDAW	Convention on the Elimination of all forms of Discrimination against Women	SIWI	Stockholm International Water Institute
CMA	Catchment Management Agency (river basin authority)	SWOT	Strength – Weakness – Opportunity – Threat – Analysis
CMC	Catchment Management Committee	SADC	Southern African Development Community
CRC	Convention on the Rights of the Child	UNCAC	United Nations Convention against Corruption
DWAF	Department of Water Affairs and Forestry (national department of water)	UNESCO	United Nations Educational, Scientific and Cultural Organization
EUWI	European Water Initiative	UNECE	United Nations Economic Committee for Europe
GCR	Global Corruption Report	UN	United Nations
GWP	Global Water Partnership	UNDP	United Nations Development Programme
ICESCR	International Covenant on Economic, Social and Cultural Rights	WGF	UNDP Water Governance Facility at SIWI
IHRC	International Human Rights Commission	WIN	Water Integrity Network
IRC	IRC International Water and Sanitation Centre	WRM	Water Resources Management
IWMI	International Water Management Institute	WSS	Drinking water and sanitation services
IWRM	Integrated Water Resources Management	WSA	Water Services Authority
KDP	Kecamatan Development Programme	WSP	Water Services Provider
LHDA	Lesotho Highlands Development Authority	WSP	Water and Sanitation Program
LHWP	Lesotho Highlands Water Project	WUA	Water User Association
MDG	Millennium Development Goal	WWG	Water Watch Groups
MWE	Ministry of Water and Environment		
NGO	Non-governmental Organisation		
NWASCO	National Water and Sanitation Council in Zambia		
NWSC	Government-owned utility operating and providing water and sewerage services in the larger urban centres of Uganda.		
OECD	Organization for Economic Cooperation and Development		

Foreword:

# Water Integrity Training Manual



Integrity and anti-corruption are some of the least addressed areas in the governance of water resources and services. Water integrity is either neglected or not systematically factored into the formulation and implementation of integrated water resources management (IWRM).

Since integrity, accountability and anti-corruption are critical determinants of how water resources (as well as monetary resources) and services are governed and allocated, these principles need to be included in a systematic way in water policy reform and implementation.

The past years have shown some promising signs among decision-makers, development practitioners and researchers who are increasingly focussing their attention to improve water integrity, through various types of anti-corruption measures. Importantly, improved transparency, accountability and application of other anti-corruption measures provide a force to be reckoned with to reduce poverty, and to allocate and distribute water resources and services in fair and efficient ways. Improved integrity and accountability in water institutions for public and private governance and economic transactions constitute important assets for countries to achieve the Millennium Development Goals quicker and at a lower cost.

There are great needs to strengthen capacities at both policy and operational levels in governments, private sector and civil society to work with water integrity. In de-

veloping work on water integrity a big demand for capacity development by the water sector has been identified. As a response to such growing demands, UNDP Water Governance Facility at SIWI (WGF), Cap-Net, WaterNet and Water Integrity Network (WIN) formed a partnership to develop this training material on water integrity. I would like to thank Cap-Net and WaterNet, which has supported this work from the very beginning and WIN, who came in as a partner at a later stage of developing the training manual.

The training manual is intended to develop institutional capacities and prepare for change through increased knowledge and enabled action on integrity, transparency and accountability. It provides conceptual groundings, examples of good practices and applications of anti-corruption measures.

It is anticipated that the partners that developed the training manual will seek to provide future training opportunities. However, the material is a “public good” and any interested organisation is strongly encouraged to use the training manual as a base for developing trainings at various levels in different countries and regions.



Håkan Tropp  
Project Director, WGF

## Acknowledgements

Many people have contributed to the development of the training manual and facilitator’s guide. The partnership between WGF, Cap-Net, WaterNet and later on with WIN has been very prolific and the contributions from Kees Leendertse, Cap-Net, David Love, WaterNet and Mael Castellan, WIN, are duly acknowledged. Håkan Tropp, WGF, acted as team leader. Acknowledgements go out to the team preparing the training manual; a first draft

was prepared by Michael Hantke-Domas, Damian Indij, Jan Yap, Goodwell Lungu and Veronica Torres, which was finalised by Alana Potter, IRC, and Maria Jacobson, WGF. A special thank you goes to Lewis Jonker, University of Western Cape, for hosting a workshop in Cape Town to draft training content outline and also to host a pilot training course in 2009. Maria Jacobson is also acknowledged for the arduous task of editing the material.

## Introduction:

# About the Water Integrity Training Manual

The training manual is developed to assist capacity builders in developing training and educational programmes on water integrity and how it can be promoted and worked with in more practical ways. The overall goal is to develop institutional capacities and prepare for change through increased knowledge and action on integrity, accountability and anti-corruption in any country or region.

The primary objectives of the training are to provide:

1. Conceptual grounding in the area of integrity, accountability and anti-corruption in water, its drivers and impacts on water as well as on poverty reduction and sustainable development;
2. An overview of tools and methodologies to promote water integrity, transparency and accountability and their applicability in various contexts;
3. Examples of good practices relating to the promotion of integrity, transparency, accountability and anti-corruption in water.

The target groups are primarily water managers, capacity builders, regulators and other water decision-makers. The thematic focus is on integrity, accountability and anti-corruption applicability to water resources management and development mainly through:

- Water allocation and distribution;
- Water supply and sanitation services and other water uses;
- Water infrastructure and procurement processes.

A great benefit with the developed training material is that it can be used in flexible ways and be adapted and "tailor-made" to specific groups, such as water regulators, high, middle and/or base level water managers in public administration, water user associations, public or private water utilities and NGOs. It can also be adapted to specific geographic and thematic focuses such as water services, water infrastructure etc. in particular countries and regions.

The Water Integrity Training Manual has been developed on the beliefs that it is important to:

- Focus on sustainable prevention measures and thus be pro-active rather than only re-active;
- Emphasise the development impacts of corruption: poor people are those who feel the effects of corruption the most;
- Realise that there are different cultural interpretations of corruption;
- Focus on water resources management – but linking to water services and other water uses – since water integrity has been a missing element in integrated water resources management;
- Stress the need for action and application of particular tools and methodologies to promote accountability and transparency.

### The Manual consists of 3 parts:

1. Seven training modules – with supporting power point presentations – that provide substance on a number of issues, such as the nuts and bolts of water integrity and how it relates to water governance and integrated water resources management, how corruption plays out in the water sector, what drives it and what can be done about it;
2. Facilitator's Guide that gives more detailed and practical information on the learning objectives and inter-active training methods of each module and how they can be implemented;
3. A number of appendices that provide hands-on guidance on facilitation skills, options for training exercises, concrete steps in organising training courses and useful resources and websites.

The entire water integrity training material can be downloaded at: [www.watergovernance.org](http://www.watergovernance.org)



# 1

## TRAINING MANUAL ON WATER INTEGRITY

MODULE 1: WATER GOVERNANCE





Photo page: Rebecca Löfgren

## Session 1:

# Introduction to IWRM

Integrated Water Resources Management (IWRM) has emerged during the last decade as a response to the 'water crisis,' the widespread concern that our freshwater resources are being placed under pressure from population growth and increasing demand for water as well as increasing pollution. The decisions about how water resources are protected, managed, used, allocated and conserved are governance decisions. It is widely believed that the 'water crisis' is really a 'governance crisis'.

The Global Water Partnership defines IWRM as a process which *"promotes the coordinated development and management of water, land and related resources in*

*order to maximise the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital eco-systems"*.

There are various other definitions, but all contain the principles of equity, efficiency and environmental sustainability.

IWRM emerged following the Earth Summits of 1992 and 2002, inspired by the sustainability agenda of the 1980s and 1990s (in particular the Bruntland report), combined with the 1992 Dublin Principles<sup>1</sup> (see box below).

IWRM is the process of implementing these principles.

## The Dublin Principles

### **Principle 1: Freshwater is a finite and vulnerable resource, essential to sustain life, development and the environment**

Since water sustains both life and livelihoods, effective management of water resources demands a holistic approach, linking social and economic development with protection of natural ecosystems. Effective management links land and water uses across the whole of a catchment area or groundwater aquifer.

### **Principle 2: Water development and management should be based on a participatory approach, involving users, planners and policy-makers at all levels**

The participatory approach involves raising awareness of the importance of water among policy-makers and the general public. It means that decisions are taken at the lowest appropriate level, with full public consultation and involvement of users in the planning and implementation of water projects.

### **Principle 3: Women play a central part in the provision, management and safeguarding of water**

This pivotal role of women as providers and users of water and guardians of the living environment has seldom been reflected in institutional arrangements for the development and management of water resources. Acceptance and implementation of this principle requires positive policies to address women's specific needs and to equip and empower women to participate at all levels in water resources programmes, including decision-making and implementation, in ways defined by them.

### **Principle 4: Water has an economic value in all its competing uses and should be recognised as an economic and social good**

Within this principle, it is vital to recognise first the basic right of all human beings to have access to clean water and sanitation at an affordable price. Past failure to recognise the economic value of water has led to wasteful and environmentally damaging uses of the resource. Managing water as an economic good is an important way of achieving efficient and equitable use, and of encouraging conservation and protection of water resources.

<sup>1</sup>The principles were agreed at the International Conference on Water and the Environment in Dublin, 1992.

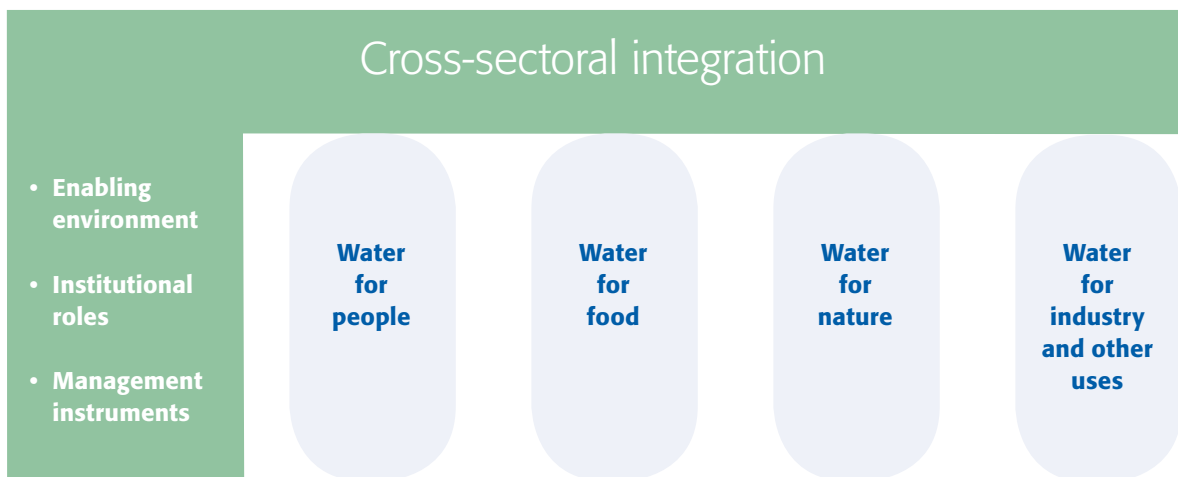
As noted by Ilenton and Muller (2010) IWRM calls for a broader and more systemic approach to water management. Implementing it can require reforms of water management laws, institutions and regulatory systems, and capacity building at a range of levels. It aims for a more coordinated use of land and water, surface and groundwater and up- and downstream users.

GWP (2000) provides guidance on the 'Why, What and How' of IWRM and believe successful implementation relies on three pillars:

- An enabling legislative and policy environment
- An appropriate institutional framework composed of a mixture of central, local, river basin specific and public/private organisations, which provides the governance arrangements for administration
- A set of management instruments for gathering data and information, assessing resource availability and needs, and allocating resources

These three pillars need to be linked across various sectors as shown below.

According to Moriarty, Butterworth and Batchelor (2004) "IWRM is about people (professionals and users) talking to each other more; about joint planning activities across sector boundaries; about integrated planning at the basin, but also at the community level. Critically IWRM is about information, and communication; about good planning based on a sound, and broadly based understanding of people's wants, and needs, but also their abilities and the constraints imposed by working with a finite resource".



*Cross-sector integration: the space for IWRM*

## Session 2:

## Introduction to water governance

**What is governance?**

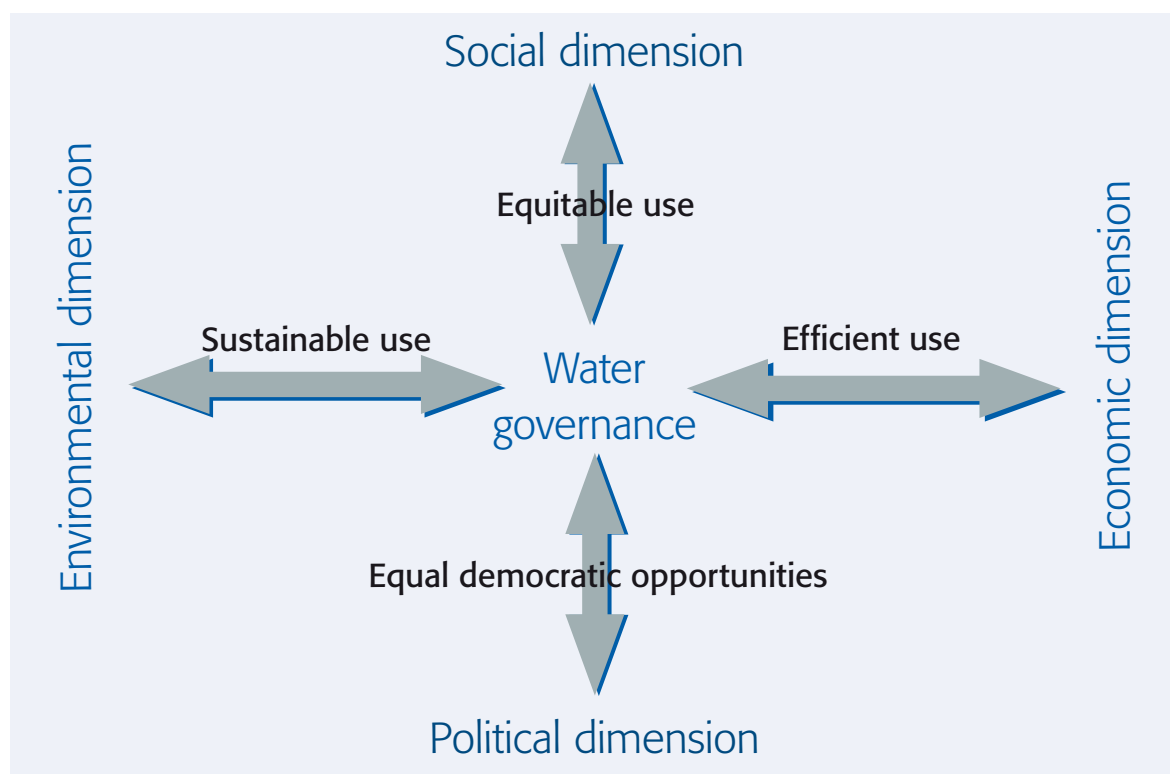
- Governance is about the processes by which decisions are made and implemented.
- It is the result of interactions, relationships and networks between the different sectors (government, public sector, private sector and civil society) involved in service delivery.
- It involves decisions, negotiation, and different power relations between stakeholders to determine who gets what, when and how.
- Governance includes more actors than just the government; many stakeholders are involved.
- All those with a legitimate interest in the outcome of a decision-making process could be involved; but who, and how powerful they are will determine how they are able to influence the outcomes of any decision.
- Stakeholders include users, governmental organisations (such as municipalities), utilities, service providers, NGOs, financiers, and civil society.

**Elements of governance**

- Policy development.
- Primary and secondary legislation.
- Regulation and monitoring.
- Planning.
- Decision-making.
- Control: monitoring, policing, enforcement and sanctioning.

**What is good governance?**

- Good governance involves constructive cooperation between the different sectors where the result is:
  - efficient use of resources,
  - responsible use of power, and
  - effective and sustainable service provision.
- Good governance emerges when stakeholders engage and participate with each other in an inclusive, transparent and accountable manner to accomplish better service provision that is free of corruption and abuse, and performed within the rule of law.



Four Governance Dimensions. Source: Tropp 2005, UN World Water Development Report 2006

**What is water governance?**

- Water governance is the broad range of political, social, environmental, economic and administrative systems that are in place to regulate the development and management of water resources and the provision of water services.<sup>2</sup>
- Water governance is the set of systems that are involved in decision-making about water management and water service delivery.
- Ultimately, water governance determines who gets what water, when and how.
- Systems of water governance reflect national, provincial and local political and cultural realities.
- Effective water governance seeks a balance across the four dimensions as outlined in the previous figure.

**Water governance dimensions**

- The social dimension refers to the equitable use of water resources.
- The economic dimension informs on efficient use of water resources and the role of water in overall economic growth.

- The political empowerment dimension points to granting water stakeholders and citizens at large equal opportunities to influence and monitor democratic political processes and outcomes.
- The environmental sustainability dimension shows that improved governance allows for more sustainable use of water resources to maintain ecosystems.

**Components of water governance:**

- Policy and legislative frameworks that protect water resources and ensure water for social and economic development.
- Institutions for water management that facilitate participation of all stakeholders in a transparent and accountable way.
- Decision-making mechanisms and regulations that achieve responsible use of political power, optimal use of resources, sustainable development and ecological sustainability.

## Principles of effective water governance

**Transparency**

- Transparency comprises all means to facilitate citizens' access to information and their understanding of decision-making mechanisms.
- Guaranteeing transparency, integrity and accountability in IWRM is fundamental to creating a peaceful and secure management structure for its implementation.

- Legislation needs to not only grant communities and other stakeholders a right to become involved in the water management process, but should also encourage their participation in statutory institutions through incentives and grant free access to information.
- This can enable a deeper understanding of water governance among the public.

**Accountability**

- Good governance and sound institutions play a huge role to promote accountability. Accountability means an individual or institution must answer for their own actions. It requires that citizens, civil society organisations and the private sector are able to scrutinise actions taken and decisions made by leaders, public institutions and governments and hold them answerable for what they have, or have not, done.

**Access to justice**

- Effective water governance that promotes principles of IWRM should provide a framework where everybody has access to water, which can be materialised through access to justice.
- In practical terms, this means that legal frameworks need to provide solutions that enable all users to demand their rights from duty bearers. This requires not only an effective legal framework, but also well functioning institutions.

**Participation**

- Participation implies that all stakeholders, including marginalised and resource poor groups, are meaningfully involved in deciding how water is used, protected, managed or allocated.
- IWRM can only be successful if all stakeholders can become meaningfully involved, including marginalised and resource-poor groups.
- Governments should support the participation of all stakeholders.

**Responsiveness**

- Responsiveness refers to how well leaders and public organisations take the needs of citizens into account and are able to uphold their rights.
- A water governance agenda addressing responsiveness could include the following components: human rights, gender equity, pro-poor policies, anti-corruption, integrity and regulatory equality.

<sup>2</sup> Tropp, H., 2007

## Enablers for effective water governance

Effective governance of water resources and services requires broader and well-organised participation by civil society, including the media. Governments cannot solve these problems working alone. Working with civil society, which may include the local private sector, is essential.

To achieve more effective water governance it is necessary to create an enabling environment, which facilitates private and public sector initiatives that fit within the social, economic and cultural setting of the society. There is no single model for competent water governance. There are, however, some basic principles and desirable features that facilitate improved performance shown below.<sup>3</sup>

An enabling environment for effective water governance is:

### Open and transparent:

- Institutions should work in an open manner;
- Use easy and understandable language to nurture trust and confidence of the public in the bureaucratic structures, which are inherent to water institutions;
- All policy decisions should be taken in a transparent manner so that both insiders and outsiders can easily follow the decision-making procedure.

### Inclusive and communicative:

- The quality, relevance and effectiveness of government policies depend on their ability to ensure wide participation throughout the policy chain, from planning to ongoing service delivery;
- Improved participation means better results and better governance.

### Coherent and integrative:

- Water governance should enhance the effectiveness of IWRM and decision-making should take place within an integrated framework;
- Dialogue is needed both horizontally between stakeholders at the same level (e.g. inter-sectoral collaboration), and vertically between stakeholders at community, district, basin and national levels;
- Water-related institutions need to consider all uses and users within the traditional water sector and their impact upon all other potential interconnected users and sectors;
- Political leadership and institutional responsibility at all levels are the basic ingredients of a consistent approach within a complex system.

### Equitable and ethical:

- Equity between and among the various interest groups, stakeholders, and consumer-voters should be assured throughout the process of policy development and implementation;
- It is essential that water governance has to be strongly based upon the ethical principles of the society in which it functions and based on the rule of law;
- Legal and regulatory frameworks should be fair and enforced impartially.

### Accountable:

- Decision-makers and service providers need to take responsibility for their decisions and services;
- Accountability is needed from all stakeholders involved in policy and decision-making processes;
- Decision-makers in government, the private sector and civil society organisations are accountable to the public, as well as to institutional stakeholders;

### Efficient:

- All types of efficiencies should be considered: economic, political, social, and environmental.

### Responsive:

- Responsiveness requires that policies are implemented in a proportionate manner and decisions are taken at the most appropriate level;
- It is important that policies should be incentive-based to ensure a clear social or economic gain to be achieved by following the policy;
- The institutions should also be built considering long-term sustainability to serve both present and future users of water resources and water services.

### Sustainability:

- The institutions should also be built considering long-term sustainability to serve both present and future users of water resources and water services.

<sup>3</sup> Rogers and Hall, 2003

## Water governance and integrity

The IWRM approaches make a clear link between resource management and water service delivery functions, which is different from the traditional fragmented and sectoral approach to water. Different countries will need to identify and develop their own specific management tools or instruments geared towards local circumstances, culture and social values.

Good governance incorporates elements of participation, transparency and accountability. For example, allowing more participation in public affairs creates opportunities for more actors involved at different levels, ranging from consultation to decision-making. Transparency is an essential tool for fighting corruption inspired by the democratic idea that public affairs are just that: public. Finally, accountability seeks responsibilities from public office holders for their drifting from duties.

Accountability and participation are tools for ensuring transparency, honesty/integrity and reducing corruption. All these concepts taken together are key elements of good governance.

These can also enhance water supply and sanitation services and infrastructure and procurement services. Good governance is further based on principles of equity, efficiency, participation, decentralisation, integration, transparency and accountability.

Reforms towards IWRM are both a challenge and an opportunity for water integrity. These reforms can open avenues for more participation and new institutional arrangements. IWRM introduces new forms of management, new practices and procedures. The shift towards IWRM can open a unique window opportunity to guide governments to increase transparency and accountability in their administration.

However, the increased number of interactions between actors can also increase the potential for dishonest choices to occur. The question becomes: How can we achieve integrity and accountability while implementing IWRM?

The answer to this question is to include an additional IWRM principle: the need for integrity in water governance. The goal is to identify and apply pro-integrity, pro-accountable measures for water management.

Capacity building is an important driving force to develop and implement water reform. It also drives the ability of governments, civil society and private sector to apply measures to improve integrity and accountability.

### Thinking point

Governance systems must permit all stakeholders to engage actively in solving growing water problems.

This will be neither feasible nor effective without transparency.

### Message

The move towards IWRM is a move towards water integrity. They are flip sides of the same coin, as IWRM is an entry point for water integrity; water integrity is an entry point for IWRM.



## Session 3:

# Institutional frameworks for water resources and water services

### Strengthening accountability and transparency in institutions:

- Water sector institutions generally function independently and rarely operate in coordination with one another. This is one of the challenges of IWRM and of anti-corruption in the water sector. Awareness raising and capacity building is needed within these institutions so that they can work together more effectively to achieve their joint vision and objectives for equitable, sustainable and effective water management and service delivery.
- All institutions need mechanisms and systems to enable the voice of citizens/ users to be taken into account in the planning, allocation, regulation, management and provision of water resources and water services.
- Effective water governance is crucial for the implementation of IWRM. Problems in management and governance go beyond technical challenges. Often, institutional reform is needed to create the correct policies, viable political institutions, workable financing arrangements, and self-governing and self-supporting local systems. Institutions are frequently rooted in a centralised structure with fragmented subsector approaches to water management. Local institutions many times lack capacity. As a result, political leaders lack awareness on water issues and assign them low priority.
- Clarifying clear and separate roles and responsibilities between and within institutions is a key aspect of water sector reforms. These reforms have the potential to help prevent corruption, but could also make matters worse if mis-handled. New organisations and new interfaces between organisations can create new opportunities for corruption to emerge. Regulators are key and these are becoming more widespread. However, a good regulatory framework does not necessarily mean good regulation. A clear distinction between the functions of government, for example, as a provider of services and as a regulator to ensure those services are properly delivered is important. However, effective regulation systems requires both the capacity to regulate and political will to ensure compliance. Weak regulation results in poor performance, poor management, malpractices and inefficient services.
- Water services providers should be monitored by water services authorities, such as local government and regulators. If these roles become blurred, corruption can arise.<sup>4</sup>

## Example: South Africa

Some countries have separated policymaking and regulatory functions from the operational (provision) function in order to improve accountability and strengthening regulatory oversight in the water sector. This is relevant at both national as well as the local government level. In South Africa, they have legislated and implemented such a legal separation at the local government level.

However, at the national level, the Department of Water Affairs and Forestry (DWAF) has remained responsible for both the development and operation of raw water (including tariff setting) as well as for regulating the water sector. It has consequently been accused of being both the “referee” and the “player”.

<sup>4</sup> Butterworth and Potter, 2010

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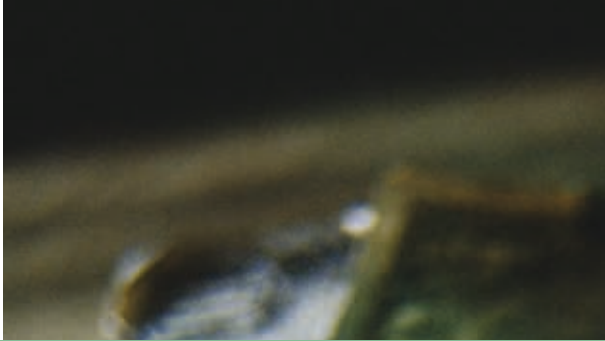
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### Further reading

Governance related articles on the University College London Development Planning Unit (DPU) website, at <http://www.ucl.ac.uk/dpu/pui/publications/index.html>, at the website of the Water Governance Group at the University of Bradford at <http://splash.bradford.ac.uk/home/>, and at the World Bank website:

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTWAT/0,,contentMDK:22047742~menuPK:5293061~pagePK:148956~piPK:216618~theSitePK:4602123,00.html>



# 2

## TRAINING MANUAL ON WATER INTEGRITY

### MODULE 2: CORRUPTION IN THE WATER SECTOR





Photo: Q

## Session 1:

## Defining terms and concepts

**Integrity, transparency and accountability**

**Integrity:** This is synonymous with honesty and refers to the need for public, private and civil society sector representatives to be honest in carrying out their functions and resist corruption. It requires that holders of public or private office do not place themselves under any financial or other obligation to individuals or organisations that may influence their ability to perform their duties.

**Transparency:** This refers to openness and public access to information so that citizens can understand the decision-making processes that affect them, and are knowledgeable about the standards to expect from public officials.

**Accountability:** This refers to the democratic principle that elected officials and those in public service can be held accountable for their actions and answer to those they serve. This includes political, administrative, and financial dimensions.

Source: Water Integrity Network (WIN) "Glossary and acronyms frequently used in water governance"

**Defining and breaking down the concept of corruption**

The word "corruption" comes from "corruptus", which in Latin means "to be broken." However, corruption does not necessarily entail breaking the law. In fact, in many corrupt societies, the legal system is quite flawed. Corruption is about breaking socially established expectations of appropriate behaviour, and this is why a cultural approach is so important.

Corruption is an exchange of either economic or social resources. Economic corruption is the exchange of tangible goods such as cash, official positions or material goods, while social corruption also includes the exchange of favours, social acknowledgement and power that cannot directly be translated into material resources.

Corruption does not only take place in the public sector, it also occurs in non-governmental organisations and private enterprises. Falsifying water meter readings, for example, is an equally corrupt practice if it takes place in a private water company as in a public utility.

Consequently, Transparency International uses a broad definition: **"Corruption is the abuse of entrusted power for private gain."**

A useful distinction is that between grand and petty corruption, which points to differences in scale and frequency of corruption.

**Grand corruption** pervades the highest levels of government and distorts its central functions. It is typically less frequent but involves larger sums of money being paid as kickbacks, e.g. during the procurement process for large-scale infrastructure projects and purchasing of equipment and materials.

**Petty corruption** involves the exchange of small amounts of money, the granting of minor favours or the employment of friends and relatives in lower positions. By contrast, it is more frequent and involves lesser sums of money or favours. Common examples include cutting red tape in applications for reservoir water abstraction or expediting a household's connection to municipal water supplies. While petty corruption might involve very small amounts, the frequency of such transactions means that the aggregate amounts can be very large.

While petty corruption is generally applied at the level of the service provision (micro level), grand corruption takes place at macro level, which is, only open to a selected group of persons. These manage specific information, decisions, and contracts, where much larger sums are dealt with and where decisions affect a large population.

Source: Stålgren, P, 2006

## 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.
- **Collusion/ complicity:**  
an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party. The most common form of collusion is when bidders agree among themselves on prices and “who should win.” This may or may not involve paying bribes to government officials so that they may “turn a blind eye” to the practice.
- **Misuse and theft:**  
the taking or conversion of money, property or other valuables for personal benefit. It might involve diversion of public funds to one’s own bank account or stealing equipment from the utility’s warehouse.
- **Fraud:**  
the use of misleading information to induce someone to turn over money or 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 of damaging information in order to induce cooperation.
- **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 whom broad individual discretion is created. It might involve, in a situation of water scarcity, giving preferential treatment to one neighbourhood over another.
- **Favouritism, nepotism, and clientelism:**  
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. These practices often occur in hiring and promotion of staff. They can also take the form of building a new water system in “the minister’s village.”
- **State capture:**  
Situation where powerful individuals, institutions, companies or groups within or outside a country use corruption to shape a nation’s policies, legal environment and economy to benefit their own private interests.<sup>1</sup>

For more definitions consult the TI Anti-Corruption Plain Language Guide

<sup>1</sup> Transparency International, The Anti-Corruption Plain Language Guide, 2009

## Session 2:

# Corruption in the water sector: How and why?

In sub-Saharan Africa, 44 percent of countries are unlikely to attain the MDG target for drinking water before 2015, and 85 percent are unlikely to achieve the sanitation target. Estimates by the World Bank suggest that 20–40 percent of water sector finances are being lost to dishonest practices.<sup>2</sup> This will affect the achievement of the MDGs globally.

Corruption in the water sector comes in many different forms and the scope varies across types of water practices, governance structures and the perceptions and norms of actors involved. Typical examples of corruption include falsified meter readings, distorted site selection of boreholes or abstraction points for irrigation, collusion and favouritism in public procurement, and nepotism in the allocation of public offices. In the water sector, observers estimate that 20 percent to 70 percent of resources could be saved if transparency were optimised and corruption eliminated.<sup>3</sup>

## Thinking point

In achieving the Millennium Development Goals do we need more resources, or is it a matter of using them honestly and effectively? Or both?

In their study of water utility companies in Africa, Estache and Kouassi compared productivity among 21 water companies in Africa and found that nearly two-thirds of their operating costs were due to corruption.<sup>4</sup> Seen from this point of view, good governance and transparency could free up most of the resources needed to achieve the Millennium Development Goals. Using resources honestly and effectively, rather than using more resources is arguably an answer to achieving the MDGs for sustained water and sanitation services that reach the poor. With more resources currently becoming available to achieve the MDG water and sanitation targets, it is imperative to prevent abuse and to use the funds wisely.

Lack of integrity and accountability is not specific to a given country or region. There are particular characteristics in the water sector which make it vulnerable to unethical practices, such as large monopolies, high level of public sector involvement, and large-scale construction, which are the same throughout the world.

These characteristics are not exclusive to the water sector, but unlike many other sectors, compromised integrity in water has a direct impact in human health and livelihoods, and thus demands our greatest attention.

Different kinds of institutions, including public, private, and non-profit, can be susceptible to corruption. Corruption thrives in situations with multiple and complex regulations and uncontested official discretion cover expenditures from the eyes of the public.

Situations where someone has a monopoly over a good or a service; has the discretion to decide whether others receive that good or service and how much is received, and has no accountability or transparency in decision-making, usually end in officials giving way to corruption. This is true in the public, private and non profit sector, and in rich and poor countries alike.<sup>5</sup> The separation of powers and the introduction of checks and balances, transparency, a good system of justice, clearly defined roles, responsibilities and rules all tend to reduce opportunities for corruption to occur. A democratic culture, where there is real competition for water projects, and good control systems where people (employees, clients, overseers) have the right to information and the right of redress, makes it easier to expose corrupt parties and limit its spread.

### Klitgaard's "corruption formula"

$$C = M + D - A$$

Corruption equals Monopoly plus Discretion minus Accountability

The water sector is characterised by a number of factors that increase the likelihood of corruption. These include:

- Large-scale construction and monopolies.
- High level of public sector involvement.
- Technical complexity, which decreases public transparency and leads to an asymmetry of information.

<sup>2</sup> Stålgren, P, 2006

<sup>3</sup> Shordt, Stravato and Dietvorst, 2006

<sup>4</sup> Estache and Kouassi, 2002

<sup>5</sup> Klitgaard, MacLean-Abaroa and Parris, 2000

- High demand for water services, which reinforces the power position of suppliers and encourages bribery.
- Frequency of interaction between suppliers and consumers, which fosters an atmosphere of discretionary action.<sup>6</sup>

In its *Global Corruption Report 2008*, Transparency International (TI) categorises four sub-sectors in the water sector to focus its analysis of corruption.

In **water resources management (WRM)** the central driver for corruption is the strong influence of powerful elites over the state. Usually, this is an area where large economic interests are at play in sectors such as mining, tourism, forestry, industry, water services, and environment.

In the **drinking water and sanitation services (WSS)**, key drivers include monopolistic structures and large capital investments on infrastructure. In other words, the amount of money required for water services provision is so large that the “spaces” for corruption are large.

**Irrigation** in agriculture is another sub-sector that is vulnerable to corrupted practices. The interests surrounding food production are immense, and water is an essential input for crops to yield. Irrigation usually takes place in projects spread throughout multiple farmers and companies, which can make it difficult to monitor. Furthermore, irrigation projects require expertise for their maintenance. Irrigation also has weak regulatory frameworks, thus generating excessive withdrawals for the powerful.

**Hydropower**, or the generation of electricity from the use of water through turbines, is another sub-sector with large opportunities for corruption. This corruption most often stems from large investments and highly complex engineering projects.

In their chapter in the *Global Corruption Report 2008*, Lewis and Lenton group corruption in water resources management into three main areas:

- Corruption related to water allocation and sharing, including bribes to obtain water permits and cover up overuse of water resources; patronage or policy capture to skew decision on water transfers; and allocations favouring specific interests in exchange for money or political support.
- Corruption related to water pollution, including kickbacks to regulatory officials to cover up pollution or to distort environmental assessments; and policy capture or bribes to enable deforestation in watersheds.
- Corruption related to public works and management, including bid-rigging and collusion among contractors, embezzling WRM funds, buying appointments and promotion in WRM bureaucracies, and favouring construction of large infrastructure projects over other options because of policy-makers’ corruption opportunities.

The matrix below provides a comprehensive framework for mapping different kinds of corruption within different sectors of society and within water sub sectors. It highlights the similarities and differences in the types of corruption within water resources management, supply and sanitation, hydropower production, irrigation and groundwater extraction sub-sectors.

‘Public to public’ refers to corrupt interactions between public or state institutions or individual representatives of these institutions; ‘public to private’ refers to corrupt interactions between public or state institutions or representatives of these institutions, and private sector companies or representatives, and ‘public to consumer’ refers to corrupt interactions between public or state institutions or individual representatives of these institutions, and consumers.

<sup>6</sup> Stålgren, P. 2006



Framework of corruption in sub-sectors of the water sector					
	WSS	WRM	Hydropower	Irrigation	Groundwater extraction
Public – Public	<ul style="list-style-type: none"> <li>• Inter-departmental collusion in selection and approval of water projects</li> <li>• Bribery to silence accusations of collusion with contractors</li> <li>• Bribery for oversight in monitoring and control of urban pipe systems</li> <li>• Distorted site selection in favour of a public official's residence</li> <li>• Bribery for promotions, appointments and transfers within public administration</li> </ul>	<ul style="list-style-type: none"> <li>• Inter-departmental collusion to cover up pollution of water resources</li> <li>• Bribery to obtain water permits</li> <li>• Bribery to silence accusations of collusion with private contractors regarding pollution rights</li> <li>• Bribery for promotions, appointments and transfers within public administration</li> </ul>	<ul style="list-style-type: none"> <li>• Bribery to silence accusations of collusion with contractors</li> <li>• Bribes to cover up embezzlement of public supplies for an official's private use</li> <li>• Bribery for promotions, appointments and transfers within public administration</li> </ul>	<ul style="list-style-type: none"> <li>• Corruption to distort site selection in favour of public official's residence</li> <li>• Bribery for promotions, appointments and transfers within public administration</li> </ul>	<ul style="list-style-type: none"> <li>• Distorted site selection in favour of public official's residence</li> <li>• Bribery to obtain drilling permit</li> <li>• Bribery for promotions, appointments and transfers within public administration</li> </ul>
Public – Private	<ul style="list-style-type: none"> <li>• Collusion in public procurement</li> <li>• Kickbacks for awarding large-scale contracts</li> <li>• Manipulation of documents and facts to cover up use of uncertified material in construction</li> <li>• Kickbacks to accept inflated bills (unit costs, and amount of material)</li> <li>• Preferential treatment of contractor who sites a water project in a public official's home area</li> <li>• Corruption to manipulate information for auditing authorities</li> </ul>	<ul style="list-style-type: none"> <li>• Kickbacks to regulatory officials to cover up pollution of water resources</li> <li>• Bribes to cover up wastewater and pollution discharge</li> </ul>	<ul style="list-style-type: none"> <li>• Collusion in public procurement</li> <li>• Payment (kickbacks or high level jobs) for awarding large-scale contracts</li> <li>• Overdesign of projects</li> <li>• Licensing of projects with unacceptable environmental or social management plans</li> <li>• Manipulation of documents and facts to cover up use of uncertified material in construction</li> <li>• Kickbacks to accept inflated bills (unit costs, and amount of material)</li> <li>• Bribery to cover-up failures to meet contractual deadlines</li> </ul>	<ul style="list-style-type: none"> <li>• Bribery for diversion of water for commercial irrigation</li> <li>• Collusion in public procurement</li> <li>• Kickbacks for awarding large-scale contracts</li> </ul>	<ul style="list-style-type: none"> <li>• Kickbacks to favour costly, overused and technically complex systems</li> <li>• Bribery to obtain drilling permit</li> <li>• Bribery to cover up use of substandard material (such as lining materials and cement)</li> <li>• Kickbacks to accept inflated bills (unit costs, and amount of material)</li> </ul>
Public – Consumer	<ul style="list-style-type: none"> <li>• Corruption to falsify meter reading</li> <li>• Preferential treatment for services or repairs</li> <li>• Bribery to obtain access to water – installation, concealing illegal connections, avoiding disconnection</li> </ul>	<ul style="list-style-type: none"> <li>• Bribery to silence public protest over water resource contamination</li> </ul>	<ul style="list-style-type: none"> <li>• Power utilities that implement hydropower projects are prone to many of the public-consumer sources of corruption common in water utilities, including false metering, billing and collection as well as preferential treatment for services and repairs and bribery to be illegally connected to the distribution grid</li> </ul>	<ul style="list-style-type: none"> <li>• Bribery for diversion of water</li> <li>• Corruption to falsify meter reading</li> <li>• Bribery to obtain preferential treatment for services or repairs</li> </ul>	<ul style="list-style-type: none"> <li>• Bribery for excessive abstraction</li> <li>• Corruption to falsify meter readings</li> <li>• Bribery to obtain preferential treatment for services or repairs</li> </ul>

Source: Stålgren 2006. The aggregation inspired by Plummer and Cross 2006; Davis 2004; Kaufmann 2002. Useful comments by Donal O'Leary, Ti, regarding corruption in hydropower production are gratefully acknowledged. The table excludes private-private forms of corruption, such as collusion among contractors bidding for public-financed projects.

## Session 3:

# The impacts and costs of corruption

Lewis and Lenton<sup>7</sup> identify three main areas where the impacts of corruption in water resources management are felt:

- **Impacts on economic efficiency.** Water is an important input factor in many economic sectors, including agriculture, fisheries, industry, transport and, in its recreational function, tourism. Corruption can distort the most productive allocation of water among these competing uses while generally inflating the overall cost of supplying and treating water.
- **Impacts on social equity, cohesion and poverty reduction.** Water allocation equals power, and policy capture can instrumentalise WRM to favour specific ethnic groups or business interests – with adverse consequences for poverty reduction, social equality and political stability.

### Impacts on environmental sustainability and health.

Corruption that leads to water pollution and overexploitation not only has serious consequences for human and animal health and sustainable water supply, it also contributes to degradation of wetlands and other valuable ecosystems, with long-term consequences for livelihoods, development prospects and wildlife preservation and restoration.

Estimates by the World Bank suggest that 20 to 40 percent of water sector finances are being lost to dishonest practices.<sup>8</sup>

Recent corruption cases in organisations such as the World Bank and the UN, and in nations with transparent political systems such as Sweden, serve as a reminder that any society or organisation is susceptible to corruption if individuals lack integrity, even where seemingly well-established checks and balances are in place.<sup>9</sup>

In their study of water utility companies in Africa, Estache and Kouassi (2002) compared productivity among 21 water companies in Africa and found that nearly two-thirds of their operating costs were due to corruption.

It can be argued that corruption contributes to millions of people dying from illnesses caused by lack of access to clean water and sanitation.

Some of the key impacts of corruption in the water sector are as follows:

- Poor delivery/performance of the WSS system and discouraged investment.

- Decreased government and water utility revenues, increased cost to cope with the cumulative damage caused by corruption in the past.
- Increased operation and maintenance costs to provide given levels of services.
- Impunity, diluted public integrity, and loss of public support for government.
- Limited water supply when there is diversion of resources meant for water sector through bad procurements.
- Increased outbreak of disease resulting from poor water service delivery.
- Increased poverty.

### How water sector corruption affects health

Corruption in the water sector has a direct negative impact on health. The lack of access to safe water, basic sanitation and good hygiene practices is the third most significant risk factor for poor health in developing countries and contributes to high mortality rates. Diarrhoeal disease, for example, is widely recognised as the principal result of inadequate water, sanitation and hygiene. Improved water supply can only be guaranteed in an atmosphere where there is less corruption.<sup>9</sup>

### How water sector corruption affects the poor

It is those without voice, the poor, who are systematically deprived in corrupt systems. To date, clean drinking water remains unobtainable for nearly 1.2 billion people around the world. This is less due to water scarcity than to lack of good governance.<sup>10</sup> Corruption in relation to water might also indirectly affect the poor. At the highest level of government, this might involve the misallocation, diversion, or embezzlement of resources.

Examples of how corruption specifically impacts poor people include:

- It deprives the poor of their income. For instance, corruption in water that directly involves the poor includes situations where a poor householder, farmer or water-user acts as the bribe-giver, bribing officials to obtain water for irrigation or domestic use, to speed up the access to that water, or gain access to more predictable and reliable supplies.
- It creates 'water poverty' by reducing the coverage, effectiveness and efficiency in water resource management, with greater impact occurring at the lower levels of income where water is scarcer.
- Corruption directly decreases access to and quality of water assets, management and services and increased costs. It also indirectly diverts resources away from the

<sup>7</sup> TI, 2008

<sup>8</sup> Stålgren, 2006

<sup>9</sup> SIWI, 2005

<sup>10</sup> WIN, 2008

sector and away from the poor, which limits the contribution water makes to economic growth and livelihoods.

- When poor households refuse to pay bribes they can be marginalised from a corrupt system that controls their access to local water.
- Poor householders cannot afford the price at which the bribe is set, or they lack the contacts and networks to enter the corrupt system.
- These poor householders do not get access to the water they need and rarely would seek redress to realise their rights.

### Corruption and human rights

The principles of equality and non-discrimination are fundamental principles of human rights. The principle that every individual is equal before the law and has the right to be protected by the law on an equal basis is affirmed in all human rights treaties.

Corruption is a major catalyst in the violation or hindrance to the realisation of various human rights. Corrupt practices commonly produce unequal and discriminatory outcomes that infringe upon human rights. If corrup-

tion restricts a person's access to water, for instance, it is discriminatory.<sup>11</sup>

Corruption in water and human rights are closely linked. Its direct relationship manifests itself as follows:

- Corruption violates people's rights to the extent that they may be denied from accessing water, especially if perpetrators control water resources.
- Those who commit corrupt acts protect themselves from detection, maintain their positions of power, and are likely to oppress others.
- The principle that every individual is equal before the law and has the right to be protected on an equal basis is affirmed in all the main human rights treaties. Discrimination on any ground is prohibited by these treaties.
- By definition, corruption has both a discriminatory purpose and effect. Discrimination is a catalyst that can lead to human rights violations.
- Corruption restricts access to water. When bribes are requested from water users or water development projects are abused, access is severely restricted.<sup>11</sup>

## The costs of corruption

### 1. Waste of financial resources: corruption diminishes the total amount of resources available for public purposes.

- Money leaves the investment cycle and enters the private domain, goes abroad or is used for illegal purposes.
- The prospect of payoffs can lead officials to create artificial scarcity and red tape, or encourage the selection of uneconomical and unsustainable projects due to opportunities for financial kick-backs and political patronage.
- Corruption means a rise in costs of administration and inefficient public expenditure.
- Inappropriate procurement processes waste huge sums of money through over-billing and the purchasing of unnecessary goods.

### 2. Corruption distorts allocation

- Corruption causes decisions to be weighed in terms of money, not human need. For example, slum water provision for the poorest families may be ignored, while the needs of those who can pay the most are immediately met.
- A corrupt act is a failure to achieve public sector objectives. Infrastructure projects can also be motivated by their potential to attract votes, rather

than on the basis of priority or the availability of financial resources.

- Investments that guarantee higher short-term returns are favoured over those that do not.
- Reduced competition.
- Political interference in, and discretion over investment decisions. Service provision can be useful for vote-buying.

### 3. Failure to lead by example

- If elite politicians and senior civil servants are widely believed to be corrupt, the public will see little reason why they too, should not indulge in corrupt behaviour.
- Corruption in government lowers respect for constituted authority, leading to diminished governmental legitimacy.

### 4. Damage to natural resources and ecosystems

- Overconsumption and waste pollution.
- Loss of ecosystem services, such as purification and recharge
- Magnification of threats from natural disasters, stresses and climate change.
- Economic and cultural losses to societies from environmental degradation.

Source: WIN, 2008

<sup>11</sup> IHRC, 2009

- Similar entitlements to water and sanitation are contained in the Convention on the Rights of the Child (CRC) and the Convention on the Elimination of all forms of Discrimination against Women (CEDAW).
- Non-discrimination means no exclusion or restriction is made based on any grounds.
- Vulnerable and/or marginalised groups that should not be discriminated against include women and children in light of their traditional and/ or current exclusion from political power.
- When acts of corruption are linked to violations of human rights, all institutions are required to ensure accountability and create disincentives for corruption.
- The International Covenant on Economic, Social and Cultural Rights (ICESCR), signed by 158 parties including nearly all African countries recognises access to water as a right, and in 2010 the UN officially recognised water as a human right.
- Taking a human rights approach needs to focus on empowering groups that are exposed to particular risks, such as corruption, to take action.
- The corrupt will attempt to protect themselves and maintain their positions of power by oppressing others not in positions of power. In this case, the less privileged are not able to demand their rights like that of clean drinking water. Information can empower the less privileged.
- When people become aware of the damage of corruption, they are more likely to support campaigns and programmes to prevent it. Identifying the links between corruption and human rights may persuade key actors, such as public officials, to combat corruption.

## Session 4: Drivers of corruption

The following phenomena drive corruption in the water sector:

1. Increased monopoly and discretionary power, which are common in water institutions.
2. Failure of monopolistic state delivery that creates opportunities for petty corruption.
3. Limited demand for accountability in developing countries in relation to the link between service providers and consumers.
4. Weak civil society and underdeveloped concept of customer rights.
5. Linkages to other sectors which are particularly vulnerable to corruption, e.g. construction.

6. As a high-risk construction sector, water displays the resource allocation and procurement-related abuses which arise when the public and private sectors meet.
7. Low capacity, low wages, lack of clear rules and regulations, and dysfunctional institutions.

The drivers of corruption need to be counter balanced by drivers for change that can enable institutions and the public to make informed decisions, that can improve the accountability of governments, and reduce the scope for corruption.

### Demand and supply side of corruption in the water sector

In the water sector, there are a number of opportunities that give rise to demand for bribes and supply side of corruption.

In the delivery of public services, including the water sector, the demand side of bribes/corruption involves those who are in charge of offering services who demand bribes in exchange for service. The supply side of corruption refers to those who give bribes in order to get preferential treatment (in many places, this usually includes

private sector actors). Many anti-corruption solutions are tailored to improving corporate governance principles, which create an environment that dissuades corruption.

The following table describes typical demand and supply side drivers of corruption and key solutions.<sup>12</sup>

Demand side drivers of corruption	Supply side drivers of corruption
Those with authority over decision-making processes at all levels of society (public or private), that are willing to dispense advantages for personal gain through bribery or other incentives.	Those who depend on authorities to obtain access and/or advantages at all levels of society (public or private) seek to influence decision-making for personal gain through bribery or other incentives.
<p><b>Key solutions</b></p> <p>Strengthen transparency and information flows, improve mechanism of service accountability.</p>	<p><b>Key solutions</b></p> <p>Incentives for stakeholders to oppose corruption, anti-corruption explicit in institutional reforms.</p>

<sup>12</sup> Rachami, 2003

The key solution to promoting transparency and accountability on the demand and supply side of water sector corruption is to introduce high levels of participation of stakeholders on both sides. Examples of this will be explored in the other Modules in the course.

The concept of “demand-side approaches” encompasses a wide variety of tools and strategies aimed at stimulating citizens’ demand for change. In the field of service delivery, for example, it refers to the active involvement of intended beneficiaries at the various stages of the service provision process to ensure greater access to quality public services.<sup>13</sup>

**Incentives and disincentives for corruption**

An incentive is a reward that induces, stimulates, or encourages a desired action. There are a number of incentives and disincentives in the water sector that influence how it operates. Irrespective of the actors involved, corruption flourishes when the incentives exist for it to do so. Corruption is driven by need, greed, or opportunity for money or power; for poor users, however, it may be driven by the simple need for water.

A key concern for any corrupt official is that the potential gains from the corrupt actions outweigh the potential losses. To change this behaviour, expected gains must be lowered and expected penalties increased. Expected gains can be lowered by reducing both the incidence of corrupt transactions and the gain from each single transaction. The key to enforcement is meaningful penalties, but these are currently rare at the sector level in develop-

ing countries.<sup>14</sup> Disincentives are needed to discourage corrupt behaviours from taking root in the water sector.

**Preventing corruption**

Incentives for corruption exist because officials have the power and discretion to allocate scarce resources. Because scarcity attracts discretion, this is used as an opportunity and incentive to gain illegal benefits.

**Incentives for corruption**

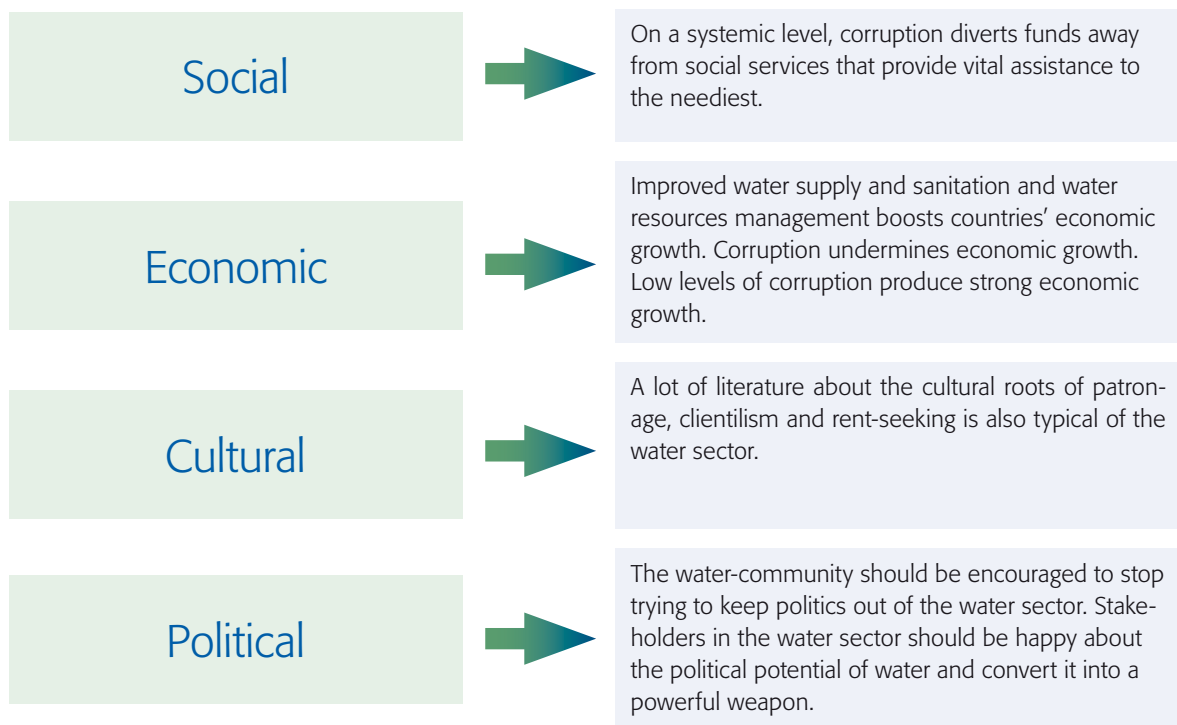
- Weak internal systems
- No complaint mechanisms
- Monopoly
- Discretion

**Disincentives for corruption**

- Codes of conduct that are enforceable
- Mechanisms for participation of users/citizens/consumers
- Sanctions against corruption

**Social, cultural, political and economic aspects of corruption**

The social, cultural and economic aspects of corruption are important to understand in order to relate them to the water sector. Many types of corruption have a long tradition and may even be rooted in socio-cultural and economic patterns. This figure below shows how corruption unfolds in Society, Economy, Politics and Culture.



<sup>13</sup> U4 Marie Chêne, 2008

<sup>14</sup> Campos & Pradhan, 2007

### Socio-cultural aspects of corruption in water

Culture influences how corruption enters the water sector. Corrupt practices such as patronage, clientelism and rent-seeking are more accepted in some cultures than others. If individuals know that receiving or paying a bribe for water services run little risk of legal ramifications because the institutions and regulations in place are weak or nonexistent; then they will be more inclined to act corruptly and pretend that their behaviour is an accepted norm in society.

Tavares (2004) suggests that in some cases, policies that aim to reshape some of the cultural values that motivate less honest behaviours can be an effective anti-corruption strategy. Norms and values are context-bound and vary across cultures. Gift giving is part of negotiating and relationship building in some parts of the world. Meanwhile, in some cultures loyalty to a clan, family or tribe is valued higher than the respect to formal institutions like the law or the state. Clearly, the abuse of power for personal gain, the siphoning off public or common resources into private pockets is unacceptable in all cultures and societies.<sup>15</sup>

### Economic aspects of corruption in water

Water and the economy are inextricably linked. A country's overall development strategy and macroeconomic policies – including fiscal, monetary and trade policies – directly and indirectly affect demand and investment in water-related activities. Economic sectors, including agriculture, industry and services, rely on water resources and related services. Therefore, improved access to water services and improved management of water resources contribute substantially to economic growth through increasing business productivity and develop-

ment. Corruption undermines economic development and makes it harder to attain development targets. The estimation of global corruption costs does not take into account indirect costs in the form of alternative uses of funds to improve, for example, water services provision, health and education. Corruption drains the water sector by reducing water access levels, discouraging investments and economic growth, undermining democratic principles, and increasing the strain on ecosystems.<sup>16</sup> Good water governance and improved water resources management can boost countries' economic growth and contribute to poverty eradication.

### Political aspects of corruption in water

Access to water is a human right. This is a basic obligation for the public sector to provide, but it is a highly influenced by political decisions. For many officials in the field, making water a political issue, mobilising the political power embedded in it, is a big part of the problem. It blocks sustainable pricing and responsible use; in addition, the distribution of water-services has frequently been biased in favour of those with political influence or to reward voters. In addition, political factors have discouraged investment and private sector involvement.

The water community should be encouraged to stop trying to keep politics out of the water sector. Instead, the water community should accept that they work in a politically charged field. The successful development of the water sector needs to combine political, economic, financial, environmental, social and technical factors. Stakeholders in the water sector should be happy about the political potential of water and convert it into a powerful weapon.<sup>17</sup>

<sup>15</sup> TI FAQ, 2009

<sup>16</sup> WIN, 2006

<sup>17</sup> Elshorst and O'Leary, 2005

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3

# TRAINING MANUAL ON WATER INTEGRITY

## MODULE 3: IDENTIFYING CORRUPTION RISKS



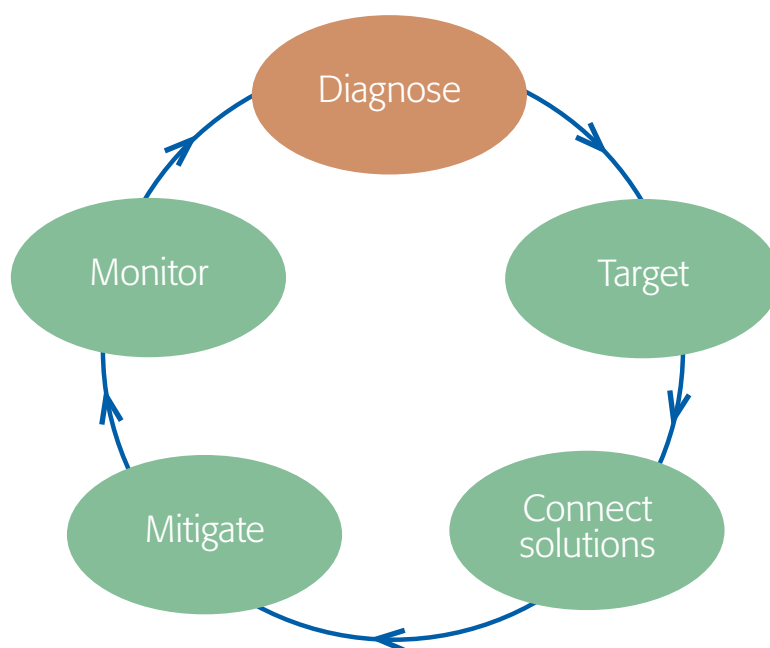


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## Session 1:

## Why assess corruption risks?

- A key recommendation of the *Global Corruption Report 2008* was that the water sector needs to be much better informed on corruption risks through appropriate assessments. It should become standard practice, just as during the 1970s and 80s Environmental Impact Assessment became a mainstream tool to consider and mitigate the potential environmental impacts of projects.<sup>1</sup>
  - Assessing potential corruption risks and putting preventative measures in place is easier and much more cost-effective than trying to clean up corruption after it becomes established.
  - Corruption risk assessments need to be linked to actions that prevent corruption. But it is necessary to 'look before you leap'<sup>2</sup> as poorly planned anti-corruption activities can backfire and instead result in only shifting how and where the corruption occurs. This can even make it more difficult to confront.<sup>3</sup>
  - There is no single agreed upon methodology for corruption risk assessment in the water sector. However, many useful frameworks and tools have recently been developed and to some extent tested, and new sets of guidelines and better quality case studies provide most of the elements required for users to undertake a tailored corruption risk assessment.
  - Understanding different types of corruption and where and how they occur is the key to a useful corruption risk assessment. This allows early warning indicators to be identified that can be used to diagnose potential problems, and to link problems to the right kind of preventative actions. Janelle Plummer (2008) has developed a series of frameworks that have been quite widely used and adapted.
- Diagnosis informs targeted, connected solutions which mitigate the impacts of corruption and enable us to monitor the effectiveness of planned and implemented interventions.



*The Assessment Cycle. Source: Butterworth, 2010.*

<sup>1</sup> Most of the material in this session is from Butterworth, John (2010), Corruption risk assessment, draft section of the update on IRC's Transparency Thematic Overview Paper, Unpublished.

<sup>2</sup> Stålgren, 2006

<sup>3</sup> Plummer, 2008

## Session 2: Using the corruption interactions framework

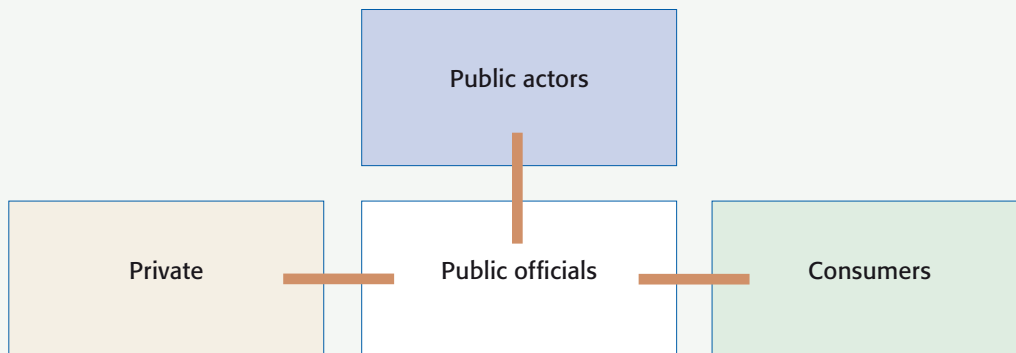
The 'corruption interactions framework' was originally published by Plummer and Cross (2007) and has been widely used and adapted, and also published in a simplified form in the opening chapter of the *Global Corruption Report 2008*.

Its strengths are that it distinguishes between:

- different functions/levels in the water sector at which different types of corruption are likely to be found.
- corruption between different types of actors; public-public, public-private and public-consumer. The nature of corruption is likely to be different at these interfaces.

Using the framework involves locating types of perceived or known corruption to the appropriate cell, specifying the type of corruption (checking definitions) and the parties (always at least two) involved. Specific types of corruption may well span one or more levels, and more than one column. Typically aspects of state capture and grand corruption will cluster in top left corner of the framework and petty corruption towards the right hand corner. Early warning signs and potential actions/ tools to prevent different types of corruption can be identified in additional columns.

### Corruption occurs between public officials and three different sets of actors



**Elsewhere?**

## Value chain framework: Corrupt interactions in the water sector

	<b>Public-to-public</b>	<b>Public-to-private</b>	<b>Public-to-consumers</b>
Policy making and regulation	<ul style="list-style-type: none"> <li>• Policy capture (competition and monopolies)</li> </ul>	<ul style="list-style-type: none"> <li>• Policy capture</li> <li>• Regulatory capture (waivers to regulations and licensing)</li> <li>• Extortion over licensing</li> </ul>	
Planning and budgeting	<ul style="list-style-type: none"> <li>• Distortion in decision-making by politicians (affecting location and type of project investments)</li> <li>• Corruption in national and sector planning and budget management (misuse of funds, interministerial bribery for fund allocation, collusion or bribery in selection and project approval)</li> <li>• Corruption in local budget management (fraud, falsification of accounts or documents, village-level collusion)</li> </ul>	<ul style="list-style-type: none"> <li>• Bribery to influence allocation of resources</li> <li>• Bribery in sector budgeting management (influencing, distortions in funding allocation) at national and local level</li> </ul>	
Donor financing	<ul style="list-style-type: none"> <li>• Donor-government collusion in negotiation to meet spending/funding targets</li> <li>• Donor-government collusion/fraud with respect to progress and quality</li> </ul>	<ul style="list-style-type: none"> <li>• Donor and national private operator collusion (outside legal trade agreements)</li> </ul>	
Fiscal transfers	<ul style="list-style-type: none"> <li>• Bribery, rent seeking, and kickbacks to ensure fund transfers between finance ministry and WSS sector ministries, or subnational levels</li> </ul>		
Management and programme design	<ul style="list-style-type: none"> <li>• Corruption in personnel management, such as payments for preferred candidates (e.g. utility directorships); payments for promotions, transfers, and salary perks</li> <li>• Distortionary decision-making (collusion with leaders in selection and approval of plans)</li> <li>• Corruption in local government in programme design</li> </ul>		<ul style="list-style-type: none"> <li>• Influence project decision-making</li> <li>• Bribery for preferential treatment, elite capture</li> <li>• Distortionary decision-making (project-level site selection equipment, construction)</li> </ul>

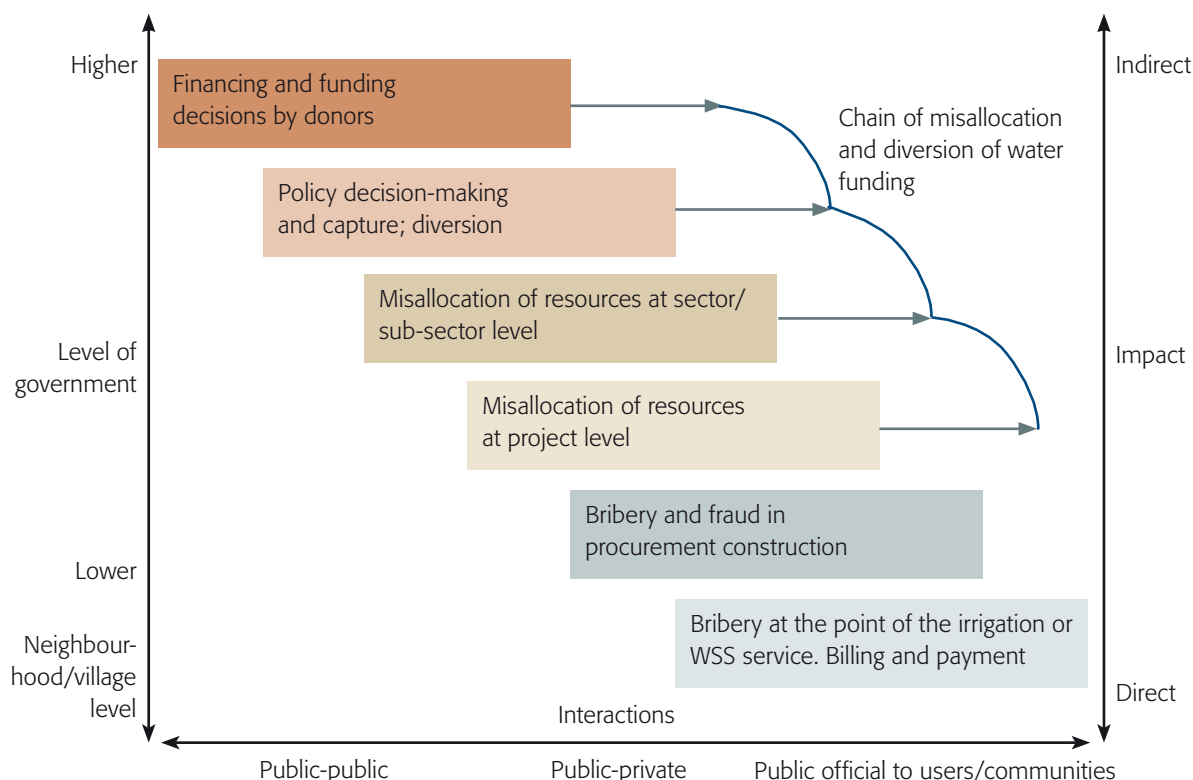
Source: Transparency International, *Global Corruption Report 2008*

Value chain framework: Corrupt interactions in the water sector (continued)

	<b>Public-to-public</b>	<b>Public-to-private</b>	<b>Public-to-consumers</b>
Tendering and procurement	<ul style="list-style-type: none"> <li>Administrative corruption (fraud, falsification of documents, silence payments)</li> <li>Interdepartment or agency collusion over procurement</li> </ul>	<ul style="list-style-type: none"> <li>Bribery to influence contract/bid organisation</li> <li>Corruption in delegating management: fraud involving over/underestimating assets; selection, type, award of concessions; decisions over duration, exclusivity, tariffs, subsidies</li> <li>Corruption in procurement: inflated estimates for capital works, supply of chemicals, vehicles, equipment</li> <li>Falsification of documentation</li> </ul>	
Construction	<ul style="list-style-type: none"> <li>Administrative corruption (fraud, falsification of documents, silence payments)</li> </ul>	<ul style="list-style-type: none"> <li>Corruption in construction: bribery and fraud involving failure to build to specification; concealing substandard work materials; failure to complete works; underpayment of workers – Fraudulent invoicing. Including marked-up pricing, overbilling by suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Corruption in community-based construction (with similar types of practices as for public-private interactions)</li> </ul>
Operation and maintenance		<ul style="list-style-type: none"> <li>Overbilling by suppliers, theft/diversion of inputs (chemicals)</li> <li>Avoiding compliance with regulations, specifications, health and safety rules</li> <li>Extortion to gain permits and licensing (speed money)</li> <li>Falsification of accounts</li> </ul>	<ul style="list-style-type: none"> <li>Administrative corruption to obtain access to water, such as installing or concealing illegal connections, avoiding disconnection, illicit supply using utility vehicles</li> <li>Administrative corruption for speed (or preferential treatment) in obtaining repairs or new connections</li> </ul>
Payment (for services)			<ul style="list-style-type: none"> <li>Administrative corruption regarding payment and billing: fraudulent meter reading, avoidance or partial payment, overcharging</li> </ul>

Table continued. Source: Transparency International, Global Corruption Report 2008

### Simplified Water Sector Value Chain (and chain of misallocation)



Source: Plummer, J, 2007

### Corruption Interaction Framework

Public to public interactions	Early warning indicators	Anti-corruption measures
<b>Policy-making/regulating</b> <ul style="list-style-type: none"> <li>• Diversion of funds</li> <li>• Distortions in decision-making, policy-making</li> </ul>	<ul style="list-style-type: none"> <li>• Monopolies / tariff abnormalities</li> <li>• Lack of clarity of regulator/provider roles</li> </ul>	<ul style="list-style-type: none"> <li>• Policy and tariff reform</li> <li>• Separation</li> <li>• Transparent minimum standards</li> <li>• Independent auditing</li> </ul>
<b>Planning and budgeting</b> <ul style="list-style-type: none"> <li>• Corruption in planning and management</li> <li>• Bribery and kickbacks in fiscal transfers</li> </ul>	<ul style="list-style-type: none"> <li>• Embezzlement in budgeting, planning, fiscal transfers</li> <li>• Speed/complexity of budget processes</li> <li>• No signatures</li> <li>• % spending on capital intensive spending</li> </ul>	<ul style="list-style-type: none"> <li>• Citizen oversight and monitoring</li> <li>• Technical auditing</li> <li>• Participatory planning and budgeting</li> </ul>
<b>Management and programme design</b> <ul style="list-style-type: none"> <li>• Appointments, transfers</li> <li>• Preferred candidates</li> <li>• Selection of projects</li> </ul>	<ul style="list-style-type: none"> <li>• Unqualified senior staff</li> <li>• Low salaries, high perks, HH assets</li> <li>• Increase in price of informal water</li> </ul>	<ul style="list-style-type: none"> <li>• Performance based staff reforms</li> <li>• Transparent, competitive appointments</li> </ul>

Source: Janelle Plummer, Patrik Stålgren, Piers Cross at World Water Week – Stockholm 22 August 2006

Public to private to interactions	Early warning indicators	Anti-corruption measures
<b>Procurement</b> <ul style="list-style-type: none"> <li>• Bribery, fraud, collusion in tenders</li> </ul>	<ul style="list-style-type: none"> <li>• Same tender lists</li> <li>• Bidders drop out</li> <li>• Higher unit costs</li> </ul>	<ul style="list-style-type: none"> <li>• Simplify tender documents</li> <li>• Bidding transparency</li> <li>• Independent tender evaluation</li> </ul>
<b>Construction</b> <ul style="list-style-type: none"> <li>• Fraud/bribes in construction</li> </ul>	<ul style="list-style-type: none"> <li>• Variation orders</li> <li>• Low worker payments</li> </ul>	<ul style="list-style-type: none"> <li>• Integrity pacts</li> <li>• Citizen oversight and monitoring</li> <li>• Technical auditing</li> </ul>
<b>Operation</b> <ul style="list-style-type: none"> <li>• Fraud/bribes in construction</li> </ul>	<ul style="list-style-type: none"> <li>• Single source supply</li> <li>• Change in quality and coverage</li> </ul>	<ul style="list-style-type: none"> <li>• Citizen auditing, public hearings</li> <li>• Benchmarking</li> </ul>

Public to consumer interactions	Early warning indicators	Anti-corruption measures
<b>Construction</b> <ul style="list-style-type: none"> <li>• Community based WSS – theft of materials</li> <li>• Fraudulent documents</li> </ul>	<ul style="list-style-type: none"> <li>• Loss of materials</li> <li>• Infrastructure failure</li> </ul>	<ul style="list-style-type: none"> <li>• Corruption assessment</li> <li>• Citizen monitoring and oversight</li> <li>• Report cards</li> </ul>
<b>Operations</b> <ul style="list-style-type: none"> <li>• Admin corruption (access, service, speed)</li> </ul>	<ul style="list-style-type: none"> <li>• Low rate of faults</li> <li>• Lack of interest in connection campaigns</li> <li>• Night time tanking</li> </ul>	<ul style="list-style-type: none"> <li>• Transparency in reporting</li> </ul>
<b>Payment systems</b> <ul style="list-style-type: none"> <li>• Meter, billing and collection – fraud and bribery</li> </ul>	<ul style="list-style-type: none"> <li>• Unexplained variations in revenues</li> </ul>	<ul style="list-style-type: none"> <li>• Citizen oversight and monitoring</li> <li>• Complaint redressal</li> <li>• Reform to customer interface (e.g. women cashiers)</li> </ul>

Source: Janelle Plummer, Patrik Stålgren, Piers Cross at World Water Week – Stockholm 22 August 2006



## Session 3:

# Corruption risk mapping

### Conducts considered criminal offences by the UN Convention against Corruption

Illicit conducts	
<b>Bribery of public national officials</b>	<ol style="list-style-type: none"> <li>1. The promise, offering or giving, to a public official, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties;</li> <li>2. The solicitation or acceptance by a public official, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties.</li> </ol>
<b>Bribery of foreign public officials and officials of public international organisations</b>	<ol style="list-style-type: none"> <li>1. The promise, offering or giving to a foreign public official or an official of a public international organisation, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties, in order to obtain or retain business or other undue advantage in relation to the conduct of international business.</li> <li>2. When committed intentionally, the solicitation or acceptance by a foreign public official or an official of a public international organisation, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties.</li> </ol>
<b>Embezzlement, misappropriation or other diversion of property by a public official</b>	The embezzlement, misappropriation or other diversion by a public official for his or her benefit or for the benefit of another person or entity, of any property, public or private funds or securities or any other thing of value entrusted to the public official by virtue of his or her position.
<b>Trading in influence</b>	<ol style="list-style-type: none"> <li>1. The promise, offering or giving to a public official or any other person, directly or indirectly, of an undue advantage in order that the public official or the person abuse his or her real or supposed influence with a view to obtaining from an administration or public authority of the State Party an undue advantage for the original instigator of the act or for any other person;</li> <li>2. The solicitation or acceptance by a public official or any other person, directly or indirectly, of an undue advantage for himself or herself or for another person in order that the public official or the person abuse his or her real or supposed influence with a view to obtaining from an administration or public authority of the State Party an undue advantage.</li> </ol>
<b>Abuse of functions</b>	The abuse of functions or position, that is, the performance or failure to perform an act, in violation of laws, by a public official in the discharge of his or her functions, for the purpose of obtaining an undue advantage for himself or herself or for another person or entity.
<b>Illicit enrichment</b>	Significant increase in the assets of a public official that he or she cannot reasonably explain in relation to his or her lawful income.

Source: *United Nations Convention against Corruption 2003*

Illicit conducts (continued)	
<b>Bribery in the private sector</b>	<ol style="list-style-type: none"> <li>1. The promise, offering or giving, directly or indirectly, of an undue advantage to any person who directs or works, in any capacity, for a private sector entity, for the person himself or herself or for another person, in order that he or she, in breach of his or her duties, act or refrain from acting;</li> <li>2. The solicitation or acceptance, directly or indirectly, of an undue advantage by any person who directs or works, in any capacity, for a private sector entity, for the person himself or herself or for another person, in order that he or she, in breach of his or her duties, act or refrain from acting.</li> </ol>
<b>Laundering of proceeds of crime</b>	<ol style="list-style-type: none"> <li>1. The conversion or transfer of property, knowing that such property is the proceeds of crime, for the purpose of concealing or disguising the illicit origin of the property or of helping any person who is involved in the commission of the predicate offence to evade the legal consequences of his or her action;</li> <li>2. The concealment or disguise of the true nature, source, location, disposition, movement or ownership of or rights with respect to property, knowing that such property is the proceeds of crime.</li> </ol>

Source: *United Nations Convention against Corruption 2003*

## Corruption risk mapping exercise

### Introduction

The aim of this exercise is to identify corruption risks in the water sector by looking at all the actors, institutions, their interrelationships, activities, and procedures. The water sector comprises different processes, namely policy-making and regulation, planning and budgeting, donor financing, funding and fiscal transfers, management and programme design, tendering and procurement, construction, operation and maintenance, and payment for services. Each of these processes usually comprises three steps, called 'sub-processes' in the corruption risk matrix.

The corruption risk map, developed by Janelle Plummer (2008), is comprised of four main steps. In this session, we will practice the first three of these four steps. Step 4 will be covered in the forthcoming Modules.

The **first step** is aimed at providing an overview of the water sector in your country by focusing on the existing institutions and actors and how they interact. Afterwards, you will define the main processes and sub-processes in the water sector.

The **second step** identifies corruption cases and matches them with the illicit conducts portrayed in the UN Convention against Corruption.

The **third step** identifies what processes are harmed by the corrupt conduct, with precision on what sub-processes are involved. The aim of this exercise is for the participant to identify processes and sub-processes at risk of corruption.

The **fourth step** involves identifying the tools or actions that could prevent or mitigate corruption and will be further covered in the forthcoming Modules.

## Step 1 – Identification

### Framing questions

1. Could you describe how the water sector in your country is organised? (Note this was done in session 3 of Module 1). Who are the main actors with respect to the different processes outlined in the risk map?
2. Could you please define the three main sub-processes within each of the processes in the table below?

### Example of the most common processes in the water sector

Processes	Sub-process 1	Sub-process 2	Sub-process 3
<b>Policy-making and regulation</b>	Design	Implementation	Evaluation
<b>Planning and budgeting</b>	Planning	Monitoring	Evaluation
<b>Donor financing, funding and fiscal transfers</b>	Reception of funding/transfer	Project implementation	Report of account
<b>Management and programme design</b>	Planning	Implementation	Monitoring
<b>Tendering and procurement</b>	Planning	Procurement	Payment
<b>Construction</b>	Design	Bid	Build
<b>Operation and maintenance</b>	Planning/Definition	Implementation	Monitoring/Payment
<b>Payment (for services)</b>	Service Provision	Verification	Payment

## Step 2 – Assessment

### Framing questions

1. Do you know of any case of corruption that has affected the water sector in your region/ district/ country? (use selected example)
2. Could you point out the possible cause(s) of the corrupt practice? In module 2 we identified some of the causes of corruption. Please refer to these, e.g. institutional weaknesses, lack of checks and balances, weak systems and capacity, monopolies, etc.

## Step 4 – Proposed Measures

### Framing questions

1. What would be the best anti-corruption tool to prevent that type of corruption from happening again?

## Step 3 – Risk Map

### Framing questions

1. What were the processes or sub-processes affected by corruption?
2. What type of corruption was it?
3. What would be the early indicators that could be used alert decision-makers, investigators or the public to the possibility of corrupt practises using. This can be noted in an additional column.

## Example of corruption risk map in the interactions of different actors

Processes	Sub-process 1	Corruption risks	Sub-process 2	Corruption risks	Sub-process 3	Corruption risks
<b>Policy-making and regulation</b>	Design	Policy capture (competition and monopolies)	Implementation	Government-utility collusion/ fraud	Evaluation	Bribery
<b>Planning and budgeting</b>	Planning	Bribery to influence allocation of resources	Monitoring	Fraud, falsification of accounts	Evaluation	
<b>Donor financing, funding and fiscal transfers</b>	Reception of funding/transfer	Influence project decision-making.	Project implementation	Donor-Government collusion/ fraud progress and quality.	Report of account	Donor-Government collusion in negotiations to meet spending /funding targets
<b>Management and programme design</b>	Planning	Distortionary decision-making (collusion with leaders in selection + approval of plans/schemes)	Implementation	Payments for promotions, and transfers, salary perks. Collusion between agency staff and consultants to bias the result of design and cost studies etc. as well as environmental and social assessments	Monitoring	
<b>Tendering and procurement</b>	Planning	Bribery to influence allocation of resources organisation.	Procurement	Corruption in award of concessions; decisions over duration, exclusivity, tariffs, subsidies.	Payment	Falsification of accounts
<b>Construction</b>	Design		Bid	Bribery to influence contract /bid organisation	Build	Fraudulent invoicing
<b>Operation and maintenance</b>	Planning/ Definition		Implementation		Monitoring/ Payment	Falsification of accounts

Source: Transparency International, *Global Corruption Report 2008*

By the end of the full process, the corruption risk map would look similar to the example below.

Process	Sub-process 1	Corruption risk S-p 1	Tool/action to reduce corruption risk	Sub-process 2	Corruption risk S-p 2	Tool/Action to Reduce corruption risk	Sub-process 3	Corruption risk S-p 3	Tool/Action to reduce corruption risk
<b>Policy-making and regulation</b>	Design	Policy capture	Lobbyist registration access to public information law	Implementation	Government-utility collusion/fraud	Conflict of interest law disclosure of income and assets	Evaluation	Bribery	Code of ethics whistleblower protection
<b>Planning and budgeting</b>	Planning	Bribery to influence allocation of resources.	Participatory budgeting e-government	Monitoring	Fraud	Independent audit agency ombudsman	Evaluation	Falsification of accounts	Whistleblower protection
<b>Donor financing, funding and fiscal transfers</b>	Reception of funding/transfer	Influence project decision-making.	Lobbyist registration access to public information law e-government	Project implementation	Donor-government collusion/fraud in progress and quality.		Report of account	Donor-government collusion in negotiations to meet spending/funding targets	Code of Ethics whistleblower protection independent audit agency
<b>Management and programme design</b>	Planning	Distortional decision-making (collusion with leaders in selection + approval of plans/scheme schemes)	Lobbyist registration access to public information law	Implementation	Payments for promotions, and transfers, salary perks. Collusion between agency staff and consultants to bias the result of design and cost studies	Disclosure of income and assets code of ethics independent audit function media training	Monitoring	Collusion between agency staff and consultants to bias the result of assessments	Disclosure of income and assets code of ethics independent audit function

Process	Sub-process 1	Corruption risk S-p 1	Tool/Action to reduce corruption risk	Sub-process 2	Corruption risk S-p 2	Tool/Action to reduce corruption risk	Sub-process 3	Corruption risk S-p 3	Tool/action to reduce corruption risk
<b>Tendering and procurement</b>	Planning	Bribery to influence contract /bid organisation.	Lobbyist registration access to public information law	Procurement	Corruption in award of concessions; decisions over duration, exclusivity, tariffs, subsidies.	Disclosure of income and assets code of ethics independent audit function whistleblower protection	Payment	Falsification of accounts	Whistleblower protection independent audit Agency
	Design	Bribery to influence design	Lobbyist registration access to public information law e-government	Bid	Bribery to influence contract /bid organisation	Disclosure of income and assets code of ethics independent audit function whistleblower	Build	Fraudulent invoicing	Independent audit agency
<b>Operation and maintenance</b>	Planning/ definition	Bribery to influence planning	Lobbyist registration access to public information law e-government	Implementation	Fraud	Independent audit agency ombudsman	EMonitoring/ payment	Falsification of accounts	Independent audit agency

Examples of corruption risks and anti-corruption measures, from *Making anti-corruption approaches work for the poor*, PPT presentation by Plummer, the World Bank, Stockholm World Water Week 2007.

## Other examples of corruption mapping tools:

### Example 1: The Annotated Water Integrity Scan (AWIS)

The Annotated Water Integrity Scan (AWIS) methodology includes single-day workshops wherein recognised sectoral experts representing the various stakeholder groups of a country's water sector score and discuss various indicators. The AWIS is a fast and relatively inexpensive way to gain a picture of the level of integrity of the water sector of a given country. This assessment can help to identify main areas for action as well. Furthermore, its repetition can indicate whether progress is being made year to year.

The AWIS includes assessment tools for the main parts of the water sector – water resource management, water supply, irrigation and hydro power – which can be explored together or separately. In each of these areas, the scan looks at the integrity of four main aspects of the water sector:

- Policy and legislation
- Regulation
- Investment projects and programmes
- Service provision

For the purposes of the scan, integrity is defined as 'practices impeding corruption and promoting respect for the rule of law'; therefore, rather than measuring corruption directly, it looks more at risks that could lead to corruption, and in a sense, also measures institutional weakness. For each of the four above mentioned aspects, three main dimensions of integrity are explored:

- **Transparency** particularly relating to the existence of written information about procedures and agreements, as these are considered to set the basis for understanding the rights and obligations by the actors.
- **Accountability** relating to the way in which the written procedures and agreements are being applied, where feasible also looking at possible compliance.
- **Participation** of the public, the users or their representatives relating to their access to information, their role in decision-making and their right and possibilities to effectively file complaints and be heard.

In addition the scan looks at:

- **Anti-corruption measures** are the specific measures organisations and governments take internally and externally to reduce the risk of corruption, where feasible also looking at application of sanctions. This is done at national level while also looking at the specific situation per sector.

Resulting scores and annotations can be analysed to reveal areas of particular risk or institutional weakness, and can form a basis for strong recommendations for action.

For more detailed information, including the complete methodology and training materials for the AWIS, contact the Water Integrity Network: [info@waterintegritynetwork.net](mailto:info@waterintegritynetwork.net)

### Example 2: Improving water integrity through a multi stakeholder approach – learning from Uganda

As part of its efforts to improve integrity in the water sector, the Ministry of Water and Environment (MWE) in Uganda established a multi stakeholder 'Good Governance Working Group' in 2006 tasked to identify and recommend measures to promote and monitor transparency, accountability and good governance in the water sector. In 2008, the Good Governance Working Group (with the support of the Water and Sanitation Program (WSP) Africa in partnership with the Water Integrity Network) initiated two water integrity studies which were to serve as the basis for updating the sector's anti-corruption action plan. The first study undertaken was a Risk and Opportunity Mapping Study<sup>1</sup> designed to understand accountability processes in the water sector, and review recent sector progress reports. The second study was a nation-wide quantitative Baseline Survey that examined how citizens, contractors, private operators and local government officials and NWSC staff experience integrity in the provision of water, covering both rural and urban areas. The study showed that inadequate integrity in the Uganda water sector has resulted in many negative impacts, such as: losses in investment, exploitation of contractors, compromised professionalism, contracts issued for personal gain rather than competence or merit, resources lost on shoddy and incomplete works and political decisions to target services and investments for the most affluent at the expense of the poor. Promoting integrity is critical if investments made in the sector are to reach the poor. Reaching the MDGs on water and sanitation will be delayed so long as money meant for new, maintained or improved services are delayed by corrupt practices.

In September 2009, the studies were launched during a National Water Integrity Workshop where over 100 sector stakeholders renewed their pledge to promote accountability and combat corruption in the Uganda water sector. The delegates drafted an umbrella rallying statement supported by a 10 point action plan to guide enhanced accountability in the sector over the next 3

<sup>1</sup> WIN, 2009

years. The high level participation by senior officials ensured the discussions were taken seriously, solutions proposed were endorsed at a senior level and that there would be ownership for follow up actions at all levels of the water services sector. During the annual Joint Sector Review, the action plan was approved by the Water & Sanitation Sector Working Group, the highest decision-making body in the sector. As a result, all sub-sectors are now required to report progress on a quarterly basis.

### Lessons learned

#### Leadership

- The central role of the MWE provided the initiative with stable and sustained support, which ensured that institutional memory who hold over the long term.
- The Good Governance Working Group is a best practice because it (i) is chaired by the MWE which provides legitimacy, centralised leadership and anchors the initiative institutionally; in turn it is structured hierarchically to feed into the progress reporting of the wider sector working group (ii) provides accountability by not being managed by one institution only; it includes representatives from civil society, development partners, utilities and sector departments who are important actors to catalyse action (iii) mobilises partnership and resources, and stimulates broad based ownership of challenges and solutions.

#### Partnership with Integrity / Anti-corruption agencies

- Partnership with the Water Integrity Network brought excellent specialised anti-corruption human resources and skills to the initiative, complemented WSP's water experience and long established relationships with the Government contributed to the overall success of the project. Partnership with development partners ensured that WSP did not have to work as a lone voice.

For more detailed information, including the full studies, visit the Water Integrity Network: <http://www.waterintegritynetwork.net/page/3175>.

#### Example 3: The utility checklist

The utility checklist focuses specifically on the management system and aims to assess the vulnerability of the system to abuse of authority and resources.

The purposes of the utility checklist are:

- To identify and begin to focus on the different areas of vulnerability to abuse of authority and management of resources that a utility might have.
- To provide a common base of information and understanding for all parties interested in knowing about and improving the effectiveness of the water utility. The dissemination of this information helps to promote transparency.

The ultimate goal is to have the results of the checklist to serve as a basis for change within the organisation. This can only happen with certainty when the leadership is committed to good governance and has in place the systems that will enable it to act effectively.



### Examples of questions covered in a utility checklist

#### Ethical framework

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

#### Public complaints

4. Is there an independent complaints office within the utility?
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 departments or business units?
10. Is the programme publicised and is it effective?

#### Leadership

11. Is the senior 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 utility?

#### Human resources

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

#### Service levels and targets

17. Are service levels in different areas monitored on a regular basis?
18. Are targets for service improvements set on an annual basis in consultation with the affected public?
19. Are actual service levels and service targets made public?
20. Are budget allocations clearly linked with service targets?

#### Budgeting

21. Is the budgeting process well publicised and open to the public?
22. Does the public actively and directly participate in shaping the utility's budget priorities?

#### Procurement

23. Is the procurement system reputed to be fair?
24. Is it based on competitive principles?
25. Are procurements advertised in advance and made known to the public?
26. Is the process for selecting a bidder thorough and fair?
27. Are conflict of interest rules enforced?
28. Does the utility make its investments through a competitive process?

Source: World Bank Institute, Transparency International 2009

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### Further reading

The UNDP Water Governance Facility at SIWI are engaged in a Water Governance Benchmarking Project focusing on WRM and developing a methodology for assessing the quality of water governance based on features such as Participation, Transparency, Integrity, Rule of law and Responsiveness. The project has been piloted in the Middle East and North Africa region. You can read more about this on the project website <http://rewab.net/id01.htm> where they have uploaded a lot of useful material.

In Tajikistan, a Water Sector Integrity Vulnerability Assessment is undertaken modelled after the water integrity studies piloted in Uganda. All the presentations and exercises from a workshop that outlines this methodology can be downloaded on <http://www.gaportal.org/support/workshops/assessing-integrity-water-sector-tajikistan>



# 4

## TRAINING MANUAL ON WATER INTEGRITY

MODULE 4: ANTI-CORRUPTION LAWS,  
INSTITUTIONS AND INSTRUMENTS



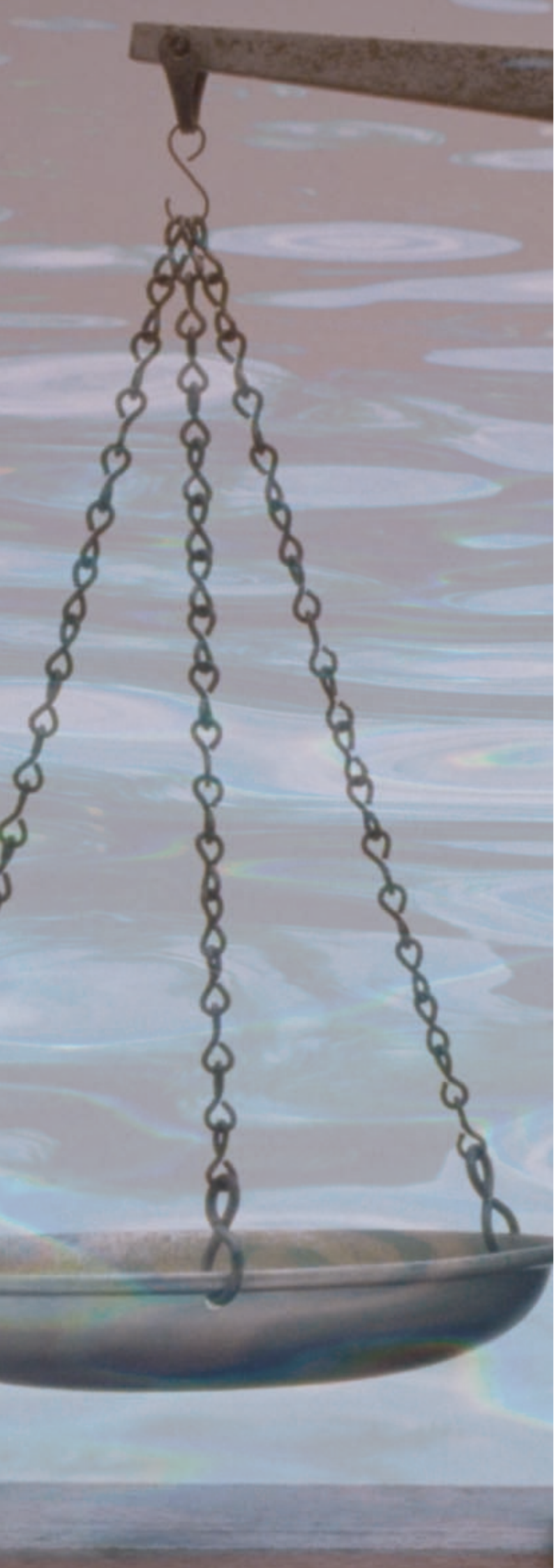


Photo: Q

## Session 1:

## Legal anti-corruption instruments

The United National Convention Against Corruption states that corruption threatens the stability and security of societies by undermining the institutions and the values of democracy, its ethical values and justice, and its sustainable development.<sup>1</sup>

Although corruption in the water sector is similar to corruption in other sectors, its impact is exceptionally severe. Access to water is recognised as a basic human right by the UN, and as a human right the fight against corruption in the water sector is a top priority. Lack of water and poor services not only violates human rights and impedes economic growth, but kills many thousands of people annually.

Traditionally, corruption is perceived as a problem of the public sector, and that its solution therefore requires a specialised agency or public body with enough powers to confront other public bodies.

In order for this approach to work, laws need to be promulgated to create these agencies and to outlaw corrupt practices. These Acts or laws fall within the ambit and scrutiny of the Judiciary. This is not only to avoid abuses – ombudsman’s agencies will be involved too – but to punish venality. Between these agencies and the Judiciary, the police is responsible for enforcing the law.

Many governments create auditing systems to prevent and minimise corruption. Opposition political parties, civil society, NGO’s, and the media all play a key role in exposing corruption cases and scrutinising the effectiveness of the anti-corruption laws and agencies.

Elections provide an opportunity for political accountability.

International anti-corruption laws and agencies, as well as donors play an important role in pushing greater accountability among national actors by setting standards and codes of conduct that countries need to comply with to be part of the international community.

### The role of the law

The law provides for rights and duties in the water sector. For example, access to clean and safe water is acknowledged by the UN as a basic human right. This enables any individual to claim a legal right to demand for access to basic water supply. The concept of a rational use of water resources that incorporates the principles of Integrated Water Resources Management (IWRM) is embedded by numerous legal initiatives.



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<sup>1</sup> UNCAC, 2003

## Knowing the tools: The law

The law is as an essential tool to operationalise a political consensus on the shared values and practices employed to deal with the problem of corruption. The law creates (or formalises) many of the institutions and their practical tools to prevent and combat corruption. This includes legally defining criminal offenses and establishing authorities to investigate infractions and enforce laws when they are violated.

## Legal reform towards IWRM and water integrity

Many countries, such as those from the Southern African Development Community (SADC), are currently at different stages in the process of reforming their water sector towards IWRM. Those reforms in water law, policies, and processes, are trying to decentralise water management to the lowest level, to promote direct community participation, and achieve equity in the sharing of benefits among users. Although IWRM reforms do not by themselves prevent corruption, it “has had the effect of providing something of a ‘window of opportunity’ for the introduction of various accountability and transparency measure in an effort to improve water governance in those countries”.

Source: Earle et al, 2008

Corruption weakens the rule of law with regard to access to water, or the proper implementation of IWRM policies. Ultimately, corruption undermines public policy embedded in legal frameworks.

Efforts within the water sector need to be aligned with broader anti-corruption initiatives such as transparency laws, freedom of information laws, code of conduct, citizen watch groups. This must also be coupled with the empowerment of government bodies with the mandate and authority to prevent corruption, such as ombudsmen, prosecutors, courts, controller agencies, and internal auditing systems.

## Access to information laws

Freedom of information is a basic right that is now enshrined in the constitutions or legislation of most countries. These laws enable people to protect their rights (for example to services like water and sanitation) and can be used by the public to guard against abuses, mismanagement and corruption in government. Freedom of information can also help governments: more openness and transparency in the decision-making process can improve public faith in local and national authorities.

Most countries now have some relevant legislation to ensure the freedom of information. Those without must enact new legislation.

## When legislation exists, several key points should be considered:

- People need to be made aware of their rights to access government records. NGOs can play a useful role in supporting vulnerable and marginalised groups, e.g. poor people, to benefit from such legislation.
- Citizens use freedom of information legislation to access government records. Fees may be charged and can be a barrier to use. Other restrictions that hinder access may include the need to produce ID cards.
- People should have the possibility to seek redress if their request is not dealt with properly under the law, and officials and agencies should be liable to punishment for not making information available or for providing false information.
- Increased access to information enables citizens to scrutinise the work of government, and more transparency can put pressure on government officials to be accountable, perform better and shun corruption. The media has a key role to play in making available information that throws light on the performance of government and its agencies.

## The role of international law

Fighting corruption is not only a national effort, but also demands common global solutions such as international legal agreements and conventions.

International agreements or conventions are important for many reasons. They provide a framework of rules and standards that facilitate international cooperation; a checklist for reforming governments; a basis for governments to monitor one another; and tools for civil society groups to hold their governments accountable.

This also creates an important stimulus for the local action that is ultimately needed to improve transparency, accountability and access to information.

Non-binding agreements take the form of guidelines, recommendations, principles, protocols, and model laws. Binding agreements include conventions, treaties, multi-lateral and regional agreements. These kinds of legal instruments

help to harmonise standards and requirements for the prevention, investigation, and prosecution of corruption.<sup>2</sup>

International conventions also provide a common framework for freezing, confiscating and returning the proceeds of offences. Binding agreements can be used as a tool for civil society to demand from their governments the reforms needed to improve governance (transparency, accountability, public participation, and access to justice). These agreements are also used to monitor and assess governments (i.e. peer-to-peer review or from international organisations), and to facilitate cooperation in setting common standards for policies, processes, and practices at national level.

### Knowing the tools: International agreements

International agreements (non-binding and binding) help to raise awareness of corrupt behaviour. By bringing attention to corruption issues in international forums, they place pressure on governments to make real commitments to increase transparency.

### Thinking point: International water agreements

Corruption in transboundary water agreements is a unique area where international agreements and laws have a direct role. International water laws can mitigate the risk that corruption taints the outcomes of negotiations of bi- and multi-lateral water agreements between countries with vastly different political and economic power. The Nile River Basin Co-operative Framework, is an interesting case. For more information, see <http://www.international-waterlaw.org/blog/?p=268>

## International conventions

### Conventions can include the following measures:<sup>3</sup>

- **Preventive measures** to create conditions that promote good, honest, transparent and efficient public management; public sector ethics and procedures; public procurement; public sector finance; public reporting, access to information, whistleblower protection; public education; and high standards for private sector behaviour, including accounting and auditing and measures to prevent money laundering.
- **Punitive measures** to call for punishment of corrupt actions, by means of judicial or administrative bodies. This is generally done through the adoption of the necessary legislation and other measures to establish these as criminal offences under domestic laws.
- **International cooperation** between law enforcement authorities to make cross-border law enforcement efforts more effective. This includes extradition, mutual legal assistance in investigations, prosecutions and judicial proceedings, and cooperation in law enforcement through joint investigations and special investigative techniques.
- **Processes of recovering illegally obtained assets** including investigative measures to trace assets, preventive measures to immobilise the assets (freezing, seizing) and confiscation.

The United Nations Convention against Corruption (UNCAC) is a good example of an international convention.

- It was adopted in 2003 by more than 140 states
- It is the agreed global framework for combating corruption
- It enabled the establishment of coordinated anti-corruption laws and regulations (Article 5), bodies or agencies (Article 6) and public disclosure laws (Article 10).

Some of the strengths of the UNCAC is that it:

- Facilitates international cooperation
- Provides a checklist for reforming governments
- Provides a basis for governments to monitor one another
- Provides a tool for civil society to hold governments accountable
- Provides and stimulus for local action

However, unless the UNCAC it is adopted, signed, ratified, implemented into law and institutional plans and procedures, it can not be applied and enforced within a particular country

<sup>2</sup> Water Integrity Network, not dated

<sup>3</sup> [www.transparency.org/global\\_priorities/international\\_conventions](http://www.transparency.org/global_priorities/international_conventions)  
Transparency International provide links to a wide range of information on international conventions including follow up measures.

## International conventions of global application

International law considers conventions and instruments that may have global or regional effects. Some international conventions of global application are:

- Council of Europe, Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime, November 1990
- Inter-American Convention Against Corruption 1996
- OECD Convention on Combating Bribery 1997
- Council of Europe, Criminal Law Convention on Corruption 1998
- Council of Europe, Civil Law Convention on Corruption 1999
- United Nations Convention against Transnational Organized Crime, 2000
- Jakarta Declaration For Reform of Official Export Credit and Investment Insurance Agencies 2000
- Warsaw Declaration: Toward a Community of Democracies 2000
- U.N. Convention Against Corruption (2003) signed by 128 nations
- Corporate Governance Principles for Business Enterprises developed by Hermes
- Pensions Management and Asian Development Bank, circa 2003
- Asian Development Bank (ADB)/Organization for Economic Co-operation and Development (OECD) Anti-Corruption Initiative for Asia and the Pacific (2004)
- The “five key elements” of the World Bank, circa 2004

Sources: Shordt et al, 2006

## UN Convention Against corruption (UNCAC) Principal Rules Applicable to Water

### **Prevention** (Chapter II)

- Public sector: Addresses anti-corruption bodies; public sector ethics and procedures; public procurement and financial management; and public reporting. One provision calls for governments to prevent the misuse of procedures regulating private entities, including procedures regarding subsidies and licences granted by public authorities for commercial activities.
- Civil society: Emphasises role of citizens including participation; access to information; complaint channels; and public education.
- Private sector: Sets out standards, including for accounting, auditing and anti-money laundering provisions.

### **Criminalisation** (Chapter III)

- Covers a range of offences, notably bribery, embezzlement, illicit enrichment, trading in influence, abuse of functions, money laundering, etc.
- Provides for corporate criminal liability and compensation for damages.
- Includes private-to-private offences (non-mandatory).

### **International cooperation** (Chapter IV)

- Calls and provides for detailed rules on mutual legal assistance, extradition processes and a collective framework for action.
- Asset Recovery (Chapter V)
- Characterises the return of assets as fundamental.
- Offers detailed rules on the process and actions for cooperation.

### **Technical assistance** (Chapter VI)

- Outlines areas for training and assistance and the channels for collecting, exchanging and analysing information on corruption.

### **Mechanisms for implementation** (Chapter VII)

Source: WIN, not dated



## International conventions as advocacy tools

International conventions and Instruments not only make states accountable to their peer states, but they lay a framework to assess national legislation. By exposing the gaps between national legislation, and international standards, they offer a legal context to demand change.<sup>4</sup>

### Message

While international political will is an essential piece of the puzzle, it is important that instruments at this level are created with sufficient “teeth” to make their implementation meaningful.<sup>5</sup>

Once a monitoring process reveals that the state does not live up to its commitments in international laws, different groups can act to influence the public policy processes to redress these gaps.

International conventions and Instruments can be used as effective benchmarks to assess whether a state fails to implement anti-corruption measures. National institutions and practices can be compared with international standards to have an objective assessment of congruence or adherence. Any divergence can be highlighted during International Conventions and Instruments, and thus create strong support for any advocacy initiative. Furthermore, International Conventions and Instruments can serve as legal arguments before national court procedures.

### Signs of states not implementing anti-corruption measures

- The state has made little public commitment to reducing corruption.
- The state has made limited commitments that do not, however, touch on important abuses.
- The state has made important commitments, but has not backed them up with specific plans.
- The state has made both commitments and plans, but little is happening.
- The state has made commitments, plans, and has made a show of implementation, but it is having little effect.

Source: Holloway, not dated

### Question from the ground

1. Take one international convention or instrument and compare it with your national legislation. Are there any gaps in your legislation?
2. Research the implementation of international conventions or instruments by your local judiciary. Can you bring a case based on those conventions or instruments?

<sup>4</sup> WIN, not dated

<sup>5</sup> World Bank Institute, Transparency International, 2009

## Session 2:

# The role of institutions

Jaspers (2003) defines institutions as: “organisations, working rules or establishments founded for a specific purpose of public interest based on an accepted custom, law or relationship in a society or community”. Each institution has its own policies, strategies, guidelines and principles, procedures, standards, norms and traditions and operates within a legal framework.

Institutional reform, or change in the institutional arrangements, roles or functions, may be needed in order to ensure that they are properly arranged and structured to address key legislative or policy imperatives. For example, planning and implementing IWRM often requires institutional reform so that water management and water services institutions and the links between them, can enable the management of scarce water resources and more effectively address governance problems and enable public participation.<sup>6</sup>

Institutional reform may require:

### Different types of reforms

- Introducing new practices through legal reforms, like decentralisation, stakeholder participation, more rigorous cost recovery, or private sector participation.
- A new goal for the organisation.
- Rationalising the production process.
- Redesigning tasks and responsibilities.
- Changing procedures.
- Initiating or reforming strategies.

Source: Cap-Net, GWP, EUWI, 2008

### Strengthening accountability

Many different types of institutions are needed to fight corruption and facilitate water integrity. Strong systems are needed to prevent corruption or “the abuse of entrusted power for private gain”.<sup>7</sup>

The control of public officials, those in public functions, and all private parties involved in public businesses usually requires different accountability strategies.

In all, the aim is to create a system of checks and balances that relies on various stakeholders taking appropriate responsibility. These strategies can be grouped into horizontal, vertical, and external accountability strategies.<sup>8</sup>

### Horizontal accountability strategies

The most evident institutions in the fight against corruption are those based within the legal and justice system, e.g. anti-corruption agencies, ombudsmen, public auditors and the judiciary.

The law can either enable or dis-enable horizontal accountability. Examples of enabling include defining various types of corruption as illegal conduct (e.g. embezzlement, bribes, etc), the creation and empowerment of law enforcement agencies, and the enactment of rules to control ethical impropriety and asset holdings.

### Question from the ground

Does your country have anti-corruption institutions in place? How do water resources management and service delivery link to these institutions in your country?

Examples of an anti-corruption legal framework include:

- Civil and/or criminal law provisions (i.e. bribery and corruption offences);
- Specific anti-corruption laws;
- Other laws such as access to information, conflict of interest, whistleblower protection, freedom of expression and media freedom.

**Anti-corruption agencies** usually monitor the conduct of public officials and their asset declaration, sometimes they have an ombudsman function. These agencies are in the frontline of the fight against corruption and to be effective they need independence (i.e. political, financial, and legal) from the rest of the government, and their leadership needs to be appointed with ample political consensus.

**The role of ombudsman’s agencies** is to receive and investigate complaints from citizens to safeguard their rights against the government. Corruption is a way of trumping citizens’ rights, and Ombudsman agencies are called to handle concerns in this regard. These institutions play a double role: First, they redirect corruption claims made by citizens to anti-corruption agencies, and

<sup>6</sup> Cap-Net, GWP, EUWI, 2008

<sup>7</sup> González de Asís et al, 2009

<sup>8</sup> World Bank, 1999

second, they address any claims against an anti-corruption agency that is accused of not operating efficiently or in the public interest.

The primary function of the Ombudsman is to examine a decision, a process, a recommendation, an act of omission or commission that is contrary to law, rules or regulations, or is a departure from established practice or procedure.

## Legal reform as a measure to combat corruption

One of the main measures to combat corruption is legal reform, which considers issues such as procurement processes, monitoring and oversight, decentralisation, and inter-governmental cooperation.

**Public audits** are mechanisms to control public expenditure. Not all misuse of expenditure or breach of duties is corruption, but corruption might well be revealed through misuse and breach of public duty. Public audits are tools to unearth corrupt practices.

Finally, the **Judiciary** plays a central role in solving disputes by applying the law. Its role is central in fighting corruption, as this power will be ultimately the last word regarding apparent improper conduct. The Judiciary will decide whether the evidence gathered by different parties coincides with criminal offenses, and if it does, to impose the correlated punishment. The outcome will serve as a deterrent for future wrongdoing as long as the benefit of the offense does not outweigh the punishment.

### Illustrating horizontal accountability strategies:

## The Lesotho Highlands Water Project

Illustrating horizontal accountability strategies: The Lesotho Highlands Water Project

The Lesotho Highlands Water Project (LHWP) is one of the largest infrastructure projects in the world, started in 1986 to the mutual benefit of South Africa and Lesotho. The project (ultimately expected to cost approximately USD 8 billion) comprises several large dams and tunnels, to increase the water supply to the Gauteng Region of South Africa and generates electricity for Lesotho.

In the LHWP, the chief executive of the Lesotho Highlands Development Authority (LHDA) – the agency responsible for implementing the LHWP, received US\$6 million in bribes from multinational companies through an extensive international network of bank accounts and ‘agents’. The bribes were exchanged to win contracts and secure tenders in the bidding process.

One crucial factor for bribery taking place in international business transactions is that multinationals from developed countries evade prosecution for wrongdoing in developing countries. In many cases, these multinationals escape liability as home governments turn a blind-eye to their operations. The OECD Anti-Bribery convention encourages sanctions against bribing foreign officials in international business transactions.

Six successful prosecutions including the chief executive of LHDA (two international consulting companies, one international contractor, and two local agents), have been carried out. The two consulting companies were later debarred by the World Bank for different periods. A series of incidents made the trials possible: Firstly, the chief executive had been found guilty of administrative irregularities such as spending organisational funds inappropriately. These were not deemed as a criminal act but they did motivate the government

to inquire further in the case. Secondly, the role of the Swiss Government was also critical. Through changes in its banking secrecy laws in 1997, it was able to hand over relevant bank records to the Government of Lesotho (GoL). Thirdly, the government of South Africa provided assistance and encouragement to the government of Lesotho. Most important however, was the political will demonstrated by the government of Lesotho to invest the required financial resources, time and political commitment throughout the lengthy course of the prosecution.

Several important precedents for prosecuting future bribery allegations were set by these trials, including:

➔ **Bribery** – what has to be proven by the prosecution? It was ruled that a crime is committed at the point the agreement is made. The offering of a sum of money to a public official, and the acceptance of it, is sufficient to start legal action. This makes the prosecution of the crime easier.

➔ **Financial transparency** – which financial transactions took place? Access to the Swiss banking records of the accused was a major component of successful prosecution.

➔ **Jurisdiction** – where did the crime take place? Since the impacts of the crime were felt in Lesotho, jurisdiction was ruled to be in that country.

Adapted from LESOTHO: A Precedent for Prosecution of Grand Corruption Committed by Multinational Companies. WIN Case Information Sheet No. 5 (2008).

See also (<http://www.ipocafrika.org/cases/highlands/anticorrupt/theproject.pdf>).

## Lessons Learned from the Lesotho Highlands Water Project

The Government of Lesotho has proved that even a poor country can effectively prosecute corruption if there is a strong political will by the government and a competent judiciary. Nevertheless, it requires enormous financial and administrative resources. The Government of Lesotho has been commended for its strong stance on corruption and strong political will.

This case will serve as a precedent for future cases involving corruption and bribery by multinationals

around the world. The OECD Anti-Bribery convention aimed at reducing corruption in developing countries by encouraging sanctions against bribing foreign officials in international business transactions has been a crucial step to fight bribery in developing countries. In many cases, Transparency International's Business Principles for Countering Bribery is found to be a relevant tool to prevent and prosecute such large-scale corruption.

Source: WIN Case Information Sheet No. 5, 2008

### Vertical accountability strategies

Vertical strategies refer to the role of non-state actors in placing pressure for improved accountability. This strategy depends on the horizontal strategies, as non-state actors cannot readily fight against the complete state apparatus.

The **media** plays a central role in investigating and exposing cases of corruption and in strengthening accountability. The independence, pluralism, and liberty of the media should be paramount in an anti-corruption model.

The media is a key accountability mechanism where it is independent.

**Non-governmental organisations** also have a key role to play in strengthening accountability and have a role in brokering service delivery partnerships between providers, regulators and users. They also strengthen demand side accountability mechanisms, tools and initiatives. NGOs are critical advocates for policy, legal and institutional reform towards better accountability and public participation.

### Example of vertical accountability strategy:

## The role of media in curbing corruption: the case of Uganda under President Yoweri K. Museveni during the "No-Party" system

Free, independent and hard-hitting media can play an important role in curbing corruption. Media in Uganda has enjoyed considerable freedom in this regard since Museveni came to power in 1986. The evolving power structure and a changing media landscape, has however presented both challenges and opportunities for the media's watchdog role on corruption. The author of this

research, Ms Monica Nogara, argues that, although media actors won important battles to promote accountability in public offices, the regime's complex power structure has consistently challenged their role as an instrument of public accountability.

Source: Nogara, Monica 2009

### External accountability strategies

External accountability strategies provide for constant oversight by other states, international agencies, donors and businesses on the efforts taken to comply with mainstreaming anti-corruption, accountability and transparency.

### Combining different accountability strategies

In this session, the role of different institutions in fighting corruption and promoting accountability has been elaborated. The importance of different formal organisations and legislation has been stressed. Without a

set of laws or social rules that establish what conduct is deemed corrupt, it is difficult to prevent systematic corruption. National and international efforts should be promoted to support local efforts.

Though an enabling legal framework is necessary to fight corruption, it is not sufficient to eradicate it. Implementation is crucial and this is usually where most efforts fail. Horizontal, vertical and external accountability strategies are needed both at the country level, and within the broader framework of international laws, conventions and instruments.

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- [www.transparency.org/global\\_priorities/international\\_conventions](http://www.transparency.org/global_priorities/international_conventions) Transparency International provide links to a wide range of information on international conventions including follow up measures.





# 5

# TRAINING MANUAL ON WATER INTEGRITY

MODULE 5: TRANSPARENCY AND  
ACCESS TO INFORMATION



Photo: Q



## Session 1:

# Transparency and access to information

### Transparency and access to information laws

As discussed in Module 2 and Module 4, transparency refers to openness and public access to information so that citizens can understand the decision-making processes that affect them, and are knowledgeable about the standards to expect from public officials.

Freedom of information is a basic right that is now enshrined in the constitutions or legislation of most countries. These laws enable people to protect their rights (for example, to services like water and sanitation) and can be used by the public to guard against abuses, mismanagement and corruption in government. Freedom of information can also help governments: more openness and transparency in the decision-making process can improve citizens trust in local and national authorities.<sup>1</sup>

Freedom of information laws aim to make governments more accountable in their actions, such as service delivery. They do this by providing a right of access to official records that then enable the public to scrutinise the performance of government agencies and officials. More transparency can also lead to improved trust in government.

Most countries now have some relevant legislation to ensure the freedom of information. Those without must enact new legislation.

When legislation exists, several key points should be considered:

- People need to be made aware of their rights to access government records. NGOs can play a useful role in supporting vulnerable and marginalised groups, e.g. poor people, to benefit from such legislation.
- Citizens use freedom of information legislation to access government records. Fees may be charged and can be a barrier to use. Other restrictions that hinder access may include the need to produce ID cards.
- People should have the possibility to seek redress if their request is not dealt with properly under the law, and officials and agencies should be liable to punishment for not making information available or for providing false information.
- Increased access to information enables citizens to scrutinise the work of government, and more

transparency can put pressure on government officials to be accountable, perform better and shun corruption. The media has a key role to play in making available information that throws light on the performance of government and its agencies.

Article 19 of the Universal Declaration of Human Rights provides the foundation for all discussions on access to information and transparency. Applications of Article 19 are still limited.

Article 19, Universal Declaration of Human Rights (1948): *“Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive, and impart information and ideas through any media and regardless of frontiers.”*

### Article 19, Universal Declaration of Human Rights

Article 19 is mainly aimed at restricting government censorship. It is not designed to promote government’s transparency. However, it may serve as a starting point for further elaboration and development of regulations on transparency.

According to Abdul Waheed Khan, Assistant Director-General for Communication and Information, UNESCO “The free flow of information and ideas lies at the heart of the very notion of democracy and is crucial to effective respect for human rights ... Central to the guarantee in practice of a free flow of information and ideas is the principle that public bodies hold information not for themselves but on behalf of the public.”

The purpose of these laws, generally known as Access to Information Laws, is to make government more open and accountable to its people. There are Freedom of Information laws in over 70 countries, e.g. Bangladesh, Canada, Colombia, Finland, Germany, Honduras, India, Netherlands and the UK. Freedom of Information laws are pending in Ghana, Nigeria and Rwanda and absent in Mali, Sudan and Zimbabwe.

Freedom of Information implies that citizens have the right to access public information unless there are compelling reasons why it should be withheld, e.g. sensitive information related to need for privacy, right on privacy, public order and national security.

<sup>1</sup> World Bank Institute, Transparency International, 2009

Access to information laws is based on the recognition “that information in the control of public authorities is a valuable public resource and that public access to such information promotes greater transparency and accountability of those public authorities, and that this information is essential to the democratic process.”<sup>2</sup>

## Questions from the ground

Do access to information laws in your country extend to information held by local governments and state-owned enterprises? Do they include records of private companies that relate to government contracts?

For these laws to be operationalised and made effective, it is essential that they are derived into by-laws and guidelines, based on a structured information needs assessment to identify what type of information is in need to improve public transparency. Translating these laws into practical tools that citizens can use to access water sector information and hold water sector agencies accountable is a time consuming but necessary process.

There are a number of factors that can constrain openness, including the lack of political will, inadequate training of public officials, failure to appoint information officers and communication personnel, and poor information management.

## Information laws and development processes

In many countries, access to information laws have been endorsed. While the official documents may look good on paper, in many cases they have been introduced as part of a top-down government reform rather than participatory process and sometimes only as a result of pressure placed onto the government by the international community and organisations.

It is very important to build demand for the existence and application of information laws. These laws will only be effective if such a demand comes legitimately from the local society.

One practical action to strengthen the effectiveness of freedom of information is to work with government departments to train information officers and help improve information management systems.<sup>3</sup>

<sup>2</sup> Freedom of Access to Information Act for the Republika Srpska. Available in <http://www.vzs.ba/en/?ID=49>

<sup>3</sup> Kacaoglu, Figari and Darbishire, 2006

<sup>4</sup> Tropp and Stålgren, 2005

## Access to information and participation

It is important to make use of available data and information to monitor decision-making and progress on governance and corruption. Measures to improve transparency, such as freedom of information legislation, public-asset disclosure, and transparent access to the voting records, should be further promoted. It is also crucial to scale-up global indicators as well as country-based development of governance monitoring and assessment.<sup>4</sup>

## Key message

Access to information is a central element for more effective participation.

Examples of how transparency is being practised in water governance are presented in the *Global Corruption Report 2008*. There is a lot that can be learned from these cases, which range from opening project budgets to disclosure of performance indicators of service providers, that can be applied in different contexts around the world.

Civil society plays a critical role in turning information and opportunities for participation into effective public oversight and improved transparency:

- Increased civil society participation has been documented throughout the *Global Corruption Report 2008* as a mechanism for reducing undue influence and capture of the water sector.
- Participation in water budgeting and policy development by selected representatives of the civil society can facilitate pro-poor focus on government spending.
- Farmers’ participation in site selection of intakes and pumps and irrigation asset management helps to assure that they are properly represented when it comes to accessing water.
- Civil society participation in performance and financial auditing, water pollution mapping and performance monitoring of water utilities creates important additional checks and balances.
- Transparency and stakeholder participation build trust and confidence required for governance.

Systems with operational transparency are less susceptible to corruption than those that operate in secrecy. Basic elements of transparency are among others access to information policies and the proper operation of an independent media. A free media is a powerful instrument: not only can it expose corruption and hold individuals legally responsible and politically accountable for their actions, but it also can serve as a tool to build awareness and educate the public on their rights, and on the importance of transparency and integrity.

The Aarhus Convention (1998) is directly relevant to access to information, participation and justice in environmental issues.

## What is the Aarhus Convention?

The Aarhus Convention establishes a number of rights of the public (individuals and their associations) with regard to the environment. The Parties to the Convention are required to make the necessary provisions so that public authorities (at national, regional or local level) will contribute to these rights to become effective.

### The convention provides for:

- the right of everyone to receive environmental information that is held by public authorities ("**access to environmental information**"). This can include information on the state of the environment, but also on policies or measures taken, or on the state of human health and safety where this can be affected by the state of the environment. Applicants are entitled to obtain this information within one month of the request and without having to say why they require it. In addition, public authorities are obliged, under the
- Convention, to actively disseminate environmental information in their possession;
- the right to participate in environmental decision-making. Arrangements are to be made by public authorities to enable the public affected and environmental non-governmental organisations to comment on, for example, proposals for projects affecting the environment, or plans and programmes relating to the environment, these comments to be taken into due account in decision-making, and information to be provided on the final decisions and the reasons for it ("**public participation in environmental decision-making**");
- the right to review procedures to challenge public decisions that have been made without respecting the two aforementioned rights or environmental law in general ("**access to justice**"). <http://ec.europa.eu/environment/aarhus/>

## Session 2:

# Transparency in water infrastructure development

### Corruption prevention in Indonesia:

## Applying transparency principles throughout the project cycle

The Kecamatan Development Programme (KDP) is a nationwide programme run by the Government of Indonesia. In addition to national funds, KDP is supported by the World Bank and other donors. It aims to alleviate poverty, strengthen local government and community institutions and improve local governance. This multi-sectoral programme covers more than 34,000 villages across the country and it has supported Indonesia's water sector through the construction of 7,178 clean water supply units, 2,904 sanitation units and 7,326 irrigation systems.

The risks of corruption in development projects in Indonesia are high and widespread. Large-scale, highly dispersed and central government projects, such as the KDP, offer plentiful opportunities for public officials to misuse public funds for personal gains at a low risk. Dysfunctional judicial systems and ineffective oversight institutions contribute to an overall weak accountability system, enabling the diversion of money

away from development projects. These forms of corruption in development projects manifest themselves in several ways:

- The bribing of officials to get projects
- Cuts made by upper levels of government
- Illicit fees
- Under-delivery of materials/services
- Embezzlement by staff

To address this high risk environment, KDP built anti-corruption measures into the project's design, which emphasised transparency and information sharing throughout the project cycle. One of the key principles is that corruption risks can be minimised through better design. Design measures include fewer transactions and less discretion in the transfer system; standardised grant amounts; and streamlined formats to promote easy understanding by end-users.

Source: *Water Integrity Network, WIN. Case Information Sheet, No.2/2008.*

**For other examples** of actions to address particular vulnerabilities in water infrastructure development programmes, see: <http://www.waterintegritynetwork.net/page/2201>

- WIN Case Information Sheet No 3 of 2008: The Agua Transparente Programme, Columbia.
- WIN Case Information Sheet No. 5 of 2008: The The Lesotho Highlands Water Project.

### Information and the project/programme cycle

New construction projects related to public infrastructure tend to be infrequent, large, site specific and unique, which means that little information is available against which to judge unit costs. This is particularly true for water resources development projects.

## Questions from the ground

Large investments in water (i.e. dams, canals, water treatment plants, etc) are prone to corruption.

Can you map the stakeholders, moments, and processes of such projects where information should be available? Which type of information? Available from whom?

## Colombian anti-bribery agreement

### Corruption problems

In Colombia, the procurement of pipes for water supply and infrastructure has been vulnerable to corruption and fraud. The conditions established to participate in the tendering process often tend to favour single bidders, without consideration for the technical analysis justifying given requirements. Moreover, the bribes are frequently offered in the contracting processes. These practices resulted in the loss of large sums of public resources for water and infrastructure projects.

In 2004, the Colombian Sanitary and Environmental Engineering Association (ACODAL) approached Transparencia por Colombia, a national anti-corruption NGO, to establish a sectoral Anti-Bribery Agreement. This was an attempt to reduce the mistrust and lack of credibility dominating the pipe manufacturing industry – a situation that had become unmanageable for the companies. In a combined effort, pipe-manufacturing companies (representing 95 percent of companies in the sector) signed an Anti-Bribery Agreement in April 2005. The Agreement stipulates that each company must introduce a general anti-corruption policy according to the guidelines as specified in Transparency International's Business Principles to Counteract Bribery (BPCB). These guidelines cover a variety of company operations including: pricing and purchasing, distribution and sales schemes, implementation mechanisms, internal controls and audits, Human Resource Management, communications, as well as the protection of 'whistle blowers'. Moreover, it is recommended that each company establish an Ethics Committee with significant social and economic powers to take action against transgressors.

### Corruption prevention

#### Why companies join the agreement?

- They believe it reduces corruption
- They prefer a self-regulation scheme based on common rules
- It maintains an open dialogue

- It provides a means of recognition
- It encourages peer control
- It allows social pressure

#### How to enable companies to prevent corruption?

- Companies must accept that they have a responsibility to solve a problem
- Companies have to define actions to solve the problem
- Companies need to generate benefits out of their actions

### Anti-corruption strategies

#### Lack of an anti-corruption corporate culture

- Offer employee training on the Agreement's content
- Provide Human Resource Management (Addendums to labour contracts; Induction processes)
- Establish clear reporting lines for general managers and treasures
- Boards of Directors need to formally support the Agreement
- Establish detailed guidelines and disseminate the Agreement widely
- Hold regional meetings to launch the Agreement (Corporate image for Agreement; Meetings with public officers; National media publications)

#### Lack of transparency in contracting

- The Agreement establishes new rules that go beyond legal statutes
- The Agreement encourages the public sector to establish similar guidelines
- The Agreement creates pressure for other suppliers to join the Agreement Tolerance of Bribery Practices in the Distribution Scheme
- Offer regional Agreement training modules with distributors

Source: WIN Case Information Sheet No. 4/2008

These projects and programmes are usually complex, involving many specialist sub-contractors and/or consultants. Implementation is scheduled in phases making cost control difficult and in construction works and/or consultancy services, information is asymmetric: the contractors/consultants/bidders know more about the real prices than the client.

This is why open access to information relevant to construction of works or consultancy services is essential to keep the development costs within budget and to ensure that the infrastructure serves the public according

to the projected service level and desired reliability.

Savas (2000) distinguished 12 different steps in a typical project cycle. These steps have been adjusted and summarised below:

#### A. Preparatory phase

1. Decision to out-source/contract
2. Prepare Terms of Reference
3. Criteria for pre-qualification and bid (Tender) evaluation
4. Request expression of interest or pre-qualification

5. Prepare shortlist of bidders
6. Request for bid (tender)

#### **B. Procurement and contract award:**

1. Contract bidding (Tendering) process
2. Evaluate, negotiate and contract award

#### **C. Implementation of construction works:**

1. Construction, provision of services & supervision
2. Hand-over works or service completion.

#### **Preparatory phase: Information to be considered**

During this phase, the risk of corruption is high, as this is typically where strategic decisions are made on how to initiate and to proceed with the project. There are usually four main sets of activities in the preparatory phase:

- I. Project estimating: to assess the need for the project and the availability of funds, and to estimate institutional and financial constraints
- II. Project identification or pre-feasibility study: to come up with the following information to decide to proceed or not:
  - a. determine and formulate the project and the urgency,
  - b. roughly quantify the size of the project,
  - c. select project priorities, and
  - d. evaluate the need to proceed with implementation.
- III. Project preparation or feasibility study: to select the most favourable alternative/option with respect to lay-out, design criteria and capacity of the system to be developed.
- IV. Detailed design: to prepare detailed engineering design, technical drawings, technical and computation notes, bill of quantities, tender and procurement documents.

Several crucial decisions are taken in this phase, such as how to contract the works out, the procurement process, method of bidding, selection criteria, and so on. The decisions taken in this phase are prone to undue influence since they open ways for potential corrupt gains.<sup>5</sup> Many elements in this phase can be manipulated and could be under- or over-estimated for political and strategic purposes. Furthermore, decisions surrounding bidding, procurement and competition process can be influenced indirectly, including the choice of which competitors (international or national) to exclude. The criteria for bidder and competitors pre-qualification and the selection of short-term deadlines to submit the bidding documents are all prone to manipulation through bribes.

#### **Procurement and awarding contracts**

A number of possibilities can be identified that are prone to corruption both before bidding and during contract negotiation, including changing the contract sum or an ad-

justment of bids. Depending on whether a 'Quality Based' procurement and 'Quality-Cost Based' procurement system is applied, there are a variety of ways to adjust the bid and potentially manipulate the evaluation of bids. Innovative technologies are also opening new opportunities for manipulation which can be difficult to detect.

#### **Implementation of construction works**

Charles Kenny (2007) gives special attention to the construction phase of the project cycle. There is a tendency to build new infrastructure rather than to plan and implement proper maintenance of existing infrastructure. The decision whether to proceed with a new project or rehabilitate or upgrade existing infrastructure is itself prone to corruption as several decisions are involved. Despite the fact that maintenance is key to preserving the economic value of infrastructure and a necessary investment to arrive at the projected benefits that are projected during the feasibility study, there remain large incentives to build new infrastructure.

As construction of water infrastructure involves complex, non-standard construction processes and methodologies that foster asymmetric information between clients and providers, it is perhaps unsurprising that construction is frequently seen as one of the most corrupt industries worldwide.

#### **Renegotiations and changes of contracts**

During the construction phase, corruption can still arise during contract renegotiations and during implementation. Negotiations are focused on lowering contract costs afterwards, for example, through changes concerning the quality standards, different construction technologies or through securing impunity towards non-compliance. Corruption may aim to lower standards for construction supervision or expected penalties. Further, corruption can be used to increase revenues through fake claims or through securing lucrative contract amendments or additional work orders. Fraud, manipulation of invoices etc., can cover lower quality materials or serve as an excuse to raise prices for services. These practices, again, can be covered by bribes to the administration in charge of contract management and construction supervision.

**The operation and maintenance phase** (after construction) is critical but often neglected. The actual construction and its operation should reflect and justify the investment decision made in the initial phases of the project cycle. This is an important phase, because it is in this phase that the effects of corruption in the previous phases are felt in terms of poor quality/performance, low reliability, high maintenance costs, shortened life span of the infrastructure, low service level and higher risk of failure. In this phase, information concerning national norms and standards and the performance targets and costs of the provider is important for citizens to be empowered to monitor the quality of ongoing service delivery. This is covered more fully in Module 6.

<sup>5</sup> Boehm, 2007

## Contracting process and corruption risks at each stage



### 1. Needs assessment/identification of demand



### 2. Preparation phase, process design and preparation of bid documents



### 3. Contractor selection, contract award and signature



### 4. Contract execution



### 5. Final accounting, audit and decommission (when applicable)

#### 1. Needs assessment/identification of demand:

Corruption can distort the contracting process from the very beginning, e.g. building a larger dam than needed, choosing a hydroelectric project when other less costly energy-producing alternatives are available or constructing water supply systems for certain favored groups rather than for the population most in need. Although poor decision-making does not equal corruption, transparency and openness in how and why decisions are taken prevents corruption to happen during this stage. Common risks at this stage include:

- Decision-makers in the water sector are biased (bribes, kickbacks or conflicts of interest are involved).
- The water sector investment or purchase is unnecessary. Demand is induced for a specific water project so that a particular company can make a deal, but the project is of little value to society.
- Instead of systematic leak detection or grid loss-reduction (both of which offer little reward), new capacity is installed (which offers bribe potential).
- The investment is economically or socially unjustified or environmentally damaging.
- Goods or services that are needed are over- or under-estimated, to favour a particular provider.
- Old political favours or kickbacks are returned by including a 'tagged' contract in the budget (i.e. a contract with a certain, pre-arranged contractor). The same procedure can be used for creating new favours to be paid in future.
- Conflicts of interest ('revolving') are left unmanaged and decision-makers identify the need for contracts that favour former or future employers.

#### 2. Preparation phase. Process design and preparation of bid documents:

Corruption action can hide within the details, e.g. very precise designs for an irrigation system that only one company produces; or the dimensions of system being artificially enlarged so that only big company can deliver. Many actors in a project may try to influence decisions in a biased way, here the importance of public scrutiny and debate. Equally vital is use of unbi-

ased, competent consulting company. Among the key risks at this stage are:

- Bidding documents or terms of reference are designed to favour a particular provider, so true competition is not possible (or restricted).
- Unnecessary complexity of bidding documents or terms of reference creates confusion, hiding corrupt behaviour and making monitoring difficult.
- Design consultants prepare a design that favours a particular bidder.

#### 3. Contractor selection, contract award and signature:

Decision may clearly favour one or other bidder, e.g. if a water supply operator is chosen not on merit but on bribes paid. Risks at this stage include:

- Selection criteria for water sector projects are subject to abuse or applied so as to allow biases to play a role and remain undetected, or decision-makers are not accountable.
- Advantage is granted to a particular bidder through the exchange of confidential information before bid submission or during the clarification period. Clarifications are not shared with all bidders.
- Confidentiality is abused and extended beyond legally-protected information, making monitoring and control difficult.
- The grounds for selection of winner are not made public (lack of transparency of bid evaluation).
- A project has an excessive (unnecessarily high) price, as a result of limited or non-existent competition.
- Contracting conditions change substantially during contract negotiation and signature, departing from the bidding terms.

## Contracting process and corruption risks at each stage (continued)



**1. Needs assessment/ identification of demand**



**2. Preparation phase, process design and preparation of bid documents**



**3. Contractor selection, contract award and signature**



**4. Contract execution**



**5. Final accounting, audit and decommission (when applicable)**

**4. Contract execution:** The execution phase presents several corruption risks, e.g. if an irrigation system operator won a bid with a very low price, but once the contract is signed, charges higher fees, withholds delivery or performs poorly to compensate for low income. Or a dam may be built with substandard materials or outdated equipment, to offset costs. Among the leading risks at this stage are:

- Winning bidders/contractors offsetting bribes and other payments with poor quality, defective or to different specifications than those contracted. Faulty or sub-specification work may require early repairs or expensive correction.
- Contract renegotiations or 'change orders' introduce substantial changes to the contract specifications or costs, often in small increments that can be decided by a site engineer. These may be facilitated by collusion between the contractor and the controller or site engineer in water sector projects.

- Supervisors and auditors fail to play their role – they are bought or biased.
- Officials demand bribes to process payments for the contractor.

**5. Final accounting, audit and decommission (when applicable)**

- Auditors and accountants doing final accounts are biased or 'bought' and are therefore willing to support false certificates.

Source: WIN and TI, 2010



**Knowing the tools:**

## Integrity pacts

In 1990, Transparency International developed a tool to protect public procurement from corruption. It can be used by both the public and the private sector where procurement of goods and services is being carried out. The concept of Integrity Pacts has been successfully introduced and implemented in a number of countries, notably some South American countries. So far, the experiences with the introduction and implementation of this concept are encouraging.

The main objective of the application of Integrity Pacts is to reduce the chances of corrupt practices during procurement through a binding agreement between the client or owner and bidders (contractors, consultants and manufacturers, service providers, etc.) for specific contracts. The expected ultimate outcome is a reduction of the high costs due to corruption practices in public procurement, privatisation or licensing.

The process is to create an enabling environment through agreements and sanctions in case of violations where:

1. the bidders, contractors, goods and service providers abstain from bribing, by assuring all bidders will also refrain from paying bribes;
2. the client or project owner, e.g. Government agencies also pledge to prevent corruption, by adhering good procurement practices including not seeking nor soliciting for bribes.

**The essential elements of the concept of integrity pacts are:**

- A pact (contract) is made between the client/project owner (further referred to as the Principal) who needs particular construction works, supply of goods or consulting services from companies or firms (referred to as the Bidders) through a public tender process;
- An initiative by the Principal that its personnel or agents will not demand or accept any bribes, gifts, etc. Violation will lead to appropriate disciplinary or criminal sanctions;

- A statement by each Bidder that it has not paid, and will not pay, any bribes in any form;
- An undertaking by each Bidder to disclose all payments made in connection with the contract in question to anybody (including agents and other intermediaries as well as family members, etc., of the clients and/or its personnel or 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, the disclosure obligation and the related sanctions remain in force for the winning Bidder until all the obligations specified in the contract has been completed to the satisfaction of the Principal;
- Agreements and pledges on behalf of the Bidder 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, pledges and/or the agreement, including (some or all): (i) denial or loss of contract, (ii) forfeiture of the bid security and performance bond, (iii) liability for damages to the Principal and the competing Bidders, and (iv) debarment of the violator by the Principal for an appropriate period of time.

Bidders are also advised to have a company Code of Conduct (clearly rejecting the use of bribes and other unethical behaviour) and a Compliance Programme for the implementation of the Code of Conduct throughout the company.

To learn more about integrity pacts, visit: [www.transparency.org/global\\_priorities/public\\_contracting](http://www.transparency.org/global_priorities/public_contracting).

Source: WIN and TI, 2010

## Session 3:

## Freedom of information in action

**Knowing the tools:****Suggested actions to improve access to information and transparency**

**Meetings** to develop anti-corruption initiatives and to share experiences. This is an initial and essential step to develop strategies to promote transparency, accountability and access to information in the sector.

**Access to information laws.** Freedom of information is a basic right that is now enshrined in the constitutions or legislation of most countries. The laws enable people to protect their rights (for example to services like water and sanitation) and can be used by the public to guard against abuses, mismanagement and corruption in government. On the other hand, freedom of information can also help governments. By introducing a culture of more openness and transparency in the decision-making process, citizen's trust in the government can improve.

**Community participation methodologies,** such as participatory appraisal and community mapping, are widely utilised in the water sector. Community management, with active citizen participation, has become the main model for service delivery in rural areas and has been adapted in some peri-urban contexts. Involving the community in the management of water projects reduces the risk for corruption as transparency is increased.

**Raising citizens' voice.** Consumers often have little ability to hold water and sanitation service providers accountable. In many cases, mechanisms to facilitate citizens to make legitimate complaints are either very weak or non-existent.

**Participatory budgeting** is an innovative financing mechanism that gives citizens a bigger say in a key issue: how public financial resources is spent by government for local development. It strengthens accountability and equity in allocation of resources.

**Access to budget, expenditure and performance information.** Regular reports and the accounts of a service provider provide an obvious but valuable tool for improving access to information, transparency and accountability. However, many municipal water and sanitation providers refuse or neglect their responsibility to produce annually audited reports and accounts even when they required doing so.

**Public Expenditure Tracking (PET)** aims to track the flow of public funds and other resources from the central government level through the central administration to frontline service providers, such as municipalities or utilities providing water and sanitation services. The key question that a PET sets out to answer is: do public funds end up where they were supposed to?

**Integrity pacts and the concept of a social witness.**

The integrity pact is a binding agreement between a procuring agency and bidders for specific contracts aimed at reducing corruption. The agreement is overseen by a third party monitor/social witness. The social witness is a highly honourable, recognised and trusted public figure who is independent from the parties involved in the process. He or she has full access to the relevant information and documentation and has the right to participate in critical stages of the procurement process.

**Public meetings** should be a normal function of legislators, civic officials and other administrators of public services (like water and sanitation utilities) to provide information and to solicit the views of citizens.

**Communications** between water service providers and their consumers.

**Complaints and ombudsman's offices** are both elements that are sometimes separate but often combined – their purpose is to provide a way to address 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, either in addition or as an alternative to utilising existing provisions such as Parliament, the Judiciary, and internal complaints procedures.

**E-government.** The Internet has opened up new possibilities for governments and local authorities to interact with their citizens. An example is the application of E-Procurement in bidding processes below.

**Case study:**

## Application of e-procurement and quality assurance

**The city of Surabaya East Java:**

In response to the Presidential Decree number 80/2003; the newly elected Mayor of Surabaya developed an e-procurement system for the city in 2004. To set-up the system, the municipality conducted its own research and tried to adopt the best practices of the procurement systems in Hong Kong and Singapore. It also received assistance setting up the computer system from students and academic staff of the Institute Sepuluh Nopember Surabaya (ITS), member of the Collaborative Knowledge Network Indonesia (CKNet Indonesia).

The Faculty of Civil Engineering of ITS is the main advisor to the municipality to review the engineering design of urban drainage and flood protection for the city proposed by consultants. During construction,

members of the Faculty are involved in supervisory activities of construction works. In this way assuring quality of the works and making corruption during engineering design and construction difficult. Initially the municipal government faced resistance from large vendors, who relied on payments and collusion to win their contracts. Since the implementation of the e-procurement system, the savings from procurements has been substantial, and the savings has been allocated to other city projects. In addition, the application of the e-procurement system increases the opportunity for small and medium vendors to participate in the bidding process. As a result, a large portion of the city's projects are now won and awarded to small and medium sized vendors.

## Session 4:

# Taking action to strengthen transparency and integrity

The scope and multitude of public, private and consumer stakeholders provide for a long list of actions that can be recommended to strengthen transparency and improve integrity in the water sector. Strengthening the capacities at the individual and group level is one such key action.

### Keep it simple!

An action plan towards water integrity does not need to include very complex, expensive, and highly technical interventions. Some simple actions:

- Keep technologies and designs as simple, practical and relevant as possible;
- Plan water service with the community, involving leaders, rich and poor people, men as well as women;
- Simplify information, plans, designs, reports, accounts, so that they are understandable by all stakeholders.

Source: WIN, 2008

Some recommended measures are:

- **Communities:** build citizen awareness and civil society partnerships to create a demand for water integrity; set up public complaints systems; increase the level of community participation in planning and monitoring, but be sure to provide the necessary capacity building to make this participation feasible and relevant.
- **Involve civil society institutions:** support research and surveys; make the best use of their local level knowledge; involve them in the design and implementation of water projects.
- **Politicians:** seek out their leadership and advocacy; demonstrate that honesty-managed programmes bring popularity and votes (especially at intermediate and local levels); target top-level persons for their commitment.
- **Implementers and water departments:** separate the implementer from the regulator; experiment with pilot projects; increase the salaries of water department employees to provide incentives;

<sup>6</sup> Shordt et al. 2006

create a black list for bad performance; break monopolies.

### Strategic recommendations: where to begin

- Be preventive rather than reactive. Corruption has immediate negative effects and once corrupt systems are established, they tend to stick.
- Don't stand alone. Build comprehensive networks of actors from the local, national, regional and international level and from all spheres of society: private, public and civil society.
- Focus on the needs of poor and marginalised people. They are often the most affected by corruption and can, in the short run, be disenfranchised by effective anti-corruption measures

Source: Stålgren, 2006

- **Communicate:** publish reports on utility performance levels; publish technical information to the public; promote media reports which highlight good practices; all decisions made and or explained in public meetings – have rules for open meetings; facilitate access to information laws.
- **Monitor:** technical innovation has made the exchange of information cheaper and more accessible than ever before. In Tanzania, water user groups use mobile technology to report systems leakages. Online information database systems, satellite imagery, citizens' water quality monitoring, special water meters are all examples of emerging opportunities for more rapid information transfer and effective monitoring.<sup>6</sup>

In summary, promoting access to information is one of the key tools for strengthening transparency, which is a core principle of good governance.

UNDP defines transparency as "sharing information and acting in an open manner." Access to information will be increasingly important to build consensus among the wide range of stakeholders involved, and in order for them to participate in informed decision-making in water development initiatives.

Access to information, including the availability of information and its use in decision-making, is an entry point for improved water governance. Moreover, access to information is central to enhancing inclusiveness and reducing poverty, and is one of the key factors in the promotion of more effective multistakeholder participation in decision-making.

It is important to remember that information must not only be available to the public, it must be accurate and complete. To arrive at an open and transparent culture is a very complex process. However, the acceptance of the basic principle and establishment of a process are essential components in the road towards transparency and accountability.

#### Knowing the tools:

### Practical tools and actions within projects

- Simplify information, plans, designs, reports, accounts, so that they are understandable and can be copied handled by all stakeholders;
- Simplify approval procedures so that they can be easily understood and monitored;
- Make clear and agreed plans for long-term operation and maintenance.

Sources: WIN, 2008

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# 6

## TRAINING MANUAL ON WATER INTEGRITY MODULE 6: ACCOUNTABILITY



Photo: Q

## Session 1:

# Concepts, coalitions, contracts and compacts: what is accountability all about?

## Key concepts:

### Accountability:

The democratic principle that elected officials and those in public service account for their actions and answer to those they serve. Accountability includes political, administrative, and financial dimensions.

### Political accountability:

Political accountability means that government must be held accountable to the citizens of a country, and that it must not abuse its power. This also implies that the appointment of specific individuals to various decision-making positions must be justified based on objective criteria, and the individuals and their departments must account for their activities and spending in transparent ways.

### Administrative accountability:

This refers to accountability within administrative structures and standards concerned with oversight over water governance. This includes regular evaluation and necessary improvements, and ensuring that all bureaucrats,

consultants and technical personnel comply with professional codes of conduct and professional standards. Increasingly, public and private service providers are required to produce annual reports of their planning, performance and spending.

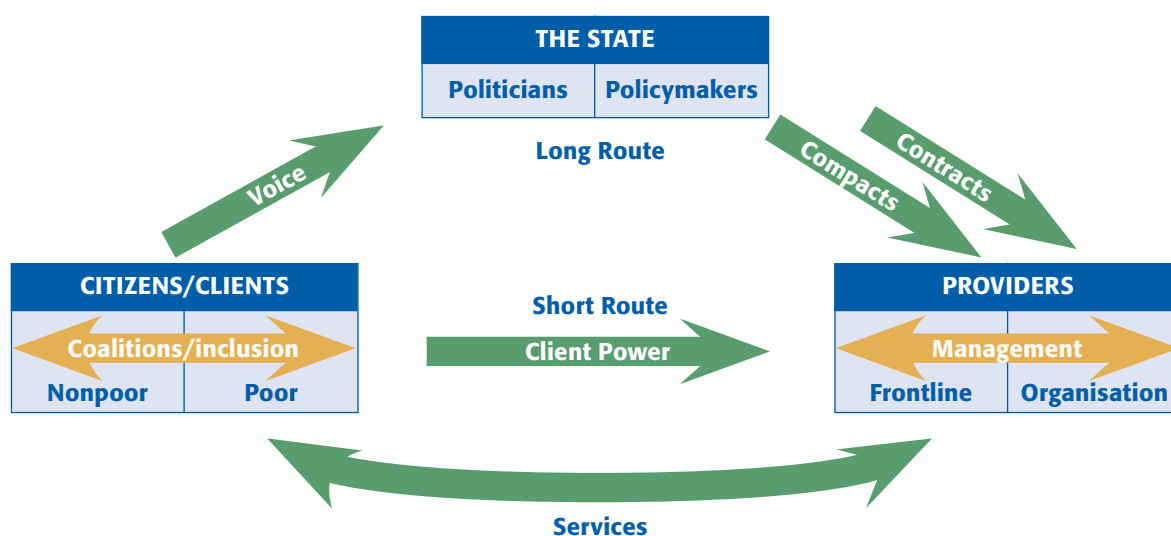
### Financial accountability:

Individuals and institutions must truthfully and accurately document the intended and actual use of resources allocated to it. It may also require that individuals with discretionary powers account for their earnings through a programme of assets declaration.

## The public service accountability 'triangle'

The figure below shows how accountability relationships between citizens, politicians, policy makers and service providers are structured. There are two specific routes of accountability: a long route and a short route.

### Institutions of service provision: short and long routes of accountability and the three relationships



Source: World Bank, World Development Report, 2004

**“Long route” accountability**

The political process through which citizens try to influence politicians is called “voice”. This influence occurs through the direct political process of citizens voting for their political representatives and deciding whether or not the politician has adequately represented them. It also occurs when citizens express their priorities and preferences for particular policies to the politicians. Policy makers include staff in ministries, provincial and local governments that frame particular policies, regulations, and programmes and are responsible to oversee implementation.

Within the government, policy-makers create policy and reach agreements with service providers. Service providers can be public, private or non-governmental. This covers the relationship between politicians/ policy-makers and the service providers. This falls under “vertical” accountability (covered in Module 4). If this agree-

ment is solely between agents within the public service, we will call it a “compact”. If government hires a private or non-governmental provider to deliver the services, we will call the agreement a “contract”.

**“Short route” accountability**

The short route to accountability is to empower citizens so that they can directly influence service providers. This is also referred to as “client or citizen power”.

**Accountability lines between water sector institutions: An example from South Africa**

The institutional map below depicts the relationships between various water sector institutions in the South African context. While this was drafted in 2003 and some of these relationships have subsequently changed through legal and institutional reform, the map illustrates lines of accountability in the ‘accountability triangle’.<sup>1</sup>

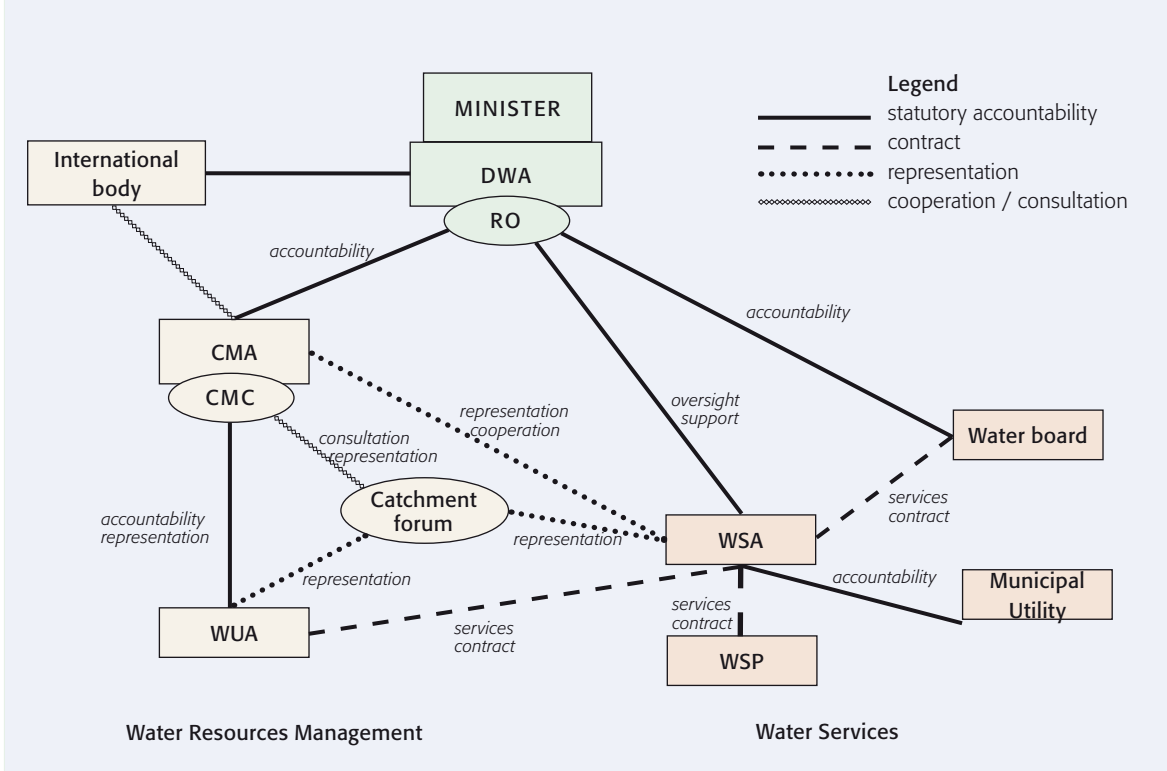
**Think about it:****Accountability, transparency, and IWRM**

We all are water users, and IWRM requires multistakeholder participation and responsibility. Within IWRM, accountability and transparency are not just expected of public sector institutions but for all stakeholders in water management. All organisations (public, private, formal, or informal)

including user and river basin organisations will need to be politically, administratively, and financially accountable, and transparent to enable participatory water resources management which in turn, will lead the way towards IWRM.

<sup>1</sup> Governance in water resources management: Progress in South Africa WWF3: INBO session 20.03.03, Karar, E, Department of Water Affairs and Forestry, 2003

**Primary institutional relationships between various water sector institutions in South Africa**



Source: Karar, E. 2003.

“Statutory accountability” = compact

“Representation” = voice

“Contract” = contract

“Cooperation and consultation” is a lighter form of voice, where there is a policy imperative to consult with these stakeholders, but they are not considered formal representatives of stakeholder groups.

**Acronyms and definitions of concepts in the institutional map of the South African Water Sector**

Minister = Minister of Water and Environmental Affairs  
 DWA = Department of Water Affairs (national department of water)  
 RO = Regional Office of DWAF  
 CMA = Catchment Management Agency (river basin authority)  
 CMC = Catchment Management Committee (representative stakeholder forum in place to ensure that the CMA is established in a participatory manner with voice from all relevant stakeholders)

WUA = Water User Association  
 WSA = Water Services Authority (municipality/ district local government with the powers and functions to ensure water services through planning, regulation and oversight)  
 WSP = Water Services Provider (could be public, private or NGO, undertakes all the functions necessary to provide ongoing water services)

## Session 2:

# Strengthening accountability: Tools and actions

## Strategies for strengthening accountability

The following are ideas for strategies to strengthen accountability.<sup>2</sup>

1. **Working on parallel fronts** to influence policies and laws, their implementation and monitoring, supporting action groups and NGOs, stakeholder and community participation, coalitions, research and tools. To succeed, the focus should not be exclusively on the national government or the public sector. Both 'top-down' and 'bottom-up' approaches are needed.
2. **Preventive and positive approaches.** Current experience shows that positive approaches are needed. Transparency International, for example has a positive focus that does not concentrate on "naming names" or sensational investigations. This strategy helps to ensure that individuals and institutions are willing to join and partner in improving accountability and transparency. Preventive and proactive activities might include case studies of best practice, surveys of the current situation, or action research identifying optimal approaches to community management or design of water schemes.
3. **Seek greater transparency** through; for example, establishing complaint systems, ombudsman services and investigating alleged corruption. This can focus on transactions that commonly take place in the sector, such as beneficiary selection, tendering, construction, operation and so on.
4. **Collaboration and partnerships.** Building coalitions is essential and there are many examples to prove that they work and get results. It is important to increase the number and the mix of actors with representatives from governmental and non-governmental organisations, public and private sectors, as well as formal and informal groups.  
In the water sector, some civil society organisations have been promoted as independent monitors over both the tendering and execution of projects. The challenge is to encourage the pendulum to shift towards external accountability mecha-

### Knowing the tools: Participatory budgeting

Participatory budgeting is a process, in which ordinary residents decide how to allocate part of a municipal or public budget. Participatory budgeting allows citizens to identify, discuss, and prioritise public spending projects, in this case in relation to water management and water services. Participatory budgeting can lead to more equitable public spending, increased satisfaction of basic needs, greater government transparency and accountability, increased levels of public participation (especially by marginalised or poorer residents), and democratic and citizenship learning.

### Knowing the tools: Complaints and the ombudsman office

The ombudsman, is appointed to receive and investigate complaints from the public regarding maladministration. By examining decisions, processes, acts, omissions, the ombudsman will check their compliance with the law or practices. If the malpractice is confirmed, remedial action will be taken.

<sup>2</sup> Shordt et al., 2006

nisms, with participatory approaches. This creates monitoring and feedback mechanisms outside the executive, which are less vulnerable to corruption.

5. **Awareness raising and capacity building.** Effective, informed and functional institutions are needed. Focus should be on strengthening the capacity of institutions and their personnel.
6. **Apply and adapt existing tools.** Many tools and strategies have been developed to reduce corruption and improve transparency. The application of tools and strategies do not automatically mean that the effort will succeed. It is important to implement strategies and to check their real impact, which requires active monitoring systems and indicators.

IWRM provides a new perspective on water management that emphasises stakeholder participation, gender mainstreaming and strengthening of river basin organisations. This represents a significant opportunity to include accountability and transparency measures in the process of IWRM reform.<sup>3</sup> Below, we highlight some examples of strategic actions to improve accountability and transparency through IWRM reforms.

#### Legal and financial reform

Legal and financial instruments include reforming procurement procedures, monitoring and oversight, deterrence, increasing economic competition, and decentralisation.

Reducing complexity in regulation, licensing and control are central elements of these reforms, typically led by government agencies. The likelihood of success is increased if measures are supported by the private sector, civil society and the international community.

- **Procurement processes.** Determining the specifications of a contract includes possibilities for tailoring the bid requirements to suit a specific bidder, while the tendering process can be manipulated by reducing information about contracting opportunities and creating an excuse for sole sourcing. Private contractors can collude to undermine competitive bidding and secretly agree to take turns making the lowest bid. Being able to control the competition, they can inflate their bids and create a profit margin that is shared among the colluding partners.

Procurement reforms should therefore be developed in close cooperation with private companies within the sector who can be encouraged to form “integrity pacts.” These foster peer control and socialisation that breaks established behavioural patterns and moral standards.

<sup>3</sup> Stålgren, 2006

<sup>4</sup> Shordt et al., 2006

### Think about it: The usefulness of anti-corruption campaigns

Kaufmann (2005) has concluded that the usefulness of anti-corruption ‘campaigns’, new institutions and laws, as well as much of the traditional public sector management and legal reform approaches, may be overrated. Increased “awareness” alone, unlinked to tangible programming has created an atmosphere of cynicism and made it more difficult to fight corruption. Suggesting “more accountability and more transparency” will probably sound nice, but do little on its own. It is necessary to understand precisely what these terms mean, and their strategic implications.

### Knowing the tools: Tendering, contracting, and procurement

- Operate integrity pacts among contractors/suppliers.
- Requirements for corporate codes of conduct and/or an agreed code of “zero tolerance” for corruption. Include “no bribery”, “no corruption” clauses in contracts.
- Private water providers must produce asset management plans that show how services will be extended to the poor.
- Require 2 or 3 joint signatures on financial and project documents, as well as for important expenses.
- Surprise procurement audits. Surprise audits of stored commodities and warehouses.
- Assess plans: Monitor and compare costs for standard commodities among projects.<sup>4</sup>

Civil society can play a key role, e.g. in the form of public ombudsmen – operating under a code of confidentiality – who oversee the procurement process.

- **Increase economic competition.** The water sector traditionally comprises large-scale national monopolies. Monopolies tend to increase corruption because they distort supply- and demand-driven prices, which in turn create a space for bribes and other forms of corruption. Together with private contractors, state monopolies typically involve very large contracts that can increase the expected net benefit of corruption.

Monopolies also tend to place enormous power in the hands of public officials with substantial discretion, and research shows that the higher the degree of discretion, the higher the incidence of bribery.

This is the rationale for increasing economic competition as part of anti-corruption reforms. Accumulated experience calls for caution, however, as privatisation processes themselves are prone to corruption. Market actors need support from well-functioning public institutions, which unfortunately tend to be in short supply in societies hit by corruption.

The IWRM framework stresses the need for participatory decision-making processes to be conducted, to the greatest possible extent, at the local level. However, only knowledgeable stakeholders will be able to actively participate. Thus, capacity building should be permanently on the side of all reforms.

- **Enable intra-governmental cooperation.** Measures to deter corruption in intra-governmental cooperation include strengthening national policies

and implementation agencies, formalising inter-departmental decision-making processes, broadening technical training to detect irregularities, integrating members of inter-departmental bodies in home departments, peer control and professionalism.

Cooperation needs to be transparent to ensure that more interrelations do not lead to more discretion and increase opportunities for corrupt practices. With transparency and oversight, cooperation can drive IWRM reform.

- **Decentralisation.** Decentralisation increases the level of information available for management and oversight of water resources management and creates a closer relationship between service providers and their clients. This can increase the moral cost of corruption as the service providers know the face of the victims of corrupt practices.

By inviting those who are hardest hit by corruption to take part in the decision-making process decentralised governing structures should, in theory, provide opportunities for local communities to prevent corrupt practices. However, research on the effects of decentralisation on corruption is inconclusive. Decentralisation also brings the interactions between public officials and users closer together and thus can lead to more patron-client relationships between individual service providers and local populations. The dangers of decentralisation can be overlooked by some of its more dogmatic advocates, who tend to romanticise the local level and disregard the role of locals in the creation of corruption.

Checks and balances are needed, together with capacity development and systems and procedures for accountability.

## Decentralisation and privatisation are not immediate solutions

Some significant macro-reforms in governance and development assistance such as decentralisation and privatisation were strongly advocated by international agencies, in part as a way of improving effectiveness and reducing corruption. However, these reforms have not provided solutions as rapidly as foreseen and they have raised some new challenges.

The relation between decentralisation and corruption is complex, depending on other variables such as

the degree of social and economic equity, the complexity of the services, the flexibility and simplicity of regulatory systems and local capacity. One key lesson of decentralisation is that, if local level capacity, leadership and “readiness” (transparent management, systems, and staff competencies) is lacking or ignored, it will invite inefficiency and corruption.

Source: Shordt et al., 2006



## Reform public service delivery systems

- **Improved human resources management.** The goal is to create a professional environment that discourages the use of entrusted power for private gain. Common sense suggests that if an employee does not get a salary on which he or she can be supported, the incentive to engage in corruption is increased. Some research points out that the incentive to engage in corruption lies not in the absolute levels of salary, but in the difference between expected and actual levels of pay. If the wage level is perceived as “fair,” it is unlikely to spur corruption.
- **Improving technical knowledge and systems.** Corruption is about making choices: accepting a bribe, falsifying water meter readings, allowing excessive abstraction of water, overlooking waste-water dumping or the use of substandard material in dam construction. Technical solutions and control decreases the discretion of individual actors, thus

making such choices more difficult and risky. Although aiming for water integrity is more an ethical matter than a technical, such solutions turn into a very efficient tool, which serve to limit opportunities for unethical practices to arise.

- **Increase public sector capacity.** The need for public sector capacity building is evident, so that public officials can be more effectively involved in the process to detect and assess irregularities in contractor’s work on large infrastructure projects.

### The PACTIV approach to combating corruption in the water sector

The first letter of five vital building blocks for combating corruption in the water sector makes up the acronym PACTIV: Political leadership, Accountability, Capacity, Transparency, Implementation and Voice.<sup>5</sup>

Building block	Rationale	Type of action
Political leadership	Mobilise support from political leaders and engage them as constructive anti-corruption partners.	<ul style="list-style-type: none"> <li>• Illuminate the potential political advantage from decreased corruption in the water sector.</li> <li>• Include political leaders in discussions at all stages of water projects.</li> <li>• Record and publicly display commitments of support made by politicians.</li> </ul>
Accountability	Reform political and judicial institutions to reduce discretion and increase integrity.	<ul style="list-style-type: none"> <li>• Increase competition in elections to catchment boards.</li> <li>• Expose public officials to the hardships of the poor water users they are entrusted to serve.</li> <li>• Check contractors’ support of political election campaigns.</li> <li>• Strengthen independent auditing.</li> </ul>
Capacity building	Strengthen capacity of public institutions and civil society	<ul style="list-style-type: none"> <li>• Increase technical competence of regulators and procurement officials.</li> <li>• Create professional working environments with reasonable wages.</li> <li>• Support independent data collection and diagnostics by civil society.</li> </ul>
Transparency	Encourage openness and freedom of information to allow for advocacy and disclosure of illicit behaviour.	<ul style="list-style-type: none"> <li>• Train media in investigative journalism on corruption in water.</li> <li>• Publicly display (in newspapers and in villages) information on water contracts and accounts.</li> <li>• Disclose water authorities’ decision-making procedures and protocols.</li> </ul>
Implementation	Put existing reforms and anti-corruption tools into action.	<ul style="list-style-type: none"> <li>• Make use of existing technical equipment for monitoring.</li> <li>• Execute on-the-shelf policies.</li> <li>• Impose stiff judicial and economic sanctions on culprits.</li> </ul>
Voice	Strengthen channels for water users, public officials and private employees to voice discontent and report corruption.	<ul style="list-style-type: none"> <li>• Introduce whistleblower programmes in utilities and public agencies.</li> <li>• Expand voting rights in elections for catchment and sub-catchment boards.</li> </ul>

<sup>5</sup> Stålgren, 2006

## Session 3:

# Leveraging accountability: Citizen actions, citizen voice

Stakeholder participation is a very broad term that, at its core, is concerned how different stakeholders, and their institutions are involved in the governance process.<sup>6</sup> Important questions to consider include: Are different departments in the government involved? Are community groups and the poor really involved in planning, implementation, management, and decision-making?

Good governance is participatory, in that it should include relevant stakeholders taking part in joint decision-making.<sup>7</sup>

The specific set of tools to improve participation are fairly well defined both in the water and sanitation sector and in the IWRM framework. These include participatory appraisal, community mapping, the quantification of qualitative assessment and so on.

Participation goes beyond consultation and does not just mean collecting data from people and then doing a separate 'expert' analysis.

## Participation in practice

Citizen engagement forces public and private sector counterparts to behave with integrity, and be more transparent and accountable in their actions. Taking various forms, participation seems to be the one tool that is common to anti-corruption work in all the sub-sectors. Some examples are:

### In water and sanitation

- Participation in auditing, environmental pollution mapping and performance monitoring of water utilities creates checks and balances to see whether contracts have been fulfilled and violators sanctioned.
- Service providers can promote codes of conduct and citizen charters as a means of improving the professionalism and integrity of their operations.
- Citizens can provide essential input to water policies and check the performance of both private and public water utilities. These can range from social contracts between providers and citizens, to social scorecards, citizen surveys and social audits.
- Greater public participation and transparency in budget-setting activities can contribute to a more equitable distribution of resources for the poor.

### In water resources management

- Participation in infrastructure planning or environmental impact assessments gives civil society stakeholders a platform for holding decision-makers accountable for extending the benefits of new water abstraction sources or dams to everyone.
- Water development and management should be based on a participatory, public approach that involves users, planners and policy-makers.
- Community leadership associations made up of local groups and villagers result in equitable and sustainable water sharing.
- The public is needed to vote corrupt politicians out of office, to demand greater accountability and to get involved in environmental monitoring and protection.
- Donors and international financial institutions can do their share by adhering to participative consultation for WRM projects that they finance and commission.

Source: WIN, not dated

<sup>6</sup> Shordt et al., 2006

<sup>7</sup> Schneider, 1999

## Case studies: When the people's voice becomes an instrument for strengthening accountability

### Case study 1: Citizens action for accountable WSS

#### Services in the slums of Kawempe – Kampala City

The Community Integrated Development Initiatives (CIDI), a local NGO, in partnership with WaterAid, is implementing the Citizens' Action Project (a WSS community led empowerment project) in Kawempe, Uganda. The objective of the Citizens' Action Project is to enable the urban poor communities to have their voices heard concerning adequate water and sanitation services from providers and policy makers alike. The project has helped the community to gather information and voice their demands to service providers and local governments, which force them to be more transparent in their service delivery. The case is a rare example in Africa of poor citizens holding their local governments and service providers to account for the service they render.

Citizens Action is a community-led advocacy initiative designed to empower urban poor communities to

demand for improved access and accountable water and sanitation service delivery. They do not see themselves as mediators on behalf of citizens, but instead provide appropriate training and facilities to help communities develop an understanding about their current water and sanitation service situation. As a means of amplifying the voices of the urban poor and marginalised, CIDI catered for the media placements in addition to the publication of a quarterly newsletter called Community Voices.

Lessons learned show amongst other things:

- i) Through actions and demands for accountability, the urban poor can exert pressure to make their local politicians and service providers account for their decisions;
- ii) When poor citizens are mobilised and gain access to information, they have the means to demand accountability, demonstrate and confront corrupt officials.

Source: *Water Integrity Network, WIN, Case Information Sheet, No. 3/2009.*

### Case study 2: on citizen participation/feedback

#### Monitoring from Zambia Water Watch Groups

Citizen monitoring of service provision is a key tool in improving transparency in the water sector. The Water Watch Groups (WWG's), established by the National Water and Sanitation Council in Zambia (NWASCO), is a good example of how citizen participation can contribute to holding accountable water utility companies or water providers. The WWGs are comprised of customers from the areas serviced by the water utilities and suppliers regulated by the NWASCO. The NWASCO uses the WWGs to provide them with on the ground, first hand information on their utilities and to address consumer complaints. In this way, citizens provide the required checks and balances to water providers and press them to even become more transparent and responsive to their clients' needs for efficient and quality services.

The main objective of WWG is to represent consumer interests in the water and sanitation sector. Their objective is met by ensuring that there is improved communication between users and providers; and better awareness among users of their own rights and responsibilities and the role and functions of NWASCO. These also give sufficient feedback on public opinion to NWASCO. This information should be adequate to enable NWASCO to adjust regulation according to the requirements of the sector. They inform NWASCO on the effectiveness of the regulations and propose possible adjustments. The WWGs received and handled more than 50,000 complaints between 2004 and 2005 as a result of increased public awareness. Moreover, providers have started resolving customer complaints quickly and there has been a clear positive change in the attitudes of the commercial utilities towards customers.

Source: *Earle, Lungu and Malzbender, 2008*

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# 7

## TRAINING MANUAL ON WATER INTEGRITY

MODULE 7: INTEGRITY IN INTEGRATED WATER  
RESOURCES MANAGEMENT (IWRM)





Photo: DigitalVision

## Session 1:

# IWRM and Water Integrity

There is a growing network of relations between water users, water use sectors, and water management arrangements. Integrated Water Resources Management is a paradigm calling for a holistic approach. According to the GWP, “IWRM is a process which promotes the co-ordinated development and management of water, land and related resources, in order to maximise the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems”.<sup>1</sup> For a refresher of IWRM see Module 1.

IWRM is not a blue print, nor a complex system to manage water resources. It is a process, and more specifically, it is a management process. The move towards IWRM is a shift from water development to governance. It involves understanding the many competing interests in how water is being used and allocated and responding accordingly.

Reforms towards IWRM are both a challenge and an opportunity for water integrity. IWRM sets out the principles for more effective participation and for new institutional arrangements. These are seen in new forms of management, new practices and new procedures. IWRM reform provides a unique window of opportunity for transparency and accountability.

### Message

The move towards IWRM can be an opportunity for renewed focus on water integrity. They are flip sides of the same coin: IWRM is an entry point for water integrity; water integrity is an entry point for IWRM.

The increased number of relations also provides fertile soil for dishonest practices and discretion. The question is: How can we achieve integrity and accountability while implementing IWRM?

The answer to this question is to include one further IWRM principle: the need for integrity in water governance. While more interrelations will occur, the goal is to

identify and apply pro-integrity, pro-accountable measures for water management.

But how can this goal be achieved?

First, it is imperative to strengthen the systems, procedures and capacities needed for water integrity. Capacity building is needed to ensure that all needed reforms are actually implemented.

Emphasis needs to be placed on transparency in decision-making, enhanced accountability for public officials and improved information to all water user groups. Active and effective participation in water allocation decision-making processes, and in the planning, implementation, operation and maintenance of water services can ensure better outcomes.

### Message

Both the efforts towards IWRM, as well as many anti-corruption initiatives share the objective of improving water governance, access of the poor to water and water services, and safe guarding the environment.

Fragmented, uncoordinated, top-down water planning and management still prevails in many countries. This is one of the central causes of the weak water management that prevails in many places and leaves people without proper access to water and water services today.

IWRM aims to bring coordination and collaboration between various sectors, plus fostering of stakeholder participation, transparency and cost-effective local management.

### Water reform, transparency and participation

Presently, water reforms based on IWRM principles are well underway in many countries. These reforms aim to address water scarcity, especially in the developing world, and water quality problems, particularly in post-industrial societies such as Europe. IWRM’s key features include: promoting water users participation, enhancing the regulatory role of states, and garnering the mutual commitment of relevant government departments and civil society actors, including the private sector.<sup>2</sup>

Water management at all levels should be aligned with poverty reduction strategies, requiring a higher degree of participation by poor and marginalised people in planning processes, and an acknowledgement of the importance of making water available for small-scale productive use.

<sup>1</sup> GWP 2000, [http://www.gwptoolbox.org/index.php?option=com\\_content&view=article&id=8&Itemid=3](http://www.gwptoolbox.org/index.php?option=com_content&view=article&id=8&Itemid=3)

<sup>2</sup> CapNet, UNDP and GWP 2005

Decisions about water, its development and use, within the framework of good governance requires a set of linked and nested institutions from local to national/international levels. A focus on water governance processes and decisions at decentralised, local levels (i.e. individuals, households, villages and towns) and at intermediate level (i.e. districts, provincial and river basin levels or equivalent structures in each country) is needed within the IWRM framework.

There are three main reasons for a focus on local and intermediate water governance:

- Agreement and involvement of water users is essential if water management is to be sustainable.
- The vast majority of day-to-day decisions around the provision of water services are taken at intermediate or local levels. Failure of effective water governance is mainly felt at these levels.
- Much of the current focus on water governance and IWRM has been conceptual or, if practical, has only addressed issues at large (international, national) scale.

## Can IWRM prevent corruption?

IWRM<sup>3</sup> reforms are well under way in much of the developed and developing world. They aim to address water scarcity crises, especially in the developing world, and water quality problems, particularly in post-industrial societies such as Europe. IWRM's key features include the promotion of decentralised decision-making and user participation and enhanced regulatory capacity in states.

Measures typically include establishing appropriate basin or catchment institutions; integrated planning to meet agreed-upon water quantity to quality targets; a system of formal administrative water rights, such as licenses to extract or pollute water; cost recovery and water pricing (the 'user pays' principle); market-based mechanisms for reallocating water; and better environmental protection, such as reserving water for ecological purposes and the 'polluter pays' principle.

Can IWRM open the door to corruption risks? What happens when informal water providers, which still supply most of the world's water users,<sup>4</sup> transition to more formalised, and supposedly more transparent and accountable systems?

IWRM calls for intensive coordination and cooperation among previously independent government agencies.<sup>5</sup> Along the way, IWRM also introduces complexity. By adding another administrative layer that prolongs the decision-

making chain, it may also open up new opportunities for rent-seeking. Research suggests corruption risks increase at the interface between actors without a previous history of interaction. This is because the level of social control and administrative monitoring decreases as interactions occur outside or on the margins of established organisational systems. Catchment agencies, for example, tend to be new, frequently understaffed in the developing world, and lacking established checks and balances that help to prevent corruption.

Tanzania is an instructive, if worst-case, example. Water resources management reforms have been introduced to address problems related to a large number of rural water users and a relatively weak government infrastructure. With World Bank assistance, the Tanzanian government has introduced a new water permit system over the past decade that aims to improve basin-level management, reduce conflict and improve cost recovery of water resources management services. It sits alongside, but is eroding, a wide variety of customary or traditional systems for locally controlling access to water by farmers. These reforms amount to 'corruption by design'.<sup>6</sup>

A lack of objectivity and transparency creates conditions in which corruption can occur within the Tanzanian system in several ways. Permits based upon agreed extraction volumes may seem objective and fair, but in practice they can be highly subjective. Irrigation systems do not allow for volumetric measurements and delivery; enforcement of fee payments is difficult and costly because of limited staff and large distances; and handling permit funds by water officers is not subject to the same checks as government investments. Some argue that water taxes should focus instead on large-scale users, because the current system costs more to run than it raises in revenue.<sup>6</sup>

A key lesson from Tanzania is that 'modern' governance cannot be easily imposed in rural settings dominated by small-scale water use. In such a setting it may be more effective to amend customary systems carefully and strengthen the position of marginalised smallholders, such as women or the poor. Better water laws and regulations along IWRM principles for larger users are needed in many countries, including Tanzania and other African countries, as well as in Latin American countries such as Guatemala and Bolivia. In these countries, traditional systems without effective alternatives struggle to control some large water users.

Capacity building initiatives among traditional institutions and regulatory bodies, well-resourced and transparent administrative systems, and a systems for checks and balances, including mechanisms for citizen complaints, can all help to ensure that new pathways for corruption do not accompany the new laws and agencies intended to promote IWRM.

<sup>3</sup>The content from this section draws heavily from Butterworth, J. 2008. Can integrated water resources management prevent corruption? Global Corruption Report 2008. Corruption in the Water Sector. Transparency International, Cambridge University Press, 2008

<sup>4</sup> Butterworth 2007

<sup>5</sup> Stålgren 2006

<sup>6</sup> Van Koppen 2004



## SWOT analysis of IWRM and integrity promotion in SADC countries

### Strengths

- Decentralised decision-making and subsidiary management allows more stakeholders to be involved and to check that actions are correct.
- Oversight role played by the national department of water – reducing the chance of favouritism in local areas.
- Environmental (ecosystem) factors need to be considered – increasing the range of inputs which need to be given for a decision – less centralised control.
- Specific direct and indirect anti-corruption measures being implemented in water sector. E.g. Water Watch Groups in Zambia, Northern and Southern Water Board Policies in Malawi and the telephone hotline in South Africa.

### Opportunities

- Getting local communities involved in planning, decision-making and monitoring of water resources and services can promote their participation in other non-water democratic processes.
- The inter-sectoral management approach of IWRM means that when different government departments cooperate on a project there is a good chance that the “best practise” in terms of procurement and accountability mechanisms will be used – highest common denominator. Such approaches exist in Zambia, Botswana and Malawi through the Water Partnerships.

### Weaknesses

- Decentralised nature of decision-making can mean that there are more opportunities for local powerful stakeholders to dominate – especially if general accountability and monitoring capacity is lacking.

- The viewing of water as a good with economic value opens up opportunities for graft – if not well controlled.
- Private sector involvement may also open opportunities for graft.
- Absence of regulatory institutions in the water sector that promotes programmes on transparency and accountability E.g. in Botswana and Malawi.
- Legal frameworks that do not have sections on promoting transparency and accountability in most countries mapped.

### Threats

- There is a chance that due to the larger number of controls (e.g. of water use permits) that more opportunities for corrupt practices will emerge and spill over to other sectors.
- Inter-sectoral approaches to management means that there are potentially more vested interests involved in water management decisions – e.g. electricity operators, transport sector, commercial farmers etc. If there are large differences between the capacity of these interests and those stakeholders responsible for water management then a “client/agent” relationship could develop.

Source: Earle, A, Lungu, G, Malzbender, G. 2008.

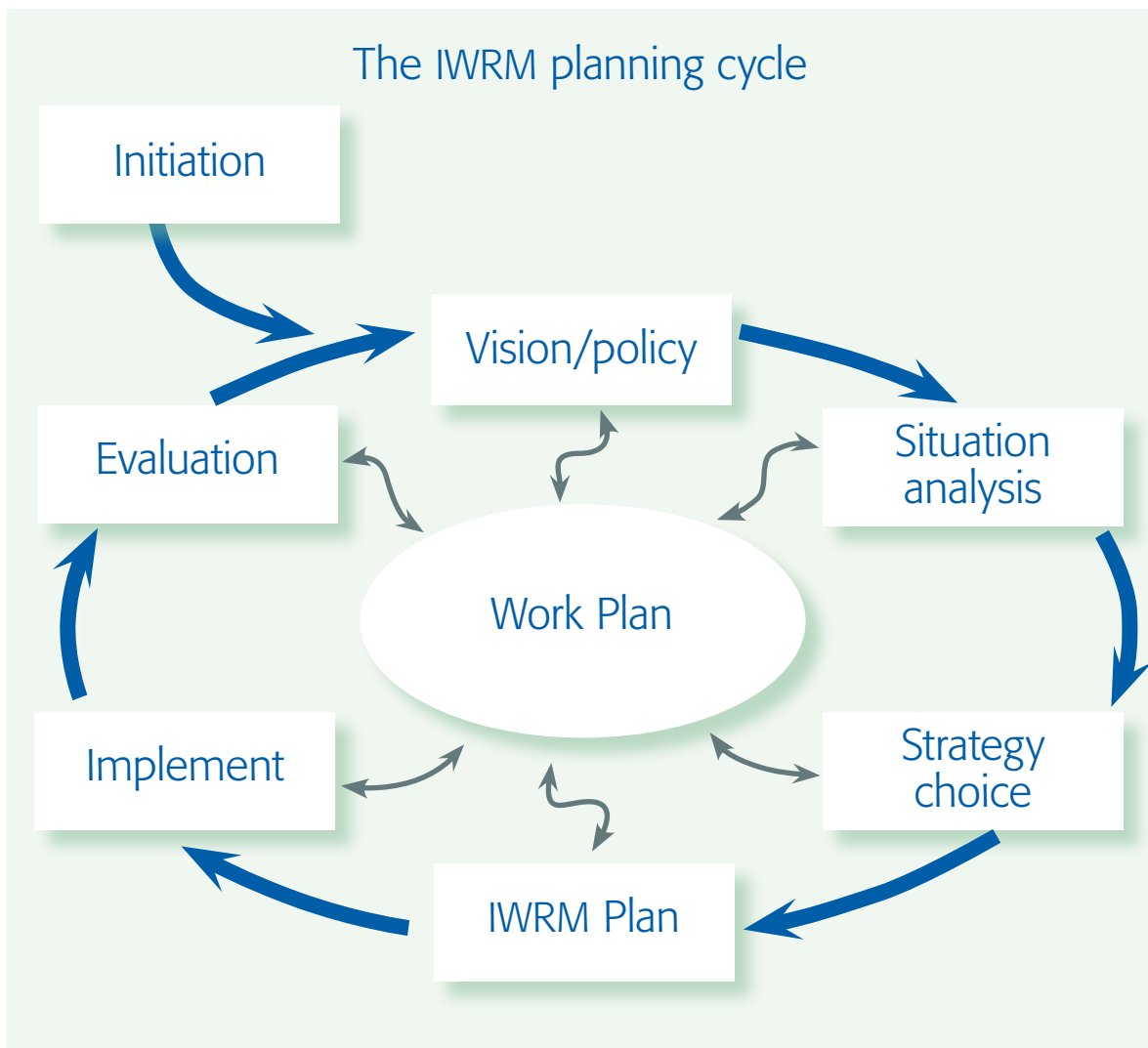
## Session 2:

# Application in IWRM planning and implementation

## The IWRM process

IWRM strives for effective and reliable delivery of water services by coordinating and balancing the various water-using sectors – this is an important part of sustainable water management. The IWRM planning cycle is a logical sequence of phases that is driven and supported by continuous management support and consultation

events. The typical IWRM Planning cycle is illustrated below. Each element of the cycle will be explored under the lens of transparency and accountability. In each step, we will look at how to achieve proper participation of the civil society and water users.



Source: Cap-Net, GWP, 2005.

## The IWRM process

### Initiation

IWRM planning requires a team to organise, coordinate efforts, and facilitate stakeholder participation. An important starting point for government commitment is an understanding of IWRM and water resource management principles for sustainable development.

### Main activities:

- Obtain government commitment to reform.
- Establish an adequate management team to facilitate the reform process and regular stakeholders consultation.
- Raise IWRM awareness to assure support and promote a transparent and accountable planning process.

### Question from the ground

Is your country involved in the development of an IWRM plan? How participatory has this process been so far? Did all stakeholders benefit from a transparent process? Is there information available and easy to be understood?

Strong emphasis is placed in this phase on the concept of public participation in the IWRM Team composition and public awareness through campaign and education.

### Work planning and stakeholder participation

IWRM planning requires a strong commitment to a future with sustainable management of water resources. It implies political will and leadership from leaders and stakeholders. Commitment from stakeholders is necessary, as they are the ones who strongly influence water management through joint efforts and/or changing their behaviour. It requires recognising and mobilising relevant stakeholders, including politicians despite their multiple and often conflicting goals.

### Main activities:

- Manage the planning and implementation process: develop a work plan.
- Maintain political commitment throughout the entire project work cycle through transparent processes and accountability mechanisms.
- Identify and mobilise relevant stakeholders at intermediate and local levels for effective participation as part of a transparent process.
- Raise awareness on IWRM and good water governance principles for all identified stakeholders.

### Example of the application of public participation tools

## Consultative management in the Bang Pakong River Basin

Thailand: The Bang Pakong River Basin suffers from (1) a deteriorating water ecosystem that directly affects people's livelihoods, (2) a lack of water supply for domestic use, (3) frequent floods, (4) polluted waters, and (5) conflicts among water users.

A commission was established in 2001 (and then revised in 2003) to address these issues by (i) prioritising and quantifying water usage in the basin, (ii) undertaking measures for the equitable and efficient allocation of the waters in the basin, and (iii) negotiating conflicts and solving problems related to the implementation of water resources management. The commission has succeeded in getting the government sector, civil society, and communities to work together on a common project. It has been a painstaking process involving difficult changes in mindsets, behaviour, and trust levels, and entailed trial and error efforts. Coordinators were identified within each sub-basin to provide the bridge

that allows the government and communities to design and implement appropriate solutions.

A promising achievement is the commission's preparations to undertake water allocation as specified in Thailand's draft water law. In recent years, the commission has gained some experience in terms of granting water use permits to industries. Recently, the "Bang Pakong Dialogue Initiative" promoted consultations on water resources issues in the river basin at the grassroots levels and reviewed how water allocation can be implemented. The agreed system for water allocation has now been fully initiated after it was piloted under the initiative.

As a result of public participation in river basin activities, the commission has agreed upon new monitoring and evaluation procedures that aim to reduce the opportunities for mismanagement of natural and financial resources by certain interest groups.

Source: Asian Development Bank, 2008, *Water Rights and Water Allocation*.

### Develop a shared understanding

A national water vision captures the shared vision, aspirations and hopes about the state, use and management of water resources in a country. In that sense, a vision provides guiding principles and direction to the future actions for water resources and guides the planning process. The vision may or may not be translated into a water policy but would be expected to address sustainable use of water resources.

#### Main activities:

- Create principles and direction for future actions to manage water resources and water services within agreed time frame.
- Commit to sustainable management of water resources.
- Establish stakeholder platforms or forums to facilitate transparent discussions and dialogues.
- Shared understanding, identification and formulation of water resources and water services problems.
- Agree on a vision of future water resources and services within the short- (5 years), medium- (10–15 years) and long- (20–25 years) term, including progress indicators.

### Situation analysis

In order to define the action needed to reach the vision, the existing situation needs to be understood. Consultation with stakeholders and various government entities is vital to understand competing needs and goals in relation to the water resource availability. This phase identifies the strengths and weaknesses in water resources management, as well as what needs to be addressed in order to improve the situation and get on track to reach the vision. As a final output, goals and national priorities may be drafted on the identify issues.

#### Main activities:

- Identify strengths and weaknesses
  - management, institutions, laws, human resources;
- Conduct Capacity Building Needs Assessment;
- Undertake identification of and consensus on goals and priorities;
- Identify opportunities, risks and constraints;
- Create data and information base accessible to all.

The same tools and instruments applied during the previous phase are used in this phase.

### Water management strategies

Possible solutions should be identified when the problems are identified. When presenting possible solutions, one must analyse the requirements, advantages, disadvantages, and feasibility of the proposed action. Establishing the goals for the IWRM plan is important at this stage now that the extent of the problem, and

the hurdles to be faced, are known. For each goal, the most appropriate strategy is selected and assessed for feasibility as well as its consistency with the overall goal of sustainable management. The scope for technical and managerial action is very large given by the complexity of the water sector. Priority areas for action should be identified at this stage.

#### Main activities:

- Identify and reach agreement on possible development scenarios to achieve a shared vision based on developed data and information base, uncertainty and variability;
  - Feasibility analysis – of financial, technical, environmental and political options.
- Define selection criteria.
- Build consensus on preferred strategy for IWRM planning.

A shared water development strategy is the output of this phase. This can only be achieved when all stakeholders participate in the process, where the best compromise between the various interests should be agreed.

### IWRM plan preparation and approval

Based on the vision, the situation analysis, and the water resources strategy, an IWRM plan may be prepared. Several drafts may be required, not only to achieve feasible and realistic activities and budget, but also to get politicians and stakeholders to agree to the various tradeoffs and decisions made. Approval by the government is essential for resource mobilisation and implementation.

#### Main activities:

- Write and revise a draft plan based on strategy and priorities, involve methods, costs, responsibilities, activity schedule, and targets;
- Identify source and secure funding for implementation;
- Identify roles and responsibilities of stakeholders and other actors;
- Identify approval process to proceed with implementation;
- Build human capacity based on a Capacity Building Needs Assessment;
- Maintain stakeholders ownership for the whole process;
- Seek political and stakeholder approval;
- Monitor and evaluate using M&E instruments.

### Implementation

To obtain the IWRM plan is a milestone but not the end itself. Too often plans are not implemented and the main reasons are important to know and avoid:

- Lack of political commitment to the process. Usually due to the drive coming from external sources or a lack of engagement of key decision-makers in initiating the process.

- Unrealistic planning with resource requirements beyond the reach of government.
- Unacceptable plans. Plans rejected by one or more influential groups due to inadequate consultation or unrealistic expectations of compromise. With water, where economic benefits or power relations may be affected, adequate consultation is vital.

#### Main activities:

- Implement the agreed action plans.
- Supervise and monitor progress.
- Continue dialogue and dispute resolution when it arises.
- Adjust action plans if necessary.
- Undertake effective capacity building: Institution and human resources.
- Continue awareness raising and information sharing.
- Document the progress and build knowledge base based on lessons learned.
- Focus on effectiveness, cost-efficiency, quality and transparent financial arrangements.
- Ensure stakeholder involvement and continue focus on the poor, to avoid that benefits are not captured by elites.
- Ensure that new infrastructure, new institutes and new water sources are sustainable.

### Message

Likelihood of successful IWRM plan implementation can be increased with proper facilitation of the public participatory process from the beginning.

#### Evaluation

##### Progress assessment:

- Post implementation review.
- Continue develop and refine knowledge base.
- Disseminate knowledge generated to stakeholders and external interest parties.
- Incorporate lessons learned in management cycle.
- Develop follow-up activities to assure sustainability.
- Use documentation showing progress towards achievement of the vision, including quantitative and qualitative indicators.
- Build capacity for review and learning into stakeholder platforms, and into interactions between platforms at local and intermediate levels.
- Create a framework for information and knowledge management, and for communications that support learning.

## Enabling mechanisms and concrete actions towards increased transparency and accountability in water resources management

### Adopt transparency as guiding principles for all water governance

Transparency must come to characterise how both public and private stakeholders conduct water sector activities. Water budgets, resettlement funds and the rules of procurement need to be carried out in a transparent manner and disseminated to the public.<sup>7</sup>

#### Access to information

Both the right of access to information and freedom of expression form the backbone of many vital institutions and activities in the water sector. It is only possible to hold water service providers to account when clients have access to information.

### Reform in the private sector

A number of international initiatives have been put in place to encourage collective action among private companies. Transparency International has developed a set of tools, including the Business Principles and the Integrity Pact, to encourage integrity and deter collusion and bribery. There have been successful applications of these tools in the water industry, e.g. sector wide agreements among pipe manufacturing companies in Colombia, and the Greater Karachi Water Supply Scheme in Pakistan. Assessments suggest that these tools lower transaction costs up to 15 percent, which translates into substantial savings for contractors.

<sup>7</sup> Transparency International, 2008

**Applying anti-corruption tools and methods to the IWRM cycle**

<b>IWRM cycle stages</b>	<b>Suggested tools and instruments</b>
Initiation	Public meetings Community participation methodologies Corruption surveys Code of Ethics
Building a strategic vision	Public meetings Community participation methodologies Results of citizen report cards
Situation analysis	Public meetings Community participation methodologies Municipal checklist Utility checklist Access to budget, expenditure and performance information Results of Citizen Report Cards
Water management strategy choices	Public meetings
IWRM plan prepared and approved	Public meetings Participatory budgeting Access to budget, expenditure and performance information
Implementation	Public meetings Community participation methodologies Access to budget, expenditure and performance information Complaints handling
Evaluation	Report cards Access to budget, expenditure and performance information Public meetings Community participation methodologies, e.g. participatory

## Knowing the tools: Suggested actions to improve access to information and transparency

**Meetings** to develop anti-corruption initiatives to share experiences as initial and essential step to develop strategies to promote transparency, accountability and access to information in the sector.

**Access to information laws**, since freedom of information is a basic right that is now enshrined in the constitutions or legislation of most countries. The laws enable people to protect their rights (for example to services like water and sanitation) and can be used the public to guard against abuses, mismanagement and corruption in government. On the other hand, freedom of information can also help governments. By introducing a culture of more openness and transparency in the decision-making process citizen's trust in the government can improve.

**Community participation methodologies** like participatory appraisal and community mapping are widely utilised in the water sector. Community management, with high levels of citizen's participation, has become the main model for service delivery in rural areas and has been adapted in some peri-urban contexts.

**Raising citizens' voice.** The ability of consumers to hold water and sanitation service providers to account is often weak and in many cases there are no mechanisms or only weak ones to allow or facilitate citizens to make legitimate complaints.

**Participatory budgeting** is a process, in which ordinary residents decide how to allocate part of a municipal or public budget. Participatory budgeting allows citizens to identify, discuss, and prioritise public spending projects, in this case in relation to water management and water services. Participatory budgeting can lead to more equitable public spending, increased satisfaction of basic needs, greater government transparency and accountability, increased levels of public participation (especially by marginalised or poorer residents), and democratic and citizenship learning.

**Access to budget, expenditure and performance information.** Regular reports and the accounts of a service provider provide an obvious but valuable tool for improving access to information, transparency and accountability. However, many municipal water and sanitation providers do not or refuse to produce annually audited reports and accounts even when they required doing so.

**Public Expenditure Tracking (PET)** aims to track the flow of public funds and other resources from the central government level, through the central administration to frontline service providers such as municipalities or utilities providing water and sanitation services. The key question that a PET sets out to answer is: do public funds end up where they were supposed to?

**Integrity pacts and the concept of a social witness.** The integrity pact is a binding agreement between a procuring agency and bidders for specific contracts aimed at reducing corruption. The agreement is overseen by a third party monitor/social witness. The social witness is a highly honourable, recognised and trusted public figure who is independent from the parties involved in the process. He or she has full access to the relevant information and documentation and has the right to participate in critical stages of the procurement process.

**Public meetings** should be a normal function of legislators, civic officials and other administrators of public services (like water and sanitation utilities) to provide information and to solicit the views of citizens.

**Communications** between water service providers and their consumers.

**Complaints and ombudsman's offices** both elements 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.

**E-government.** The Internet has opened up new possibilities for governments and local authorities to interact with their citizens. An example is the application of E-Procurement in bidding processes below.

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# TRAINING MANUAL ON WATER INTEGRITY

## FACILITATOR'S GUIDE





Photo: WGF, Q and DigitalVison



## MODULE 1: WATER GOVERNANCE

**RATIONALE:** Strengthening accountability and transparency is ultimately about strengthening governance systems, mechanisms, institutions, tools and practices. It is therefore important that learners have a sound understanding of the main elements of governance and its institutional framework in the water sector. The introduction to Integrated Water Resources Management (IWRM) sets the scene for exploring concepts of governance and the institutional framework for water.

**DURATION:** 4 hours

### Learning objectives

By the end of this Module, learners will:

- Be familiar with the key tenets of Integrated Water Resources Management (IWRM)
- Understand the concept and elements of governance, good governance and water governance
- Have a working knowledge of the roles and functions of water resources and water services institutions in their countries
- Have a working knowledge of the factors that enable effective water governance

### Learning methods

#### Session 1: Introduction to IWRM (1 hour)

**Step 1:** Introduce the rationale and learning objectives of this Module.

**Step 2:** Facilitate a plenary brainstorm on what we know about water resources challenges and 'what we know about water governance'. Capture learners' contributions on a flipchart as a basis for the need for IWRM and the need to

strengthen transparency, accountability and good governance. For example, learners may note that water resources are finite, scarce, depleting, limited, expensive, governed by many different institutions, needed by everyone (competing users). They may also note that water governance is inadequate, corrupt, in a crisis, water resources are not properly managed, water delivery is not adequate. All of these are reasons why water resources and water services need to be managed in an integrated way and need to be governed properly.

**Step 3:** Facilitate a plenary brainstorm on 'so what then is IWRM'? Write the learner's contributions up on a flipchart, and use these contributions as a basis for an introduction to IWRM, using the CapNet IWRM tutorial and/or the CapNet IWRM PPT presentation.

**Step 4:** Wrap up the session with a discussion of examples of IWRM activities and initiatives from learners' countries, reiterating how IWRM aims to strengthen water governance and the protection, management and equitable and sustainable management of water resources.

#### Session 2: Introduction to water governance (1.5 hours)

**Step 1:** Ask learners' to capture how they understand 'governance' in one sentence on a card. Place the cards visibly on a wall and use their ideas as a basis for an introduction to 'what is governance' using the content on water governance in the Training manual, Module 1.

**Step 2:** Given the definition and key concepts of governance, ask learners to work in pairs or threes to identify one example of 'good governance' from their experience. During their feedback to plenary, capture the key elements of each

example, and use it to illustrate the 'good governance' definition in the Training manual, Module 1.

**Step 3:** Use the Training manual, Module 1 to summarise governance and good governance and facilitate a plenary brainstorm on 'water governance'.

**Step 4:** Based on the insights into governance, good governance and water governance so far, ask the learners to work in small groups to identify five factors or principles that they feel would enable good water governance. Add to their feedback with the Training manual, Module 1, and an interactive presentation of the Module 1 PPT "Water governance and institutions" based on the content in the Training manual, Module 1.

**Step 5:** Summarise the session by facilitating a plenary discussion on the ways in which governance and transparency and accountability are linked, with reference to their examples from step 2 as appropriate.

### Session 3: Institutional frameworks for water resources and water services (1.5 hours)

**Step 1:** Recap the three components of water governance from session 2, namely (i) the policy and legislative framework, (ii) institutions and (iii) decision-making and regulatory mechanisms.

**Step 2:** Ask the learners to work in country groups as appropriate and to draft a list of (i) the names of the main pieces of legislation and policy that govern water resources and water services in their countries, (ii) the main water resources and water services institutions in their countries, and (iii) the main tools and mechanisms used for water-related decision-making and regulation. Once they have presented this back to each other move to step 3.

**Step 3:** In the same groups, ask the learners to revisit the list of water institutions in their countries, and to draw an organogram/ picture of how they all fit together and interact. Use the South African water sector organogram in Module 6 as an example if needed.

**Step 4:** Following feedback from the groups, facilitate a plenary reflection on what learners notice from

looking at these pictures/ organograms. The learners may notice that institutional frameworks have weak links to users; that there are stronger and weaker linkages between the various institutions; that water resources and water services institutions are often separate and distinct, and so on. Summarise with input for this session in the Training manual, Module 1.

**Step 5:** Based on these observations, ask the learners to work in the same groups to identify the potential governance and institutional weaknesses and gaps, and generate ideas for ways in which these gaps could be addressed and accountability and integrity could be strengthened. For example (through capacity building, awareness raising, better systems and tools, or legal or policy reforms.)

**Step 6:** Summarise this module with reference to feedback from the groups, making links to additional strategies and approaches to strengthen governance that will be covered in the modules to follow.

**Step 7:** For homework, in order to prepare for Module 2, ask the learners to:

- Ask the learners to prepare an example of water sector corruption from their countries using a news cutting, a story, a role-play, photographs, a map, or any other way to share with the rest of the group.
- Any learners unable to come up with their own example should read the SIWI Policy Brief "Corruption risks in Water Licensing", outlining water licensing corruption in Kazakhstan and Chile and prepare to share it.

## MODULE 2:

# CORRUPTION IN THE WATER SECTOR

**RATIONALE:** The purpose of this Module is to strengthen learners' working knowledge of the types, costs, impacts and drivers of corruption, with a specific focus on water sector corruption. This knowledge is essential to properly identify corruption risks and to plan and implement anti corruption strategies and actions.

**DURATION:** 6 hours

### Learning objectives

By the end of this Module, learners will:

- Have a working knowledge of key terms and concepts in corruption and anti corruption
- Understand why and how water sector corruption happens
- Be able to locate where particular types of corruption occur within various water sub sectors
- Understand the costs and impacts of corruption
- Have increased insight into the effects of corruption within a human rights framework
- Understand the incentives, disincentives and socio-economic factors that drive corruption

### Learning methods

#### Session 1: Defining terms and concepts (1.5 hours)

**Step 1:** Introduce the rationale and learning objectives of this Module. As the aim of this exercise is to strengthen our working knowledge of corruption, it is important to stress that we will be working with real examples and will adopt an experiential learning approach.

**Step 2:** At the end of Module 1, learners were asked to prepare to present an example of water sector

corruption from their countries using a news cutting, a story, a role-play, photographs, a map, or any other way to share their example. In small groups, the learners will share their examples. Each participant should come up with a short title for their presentation and speak for 4–5 minutes. Each group is then asked to agree on one example to share in plenary. The plenary report back should include a short description of the example, why they chose it, and note anything in particular they learnt from hearing and sharing the examples. At the end when each group reports back, the short title for the example should be written on a card.

#### Example of social dilemma

In order to stimulate discussions on social dilemmas, share the following example of corruption with the group and include it on one of the cards: "Mr. and Mrs. X live in the countryside with their five children. The last several years have been difficult for them as there have been many problems to get water to irrigate their paddy field. The upstream water user, Mr. Y, is the local big farmer and seems to dictate when water is released. Rumors say that Mr. Y has bought off the local officials in order to control the water. If the water is not coming in the right time this year it can mean that yields will shrink which will lower the income for family X. It will then be difficult to pay school fees and health bills for their children. Last year Mr. X was approached by one of the local officials who made it understood that water can be released at the right time and of the right amount in case some "extra" fees are paid. Mr. and Mrs. X are now discussing if they should pay this "extra" fee or not.

**Step 3:** Present slides 1–8 of the Module 2 PPT. Augment your input with the content provided in the Training manual, Module 2.

**Step 4:** Facilitate a plenary discussion to link learners' examples from step 2 with the common forms of corruption.

**Step 5:** Place the example cards out of sight (e.g. behind a screen) and designate two coloured cards, one colour for 'yes, this is corruption', and one colour for 'no, this is not corruption'. Then explain that even when we have defined and agreed on what constitutes corruption, in our private thoughts we may wonder whether a practice that is perhaps so common and widespread is actually corrupt? Learners then get an opportunity to vote in secret whether they think each example is really corruption or not. You can then share the overall result and reflect in plenary on what these votes indicate about our understanding of corruption. Explain that this issue will be revisited at the end of the Module.

### Session 2: Locating types of corruption within the water sector (1 hour)

**Step 1:** Following a plenary brainstorm on why learners think there is corruption in the water sector, provide a short introduction on why and where corruption emerges (use the content provided in this module). Highlight the key features of the water sector that provide opportunities for corruption, e.g. large scale infrastructure investment, monopolistic structures, weak regulatory mechanisms, relatively low capacity, and so on.

**Step 2:** Present slides 9 and 10 of the Module 2 PPT. Refer to examples raised by the learners in session 1.

**Step 3:** In small groups, ask participants to place their examples within the corruption framework/matrix. Facilitate a plenary discussion where they report back. Conclude with a summary of what they found and the potential uses of the framework or matrix as a tool to identify corruption risks, and note that this will be the focus on the next Module (3).

### Session 3: The costs and impacts of corruption (1.5 hours)

**Step 1:** Introduce the session. Explain that you will explore the costs and impacts both of corruption in general, and specifically within the water sector. In this session, we will explore the costs and impacts of corruption from different perspectives. We will unpack the economic and social costs.

**Step 2:** Divide the learners into two groups. The first group will brainstorm and report back on the costs and impacts of corruption overall, and the second group will brainstorm and report back on the costs and impacts of corruption within the water sector specifically. Facilitate a plenary discussion based on this feedback, and cluster the points raised under different headings, such as 'economic costs and impacts', 'environmental costs and impacts' and 'social costs and impacts'. You can also include sub-headings such as 'impacts on the poor', 'impacts on health' and so on.

**Step 3:** Present slides 11–20 of the Module 2 PPT on the costs and impacts of corruption. Note the points raised by the groups, and add to their ideas with information provided in this module.

**Step 4:** Following any further discussion, summarise with slides 21–23 of the Module 2 PPT. Ask participants to reflect on whether they agree that corruption is a human rights issue.

### Session 4: Drivers of corruption (2 hours)

**Step 1:** Introduce the session on drivers of corruption. So far we have clarified terms and concepts, and we have identified where and how corruption occurs in the water sector, and in the last session we unpacked the costs and impacts of corruption. The question that we have not explored is why? What are the drivers of corruption? Understanding the costs, impacts and drivers is essential in order to identify risks and design strategies and actions to prevent and address corruption. Present and discuss the drivers of corruption in the water sector in points 1–7 in the Training manual, Module 2.

- Step 2:** Divide participants into two smaller groups. Explain that this session involves a role play. Ask the first group to select five members to be part of an expert panel on the causes of corruption. The other group will be the audience. The group with the panellists should identify people to role-play: (i) a political scientist who will respond to questions about the political causes for corruption; (ii) an anthropologist who will respond to questions about the social and cultural factors that can influence corruption; (iii) an economist to respond to questions that refer to the economy; (iv) a meter reader, and (v) a water user that has resorted to paying bribes for extensions, 'better' meter readings, and so on. The group that will be the audience should prepare questions on the drivers of corruption for these various experts.
- Step 3:** Facilitate a panel discussion. Make sure the group adheres to overall ground rules, and capture key points made under the headings 'economic drivers', 'political drivers', 'socio-cultural drivers', 'supply side drivers' (the meter reader) and 'demand side drivers' (the water user).
- Step 4:** Debrief the panel with a presentation on the key points you have captured. Add your own comments to this presentation using Training manual, Module 2 under session 4 and slides 25–28 of the Module 2 PPT.
- Step 5:** In closing this Module, revisit the secret votes on which examples did or did not constitute corruption and ask the learners to vote again to see if anyone has changed their mind. Summarise with main points covered and highlights.

# 3

## MODULE 3: IDENTIFYING CORRUPTION RISKS

**RATIONALE:** The Global Corruption Report 2008 recommends that information on the corruption risks for all activities in the water sector needs to be gathered through appropriate assessments. Understanding different types of corruption and where and how they occur is the core of a useful corruption risk assessment. This allows early warning indicators to be identified that can be used to diagnose potential problems, and to link problems to the right kind of preventative actions. The practical exercises in this Module focus on mapping as a tool for corruption risk assessment, and three other examples of tools for identifying corruption risks are also explained.

**DURATION:** 4 hours

### Learning objectives

By the end of this Module, learners will:

- Understand the value of a thorough assessment of corruption risks before planning or implementing preventative or mitigating actions.
- Have a working knowledge of two corruption risk assessment tools, the corruption interactions framework and the corruption risk assessment.
- Be comfortable with using corruption risk mapping to identify corruption risks in the water sector in their country contexts.
- Be aware of other tools for identifying corruption risks.

### Learning methods

#### Session 1: Why assess corruption risks? (30 minutes)

**Step 1:** Introduce the rationale and learning objectives of this Module. Facilitate a plenary brainstorm on the 'why should we assess or analyse corruption risks?' Capture the learners' ideas on a flipchart.

**Step 2:** Add to the learners' contributions with the content in session 1 in this module.

#### Session 2: Using the corruption interactions framework (1.5 hours)

**Step 1:** Recap the learners' (and other) examples of corruption using the short title cards from Module 2, session 1.

**Step 2:** Recap the definitions of different types of corruption and link each learner example to a type or more than one type of corruption where appropriate.

**Step 3:** Present the value chain framework of corrupt interactions in the water sector using examples to illustrate.



**Step 4:** Explain that using the framework involves locating types of perceived or known corruption to the appropriate cell, specifying the type of corruption (checking definitions) and the parties (always at least two) involved. Specific types of corruption may well span one or more levels, and more than one column. Typically aspects of state capture and grand corruption will cluster in top left corner of the framework with petty corruption towards the right hand corner. You can illustrate this point by presenting the simplified version of the value chain framework, also in the Training manual, Module 3 under session 2. Note that early warning signs and potential actions/ tools to prevent different types of corruption can be identified in additional columns. Learning about anti-corruption tools is the main objective of the next Modules.

**Step 5:** Where possible, cluster learners into country or regional/ provincial groups, and ask them to use their examples to complete the framework of corrupt interactions in the water sector. If there is a shortage of water resources related examples, one group should use the "Corruption risks in Water Licensing" example from Kazakhstan and another from Chile, using the case material distributed and used in Module 2.

**Step 6:** Facilitate a plenary report back and discussion, highlighting the key lessons learnt concerning the use and value of the framework and how they can apply it in their work.

### Session 3: Using the corruption risk map (2 hours)

**Step 1:** Present the 'Illicit conduct' list described in the UN Convention on Corruption.

**Step 2:** Divide the learners into groups of 5–8 learners. Ask each group to select one example of corruption. The example should link up with the illicit conduct list, and should comprise a number of different types of corruption. Where possible, water resources related examples should be used. If none are available, the example of corruption in water licensing from Chile and Kazakhstan can be used.

**Step 3:** When using the corruption risk assessment tool, have the learner whose example has been chosen (or who knows the example best) be the resource person. The other learners will work together to complete the risk assessment process in a step by step manner.

**Step 4:** Explain the table of sector processes and sub processes as set out in Step 1 of the risk mapping exercise in the content section for this session.

**Step 5:** Using the content section for the corruption risk map as a handout, explain each step and then assist the groups to practice them using their selected examples.

**Step 6:** Once the learners have got to the end of the third step in completing the matrix, ask them to report back to plenary, and facilitate a discussion about the usefulness of the tool to their work. Have them compare and contrast this tool with the corruption interactions framework practiced in session 2.

**Step 7:** Summarise with key lessons and applications of these tools, i.e. the corruption interactions framework and the corruption risk map.

**Step 8:** As noted, the corruption risk map is one tool for mapping and diagnosing corruption risks, which has been selected and used throughout the course as a basis for planning anti corruption initiatives. There are many others in development. Use the content at the end of session 3 to present an overview of three other examples, namely: (i) The Annotated Water Integrity Scan (AWIS); (ii) the Ugandan Water Integrity Studies, led by the Ministry of Water and the Environment 1; and (iii) the Utility Checklist.

<sup>1</sup>The participatory water integrity studies combined a qualitative 'risk and opportunity mapping study' with a nation-wide quantitative baseline survey to update the sectors' anti-corruption action plan. Similar research is now being replicated in other countries.

# 4

## MODULE 4: ANTI-CORRUPTION LAWS, INSTITUTIONS AND INSTRUMENTS

**RATIONALE:** The primary learning objective of Modules 4–6 is to explore the use of various tools and actions for promoting integrity and transparency in the water sector. In this Module, learners have the opportunity to think through the practical application of anti-corruption laws, instruments and institutions in the wider governance environment within their own country.

**DURATION:** 4 hours

### Learning objectives

By the end of this Module, learners will:

- Understand how international anti-corruption laws, instruments and institutions can be used as tools against corruption and explore practical applications to combat water sector corruption.
- Be able to identify various international instruments that address corruption and their importance for the water sector.
- Understand the role of institutions in promoting accountability. This includes anti-corruption commissions, the ombudsman, prosecutors, courts, accounting and auditing functions, the media, NGO's, and civil society.
- Understand the core elements of freedom of information laws.

### Learning methods

#### Session 1:

##### Legal anti corruption instruments (1 hour)

**Step 1:** Introduce the rationale and learning objectives for this Module and facilitate a plenary brainstorm on the names of international and

national laws that can be used against corruption. Capture these on a flipchart.

**Step 2:** With reference to this list and the Training manual, Module 4, present slides 1–19 of the Module 4 PPT and facilitate a plenary discussion on the questions on slide 19.

**Step 3:** Discuss in plenary how international conventions can be used to hold governments accountable on matters of anti-corruption performance, e.g. through peer pressure (government to government) at the international level; through public pressure at the international level (especially in intergovernmental meetings to discuss the convention); and through public pressure at local level. Participants should elaborate on the steps they would follow to use international conventions as advocacy tools to address pressing water sector issues in a particular country context.

#### Session 2:

##### The role of institutions (2 hours)

**Step 1:** With reference to the Training manual on Water Integrity, Module 4 and examples from the learners' country contexts, present the remaining slides of the Module 4 PPT.

**Step 2:** Divide the learners into two groups in keeping with countries.

Group one discusses the Lesotho Highlands Water project case and answers the following questions:

- How does the UN Convention against Corruption operate in the Lesotho case?
- If your country were to confront a similar case, what are the appropriate institutions to tackle this, and how? It might be useful to

think beyond public institutions and discuss the role of the media, civil society and NGOs.

- Given the examples of corruption we have been working with throughout the course, are there any examples that could be tackled using a similar approach? If so, how?

Group 2 is assigned to revisit the institutional maps developed in session 3 of Module 1. They should choose one most relevant to them, and use the maps to:

- Add anti-corruption/checks and balances institutions to the organogram.
- Identify governance gaps and challenges in the context of a specific country.
- Identify the existing links between water management, water services institutions and anti-corruption institutions.
- Brainstorm ideas on ways to address these gaps. This could include, for example, policy review, anti-corruption agencies, oversight mechanisms, or any of the other institutions and strategies covered in this session.

As covered in Module 1 session 3, please consider the following points when assessing governance gaps and challenges:

- Water management and water services institutions are completely different and rarely linked up. This is one of the challenges of IWRM and of anti-corruption in the water sector.
- All institutions need mechanisms and systems to enable the voice of citizens/ users to be taken into account in the planning, allocation, regulation, management and provision of water resources and water services.
- Problems in management and governance go beyond technical challenges. Institutional reform is often needed to create correct policies, viable political institutions, workable financing arrangements, and self-governing and self-supporting local systems. Institutions are often rooted in centralised structures for decision-making with fragmented subsector approaches to water management, and local institutions that often lack capacity. Awareness on water issues in political organisations is in many cases limited and/or of low priority.
- Clarifying clear and separate roles and responsibilities between and within institutions is a key aspect of water sector reforms. These reforms have the potential to help prevent corruption, but could also make matters worse if mis-handled. New organisations and new interfaces between organisations can create new opportunities for corruption to emerge. Regulators are key and these

are becoming more widespread. However, a good regulatory framework does not necessarily mean good regulation. A clear distinction between the functions of government, for example, as a provider of services and as a regulator to ensure those services are properly delivered is important. However, effective regulation systems requires both the capacity to regulate and political will to ensure compliance. Weak regulation results in poor performance, poor management, malpractices and inefficient services.

- It is important that the 'player' role of water services providers, is accounted for separately from the 'referee' role of water services authorities, such as local government and regulators.

**Step 4:** Use the feedback from the groups to summarise the role of institutions in strengthening accountability for effective water management and water services.

### Session 3: Assessing legal and institutional frameworks for integrity and accountability (1 hour)

**Step 1:** One example of a review of anti-corruption laws and institutions is the SADC integrity and accountability mapping exercise supported by SIWI. Present the SADC accountability mapping PPT and facilitate discussion to clarify any points.

**Step 2:** In small groups, learners select one country whose national context is most relevant to their work. Each group undertakes a similar mapping exercise and formulates informed recommendations to strengthen integrity, accountability and transparency in the water sector in that country.

Each group should consider:

- The main laws, policies and processes related to prevention and anti corruption
- The main institutions (refer here to work done in session 2)
- Awareness, governance, policy and capacity gaps concerning water sector accountability and transparency
- The main recommendations for addressing these gaps

**Step 3:** Use feedback from the groups to summarise the main lessons learned in their evaluation of the use of anti corruption laws, and institutions and instruments for tackling and preventing corruption in the water sector in each national context.

# 5

## MODULE 5: TRANSPARENCY AND ACCESS TO INFORMATION

**RATIONALE:** This Module explores practical actions to strengthen transparency. Knowing what information is needed and how it can be accessed is necessary to prevent corruption and mitigate risks. The purpose of this Module is to highlight the role of transparency and access to information in the water sector through a range of case examples and tools. It will focus on the processes and procedures involved in infrastructure planning, construction and post construction, and actions to improve transparency in the water sector.

**DURATION:** 5,15 hours

### Learning objectives

By the end of this Module, learners will:

- Understand the role of transparency and access to information in preventing, identifying and mitigating corruption in the water sector.
- Have identified the types of information needed to prevent corruption through infrastructure development and service provision processes and procedures.
- Have a working knowledge of a range of tools and activities to strengthen transparency and prevent corruption.
- Have identified early warning signs and actions to improve transparency using examples within the national context of their country.

### Learning methods

#### **Session 1:** **Transparency and access to information (15 min)**

**Step 1:** Write up the quotes from Article 19 of the Universal Declaration of Human Rights (from

the Training manual, Module 5) on a flipchart. Introduce the rationale and learning objectives for this Module, and through a plenary brainstorm, refresh earlier learning on the definition of transparency (Module 2) and the access to information laws (Module 4).

#### **Session 2:** **Transparency in water infrastructure development (2 hours)**

**Step 1:** The purpose of this session is to identify phases and activities in infrastructure development projects or programmes that are most vulnerable to corruption, and the kind of information that helps to reduce corruption. Through a plenary brainstorm, write up the typical phases of a water infrastructure development project on a flipchart, including the main activities that take place in each phase (using the content for this session). Divide the learners into 3 groups, one that will work with the preparatory phase, one with the procurement and contracting phase, and one with the implementation and operation and maintenance phases.

**Step 2:** In their groups, the learners should (i) identify which activities in their phase/s are most vulnerable to corruption, including a description of the types of corruption, and most importantly (ii) identify what information is needed to reduce or prevent each form of corruption.

**Step 3:** The groups should share the lists of information needed to reduce the risk of corruption. Facilitate a plenary discussion on where, from whom, and how this information can be obtained. Public access to procurement information is governed by the Public Procurement

laws of different countries. Where these laws do not comply with Freedom of Information Laws, facilitate a group discussion on actions to influence or enforce public access to procurement information under the Freedom of Information law.

- Step 4:** Ask the learners to reflect on how their own organisations promote access to information to the public. For example, do they have an information officer in place? How long does it take to address a request for information? Is their website updated frequently and what information is published there? Where are invitations to tender opportunities announced?
- Step 5:** Lead a facilitated discussion on actions proposed to improve access to information, from sector organisations, and the learners' own organisations. The feedback on this reflection should be summarised and written down.
- Step 6:** One potentially powerful tool for preventing corruption in procurement is the Integrity Pact. Share the example from the Training manual, Module 5, and ask learners to reflect on the factors that need to be in place for an Integrity Pact to be initiated and implemented in their own country contexts. Let them share in country groups and summarise the session with a discussion on the use of integrity pacts for reducing corruption in procurement.

### Session 3: Freedom of Information in action (2 hours)

- Step 1:** Divide the learners into two groups. Distribute the IRC role play guide NGO WASH Justice to the one group and New Town Water Supply Board role play guide to the other group. Allow time for groups to read the guides, respond to questions for clarification, and allow them to assign roles and prepare their role plays.
- Step 2:** After having read the confidential instructions, the two groups should simulate a meeting between the NGO and the water services board where the NGO tries to access information from the board based on the Model Freedom of Information Law.
- Step 3:** While the role-plays are enacted, write up key points for discussion on the measures taken, the constraints to access to information and creative ways to address these constraints. Make sure to include the impacts of accessi-

ble information, both from the perspective of the provider and NGOs.

- Steps 4:** Debrief all participants on the outcomes of the role play and document the key lessons regarding Freedom of Information and its practical application.

### Session 4: Taking action to strengthen transparency (1 hour)

- Step 1:** Using the examples of actions to strengthen transparency and integrity in the content section, explain what each example entails and illustrate with learners' experiences.
- Step 2:** In session 2 of this Module, the learners identified the information needed to reduce the risk of corruption and where, from whom, and how this information can be obtained. They were also asked to reflect on how their own organisations promote access to information to the public. Ask them to work in the same groups to identify early warning signs of corruption risks and come up with action plans to strengthen transparency and access necessary information in their own organisations/sector.
- Step 3:** Based on feedback from the groups, summarise the Module using the Training manual, Module 5.

# 6

## MODULE 6: ACCOUNTABILITY

**RATIONALE:** The learning objective of Modules 4–6 is to explore the use of various tools and actions for promoting integrity and transparency in the water sector. The aim of this Module is to strengthen learners’ knowledge of political and administrative accountability in the water sector, and how to improve accountability through the use of different tools and approaches.

**DURATION:** 6 hours

### Learning objectives

By the end of this Module, learners will:

- Understand the different dimensions of political, financial and administrative accountability and how actions taken by citizens can strengthen accountability in the water sector.
- Understand the respective roles of the state, service providers and citizens to ensure accountability in public service delivery, and how this applies to the water sector.
- Have explored accountability within the context of IWRM.
- Have explored case examples of actions to strengthen accountability in the water sector.

### Learning methods

#### Session 1: Concepts, coalitions, contracts and compacts – What is accountability all about? (1.5 hours)

**Step 1:** Introduce the learning objectives for this module and ask the learners to work in groups of 3 to define accountability. What is accountability all about?

**Step 2:** Based on their feedback, fill in any gaps on the key concepts in accountability. Draw your

input from the content in this module to supplement your presentation slides 1–14 in the Module 6 PPT.

**Step 3:** In session 1 Module 1 learners developed country specific maps/ organograms of key water sector institutions, and developed these further in session 2 of Module 4. In this session, using these maps, ask the learners’ to work in the same groups to plot the lines of accountability between the various water sector institutions. Remind them to include all three main types of accountability (political administrative, financial).

Is the line of accountability:

- Based on a contract, e.g. between water users and service providers, for the provision of a service? (a contract could be depicted using a dotted line)
- Based on voice, e.g. elected political representation? In the case of IWRM, catchment committees or river basin organisations act as representative bodies, to which various water user groups formally or informally elect representatives to represent their interests in the activities of organisation. This is also an example of voice (voice could be depicted by a different colored dotted line)
- Based on a compact, e.g. where a public institution has oversight over another public institution, e.g. a regulator over a water utility, or a national department or ministry over a decentralised department or municipality? (compact could be depicted by a solid line)

**Step 4:** Once the groups have depicted the accountability lines, ask them to discuss the opportunities and constraints of each of the three different types of accountability from the perspective of water user groups.

For example, contracts usually contain clear performance criteria to which services

providers can be held accountable. If these criteria are not known to the users, however, they are not able to hold service providers to account. Public institutions are bound by legal and policy frameworks to hold each other accountable, but it is only through knowledge of these provisions that users are able to strengthen public accountability. While the intention of voice is to ensure that users' rights and interests are safeguarded and that policy makers are held accountable, elected representatives may be sidelined by technical and administrative constraints, or may not act in the interests of stakeholder groups they represent.

**Step 5:** Using the feedback from the groups, summarise the identified opportunities and constraints to the group. Facilitate a plenary discussion on the similarities and differences between accountability issues in water services institutions and water resources institutions. One of the key points to note is that there are more contractual accountability relationships in water services provision, and more voice-related accountability relationships in water resources management. This has implications for the approaches and tools needed to strengthen accountability within and between these sectors.

### Session 2: Strengthening accountability – Tools and actions (1.5 hours)

**Step 1:** With reference to inputs from the learners, present slides 15–26 of Module 6 using the content for this session on tools and actions to strengthen accountability in the water sector.

**Step 2:** Using the opportunities and constraints identified in session 1, discuss the content on combating corruption during IWRM reform using the content in this Module.

**Step 3:** Using their institutional maps, ask the learners' to select two key institutions and discuss what practical actions these institutions can take to promote accountability.

For example:

- Regulators have ultimate oversight over the performance of water institutions. They can promote accountability by supporting water users' monitoring and feedback on the performance of water utilities, water associa-

tions and other water sector institutions. Regulators can also ensure that standards and by-laws are in place; consistent with national level policies and plans, and that these by-laws and standards are adhered to in contracts with service providers.

- Utilities and water services providers can ensure they have good customer relations and communications systems in place. They can also ensure that they have effective financial management and monitoring systems in place.
- Water user associations can ensure that all water user groups in their areas are adequately represented and that their voices are heard in planning and decision-making on the allocation of water resources to various user groups.
- National ministries and departments can ensure that legal and policy frameworks enable and promote accountability within and between decentralised water sector institutions and water users.
- Water users can engage with political representatives and mobilise access to the information they need to effectively monitor and give feedback on water resources and services activities that affect them.

**Step 4:** Ask the learners to select one of the PACTIV actions they think would be the most useful to strengthen accountability between their water sector intuitions. In groups, ask them to discuss how they would go about implementing the selected action within the context of their country's specific reality.

**Step 5:** Facilitate plenary feedback from the exercise and summarise with key learning points.

### Session 3: Leveraging accountability: Citizen action, citizen voice (2 hours)

**Step 1:** Use the accountability triangle to illustrate that this session will cover two cases of citizens' engagement with policy makers and water service providers towards better accountability.

**Step 2:** To ensure citizens' voices are heard in policy decisions and water services provision, more organised and concerted participation is required. Present the content on participation in the content for this session.

**Step 3:** Distribute and discuss the WIN Case Information Sheet on Uganda No. 3 of 2009 and present the PPT on the Zambian Water Watch Groups as two examples of active citizen and consumer participation to strengthen accountability in the delivery of water services.

**Step 4:** Divide the learners into 2 groups. One group will explore the Zambian example and the other the Ugandan example. Each group should discuss the following questions: What conditions do you think need to be in place for this kind of citizen's action to be put in place and remain effective? Are these conditions in place in the water sector in your country? What are the barriers to citizen action? What can be done to address these barriers? What is needed to keep these initiatives going?

**Step 5:** Through feedback from the group exercise, facilitate a discussion on the advantages and disadvantages of both approaches. In the Ugandan example, citizens are leading and in the Zambian example, the Regulator leads.

Some key points to make:

- An enabling environment and political will is required: Regulator led and supported accountability initiatives usually happen within the context of sector reform, and usually follow civic action or engagement. Regulator or government lead user platforms may be more sustainable.
- But political support must be secured; training and awareness raising is needed at all levels – for users, user groups, CSOs, councillors/ politicians, service providers and officials; energy and time is required to for all actors to buy in to a 'partnerships for improved service delivery' paradigm and to keep the momentum going.
- Positioning is also important: Citizens need to feel that user platforms are credible and that they have some ownership over them.
- It is important to think about whether or not user groups and platforms are: (i) an arm of the Regulator (ii) delegated by the regulator to the authority/ provider, or (iii) autonomous. The selection criteria and processes for welcoming the users that comprise these platforms must also be carefully considered.

**Step 6:** Close the session by facilitating a discussion on whether the different examples of citizen action are applicable in the learners' country contexts.

#### **Session 4: Enabling and raising citizens voice (1 hour)**

**Step 1:** Divide the learners' into two groups: One group will represent civil society organisations and the other will play the role of water sector institutions, such as utilities and regulators.

**Step 2:** Both groups will create a scenario in which they aim to improve accountability within a specific water-related activity in their area. This activity could be the construction of a multipurpose dam, the implementation of new water supply infrastructure, the extension or upgrading of existing infrastructure, the establishment of a river basin organisation, etc.

Ask the civil society group to plan how they would go about setting up water watch/ user groups. What are the aims and objectives of the user groups? What do they want to monitor and why? Who would they partner with? How would they select the representatives in the user groups? What information do they need and from which institutions?

Ask the water sector institution group to list the actions they would take to improve accountability in the implementation of the water-related activity. For example, they could support the establishment of a user platform or forum, they could make their plans and budgets publicly accessible, they could create a help desk, or a call centre, or they could strengthen stakeholder consultation processes. The Utility checklist will provide some useful ideas.

**Step 3:** Based on the plenary feedback from both groups, facilitate a discussion on the actions and tools that strengthen accountability in the water sector and water-related activities, summarise useful learning points, and close the session.



## MODULE 7:

# INTEGRITY IN INTEGRATED WATER RESOURCES MANAGEMENT (IWRM)

**RATIONALE:** The aim of Module 7 is to place the four main content areas covered through the Water Integrity training course within the context of IWRM reform. The previous Modules have covered (i) corruption and anti-corruption in the context of water governance, (ii) different types, impacts and drivers of corruption, (iii) how to diagnose and identify corruption risks, and (iv) the laws, institutions, actions and tools that promote transparency and strengthen accountability.

This Module will investigate similar topics. Specifically, it will: (i) explore water integrity and IWRM from a governance perspective (ii) identify different types of corruption and potential corruption risks and (iii) discuss actions to mitigate and prevent corruption, through the lens of the IWRM planning and implementation cycle.

The Module culminates in the development of action plans for learners to implement in their own organizations after the course

**DURATION:** 5 hours

## Learning objectives

By the end of this Module, learners will:

- Understand the strengths, weaknesses, opportunities and threats related to water integrity in IWRM.
- Have identified types of corruption, corruption risks, and actions to promote integrity through each step of the IWRM planning and implementation cycle.
- Have reviewed the tools and actions covered through the course, from diagnosis/ identification of corruption risks, to developing action plans to strengthen accountability, transparency and integrity in the water sector in their country contexts.

## Learning methods

### Session 1: IWRM and water integrity (1.5 hours)

**Step 1:** Introduce the rationale and learning objectives for this Module using the information provided in the content section. Next, facilitate a plenary brainstorm on (i) potential entry points for corruption and potential entry points to strengthen accountability, transparency and integrity in IWRM. Capture these ideas on a flipchart.

**Step 2:** Use the material in the content section and on slides 1–9 of the Module 7 PPT to add further insights to these ideas placed on the flipchart.

**Step 3:** In small groups, ask the learners to discuss and capture the strengths, weaknesses, opportunities and threats (SWOT analysis) to water integrity within IWRM.

**Step 4:** Summarise this session using slides 10–37 of the Module 7 PPT and the SWOT analysis from “Mapping integrity and accountability in water in the SADC region” (provided in the content section for session one in this module. Slide 10–23 are for recap purposes and can be skipped.

### Session 2: Water Integrity in IWRM: Planning and implementation (1.5 hours)

**Step 1:** Interactively recap the tools and methods in the content for this session, and walk the learners through each step of the IWRM planning and implementation cycle using slides 26–35 of the Module 7 PPT.

**Step 2** Option 1: Create a scenario in which the learners imagine they are water sector anti corruption experts engaged as part of a multi-disciplinary team tasked to oversee and reduce the potential corruption risks and strengthen the transparency and accountability measures in an IWRM planning and implementation process in river basin X. In small groups, they should discuss:

- What are the corruption risks in each phase of the IWRM cycle?
- What risk mitigation strategies or tools can you use in each phase?

**Step 2:** Option 2: Identify 3–5 common country groupings within the learner group. Ask the groups to consider the conditions and situation of the water management practices in the selected country at the river basin level where IWRM principles should be applied.

Specific tasks for each group:

- Identify the main stakeholder groups to be included in a stakeholder's platform to participate in each component of the IWRM planning cycle.
- Discuss the key indicators of successful participation of stakeholders in IWRM planning.
- Identify some key success factors for effective participation of stakeholders.
- Identify the main constraints and/or resistance factors against introduction of stakeholder's participation in IWRM planning.
- Identify a strategy for overcome these constraints.

**Step 3:** Use the table of suggested tools and methods in the content section on session two to supplement the group's feedback. Facilitate plenary discussion on the application of these tools in IWRM. Summarise with the last slides in Module 7 PPT.

### Session 3: Preventing and mitigating risks, and action planning (1.5 hours)

**Step 1:** Divide the learners into seven groups. Each group should review and provide a summary of the main highlights and learning's from each of the previous Modules in the course.

**Step 2:** Building on their summaries, recap the three primary learning objectives. These also constitute the 3 steps involved in promoting water integrity: (i) Understanding corruption and anti corruption in the context of water

governance (Modules 1 and 2), (ii) Diagnosing and identifying corruption risks (Module 3) and (iii) Promoting transparency, accountability and integrity in water (Modules 4, 5 and 6).

**Step 3:** In Module 3, learners worked in groups to identify corruption risks. They developed corruption risk maps and identified 'early warning signs' or 'red flags'. In Module 5 the learners identified the information that is needed to reduce certain corruption risks and discussed how access to information could be strengthened within their own organisations. These were country/ regional groups that used the water sector corruption examples they brought into the course as practical, applied examples. In this Module, they should work in the same groups and with the same matrices and complete the column 'proposed measures' to address the identified corruption risks.

**Step 4:** The learner groups present their completed matrices in plenary. Facilitate a plenary discussion with respect to areas requiring further clarity.

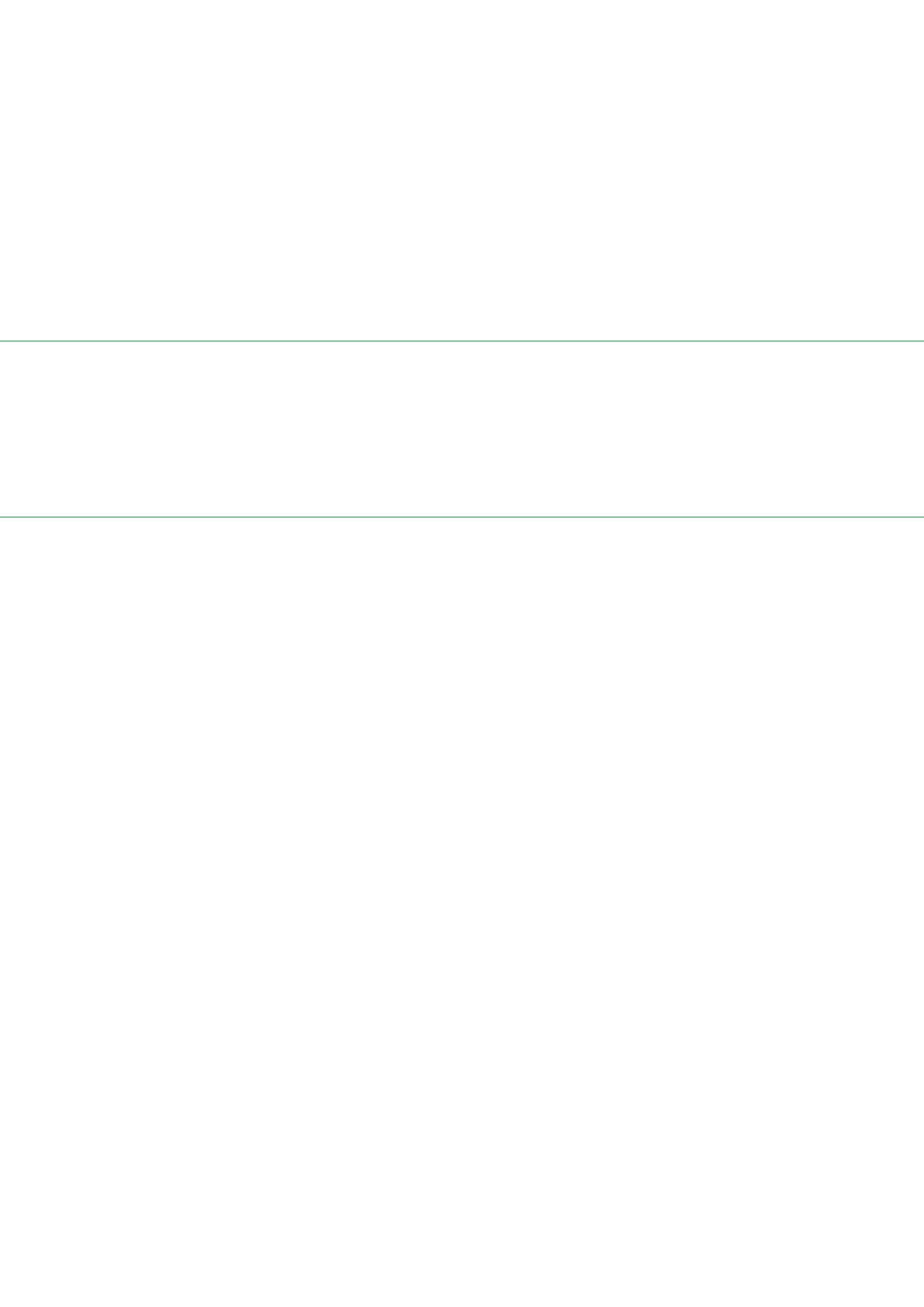
### Session 4: Developing action plans (1 hour)

**Step 1:** Based on the proposed measures to prevent or mitigate corruption risks identified in the previous sessions, ask the learners to reflect on (i) what the key corruption risks are within their own organisations and to (ii) select one or two actions they can implement in their own organisation. Next, ask learners to identify: Detailed activities, responsible, timeframe and resources required. The actions should be implemented using existing human financial resources in their organisations and should therefore not be ambitious or complicated.

**Step 2:** The learners should present their action plans in plenary and provide input on the feasibility of each other's action plans.

**Template: Water Integrity Action Plan**  
**Name of organisation:**

Corruption risks	Proposed measures	Activities	Responsible	Timeframe	Resources required





**TRAINING MANUAL  
ON WATER INTEGRITY**  
APPENDICES

# APPENDIX I: SUGGESTED PROGRAMME SCHEDULE: WATER INTEGRITY COURSE

Timeframe	Session	Notes
<b>DAY 1: MODULE 1 WATER GOVERNANCE</b>		
09h00-11h00	Arrival, registration and logistics	
11h00-12h00	Introductions, group norms and learners' expectations	
12h00-13h00	Session 1: Introduction to IWRM	
13h00-14h00	Lunch	
14h00-15h30	Session 2: Introduction to water governance	
1530-16h00	Tea/ coffee	
16h00-17h30	Session 3: Institutional frameworks for water resources and water services	
<b>DAY 2: MODULE 2 CORRUPTION IN THE WATER SECTOR</b>		
09h00-10h30	Session 1: Defining terms and concepts	
10h30-10h45	Tea/ coffee	
10h45-11h45	Session 2: Corruption in the water sector: How and why?	
11h45-13h15	Session 3: The impacts and costs of corruption	
13h15-14h15	Lunch	
14h15-16h15	Session 4: Drivers of corruption	
16h15-17h00	Questions and discussion on Modules 1 and 2	
<b>DAY 3: MODULE 3 IDENTIFYING CORRUPTION RISKS AND MODULE 4 ANTI-CORRUPTION LAWS, INSTITUTIONS AND INSTRUMENTS</b>		
09h00-09h30	Module 3 Session 1: Why assess corruption risks?	
09h30-11h00	Session 2: Using the corruption interactions framework	
11h00-11h30	Tea/ coffee	
11h30-13h30	Session 3: Corruption risk mapping	
13h30-14h30	Lunch	
14h30-15h30	Module 4 Session 1: Legal anti-corruption instruments	
15h30-17h00	Session 2: The role of institutions	
17h00-17h15	Tea/ coffee	
17h15-18h15	Session 3: Assessing legal and institutional frameworks for integrity and accountability	
<b>DAY 4: MODULE 5 TRANSPARENCY AND ACCESS TO INFORMATION</b>		
09h00-09h30	Session 1: Transparency and access to information	
09h30-11h30	Session 2: Transparency in water infrastructure development	
11h30-12h00	Tea/ coffee	
12h00-13h00	Session 3: Freedom of information in action (briefing and preparation)	
13h00-14h00	Lunch	
14h00-15h00	Session 3 cont.: Freedom of information in action (role play and debriefing)	
15h00-16h00	Session 4: Taking action to strengthen transparency and integrity	

<b>Timeframe</b>	<b>Session</b>	<b>Notes</b>
<b>Day 5: Module 6 ACCOUNTABILITY</b>		
09h00-10h30	Session 1: Concepts, coalitions, contracts and compacts: What is accountability all about?	
10h30-11h00	Tea/ coffee	
11h00-12h30	Session 2: Strengthening accountability: Tools and actions	
12h30-13h30	Lunch	
15h30-16h00	Tea/ coffee	
16h00-17h00	Session 3: Leveraging accountability: Citizen actions, citizen voice	
<b>Day 6: Module 7 INTEGRITY IN INTEGRATED WATER RESOURCES MANAGEMENT (IWRM)</b>		
09h00-10h30	Session 1: IWRM and Water Integrity	
10h30-11h00	Tea/ coffee	
11h00-12h30	Session 2: Water Integrity in IWRM: Planning and implementation	
12h30-13h30	Lunch	
13h30-15h00	Session 3: Preventing and mitigating risks, and action planning	
15h00-15h30	Tea/ coffee	
15h30-16h30	Session 4: Developing action plans	
16h30-17h00	Evaluation and closure	

## APPENDIX II: EFFECTIVE FACILITATION SKILLS

Effective facilitation builds good working relationships with and within groups of learners. Here are a few skills and items to keep in mind that can help you become a more effective facilitator.<sup>1</sup>

### Interpersonal facilitation skills

**Clarifying** – Checking whether you have correctly understood what the learner has said and probing for more information. For example, “it sounds like you’re saying...?” Clarifying always has an implicit question mark (?) at the end of the sentence. Leading through asking questions rather than giving facts creates understanding and gives learners an opportunity to discover things for themselves. Questions are more useful if they open up participation and discussion. It is therefore best to ask open questions that stimulate participation rather than closed questions that close participation down. For example, closed questions ask for ‘yes’ or ‘no’ type answers, while open questions ask for further information – “could you tell me more about...?”

**Consensus testing** – Checking with the learners to see how much agreement has been reached or how near they are to a conclusion. For example, “I think we have reached agreement on this. How do others feel?”

**Encouraging** – Being warm, friendly and responsive to learners and their contributions, showing regard for them by giving them an opportunity for recognition. Acknowledge and appreciate the inputs and contributions from all learners and really listen to what they are saying.

**Expressing group feelings** – Sensing feelings, moods, and relationships in the group and sharing your perceptions with them. For example, “It looks like we all need a short break.”

**Gate keeping** – Attempting to keep communication channels open; facilitating the participation of as many people as possible. For example, “Sipho has been trying to say something for quite a while. Let’s listen to him”. This skill is also referred to as ‘blocking’ and ‘opening’, where the facilitator gently blocks more dominant learners and opens the way for less talkative learners. This ensures that all learners are given an opportunity to contribute and learn and ask questions.

Gate keeping is also a useful skill for off-the-topic questions or points. Capture the point and refer it to an

appropriate place or resource, or suggest that the participant discuss it with an appropriate person during a break. Gate keeping is a bit like being a referee.

**Giving information** – Communicating facts, information or clarification. Giving information is most effective when there is a demand for it from the learners.

**Harmonising** – Attempting to reconcile disagreements; reducing tension; and getting people to explore differences constructively. For example “maybe it would be a good idea to talk one at a time and give everybody a chance to say what they think.”

**Opening up** – Facilitators do not need to know all the answers to all the questions that may be raised – use your team of resource people and the learners to contribute their ideas and knowledge to the questions raised.

**Opinion seeking** – Asking for suggestions or ideas. For example “Tebogo has suggested that we come back to this later, what do others think?”

**Relieving tension** – By bringing the tension out into the open, putting a problem in a wider context, or using appropriate humour. This is also important for energising the group.

**Summarising** – Pulling together related ideas; concluding a section; pulling together the important elements of a discussion.

**Use of language** – Use simple, accessible language that is appropriate to the group of learners. If there is a need for translation, then translate.

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<sup>1</sup>Potter, A (2008), Training Social Animators, Mvula Trust South Africa for Government of Mozambique.



## Technical facilitation skills

**Time management** – It is the facilitator’s responsibility to ensure that the time available for each activity or session is used well and for the benefit of the whole group. This implies the need to gauge the learners’ needs and manage limits.

**Writing up/ capturing skills** (e.g. using the flipchart or board, etc) – Facilitators are often best placed to do this as it shows the learners that their point has been heard, plus it is a useful tool for managing discussion, keep it on track and prevent repetition of the same point. If you want support, ask one of the team members to note ideas on the flipchart.

**Giving clear instructions** – Where there are instructions or specific questions for discussion, it may be useful to write these up for all to see. It is important that

they are clear. Give thought to how you will break a large group into smaller groups before it comes to breakaway sessions, as this saves time and ensures clarity.

**Positioning the environment** – Both the seating arrangements and positioning of equipment in the room is an important part of facilitating participation. Always make sure that all the learners in the room can see audio visual projections, flipcharts, and so on.

**Preparing or using appropriate and effective materials** – This is crucial for ensuring meaningful participation and for achieving the objectives of sessions.

## APPENDIX III: OPTIONS FOR EXERCISES

### Introductory or ‘setting the scene’ exercises

Setting the scene is essential to creating a safe and conducive learning environment in which learners’ feel comfortable to participate and ready to work and learn.

Regardless of the exercises used, it will be a good idea to explore the following questions in the introductory session:

- What are learners bringing to the workshop? This could include questions/ concerns/ experience/ skills/ expectations and so on.
- What are they missing out on by attending?
- What are their hopes and fears for the training?
- What kind of training environment do they want to create that will help them to participate freely and learn best? This gives the trainer some ground-rules for the workshop, which should be placed somewhere easily visible throughout the training. Examples of ground-rules include talking one at a time, keeping cellular phones off during sessions; respect everyone’s views; no undermining each other; punctuality and so on.
- It may also be a good idea to introduce the ‘parking lot’ idea here, or a place to capture issues, concerns or questions raised by learners that are important, but not directly relevant to the session or module being covered. It’s important that the trainer follows

up on these ‘parking lot’ issues, expectations or questions from the learners.

- The overall purpose of and background to the training: How and why it came about and the broad objectives to be achieved by the end of the training.
- How the training is structured and logistics in terms of session times, days, meals, breaks, and so on.
- Presentation of the workshop or session objectives and agenda, which should be linked to the learners’ expectations.

### Some examples of introductory activities

- Learners introduce themselves by selecting an adjective that starts with the first letter of their name and describes something about them.
- Learners walk around to find an object from the environment that represents what they are bringing to the workshop. They then present the item while introducing themselves and tell the participant group:
  - What they are bringing to the workshop.
  - What they want out of the workshop.
  - What they are missing by being at the workshop.
- Learners are asked to stand up and to move into groups according to an arrangement selected by the facilitator (examples given below). After each grouping, ask the learners to introduce themselves

to the person on their right and the person on their left:

- Move all the men on the left and the women on the right
- Ask the learners to group themselves according to the areas they come from
- Ask the learners to group themselves according to the colour of their shirts or shoes
- And so on...

### Plenary exercises

- Quick collective brainstorming on a particular question or issue. The trainer captures the main points made by learners during the brainstorm on a flipchart and then facilitates a discussion.
- Quick collective “free association” discussion on an idea or concept: Learners say what immediately comes to mind and the trainer writes these words or phrases on the flipchart. Facilitates a discussion on what is said and/or give further input on the ideas or concepts.
- Learners write their ideas or opinions on half A4 cards, one idea per card, and put them on a wall, then discuss in plenary.
- The learners find a partner and discuss or practice or consider a particular idea, concept or case study.
- Learners work in buzz groups of 3’s or 4’s and then report their main ideas to the big group for further discussion based on these report backs.
- Keep in mind that people can learn by reflecting on their own experiences, where they have a chance to distill the main ideas, generalise and apply their experiences to the issue being discussed. This can also happen in small groups.
- On the whole, it’s better to use small groups of no more than eight learners for most exercises as this ensures that all learners have an opportunity to speak and share their ideas, opinions and experiences.

### Brainstorming

Brainstorming means giving free reign to the imagination by drawing out as many ideas about a topic as possible in a given time. There are no rights or wrongs and no judgement is placed on any comments. Brainstorming allows individuals and groups to try to capture all possible ideas or perspectives on a given topic within a given (usually short) amount of time. The outputs are the ideas, thoughts, questions, etc. that are documented (preferably visibly on a flipchart) so that the learners can interact with them as food for further ideas.

### General rules

- Do not judge or criticise any ideas.
- Let ideas flow – be imaginative.
- Free wheel – build on other people’s ideas.
- Go for quantity, not for quality.

- Clarify items. Expand on an idea without evaluating it.
- Record all ideas, no matter how trivial it might seem.
- As soon as all ideas have been listed, assess and evaluate them openly in a facilitated discussion with all brainstorm learners.

### Using PowerPoint presentations

- It takes on average two to three minutes to explain each slide. Therefore, do not have more than 10–15 slides for a 45-minute presentation.
- Avoid large amounts of text on a slide and do not just read from the slide.
- Put short statements on the slide as headings and reminders to yourself about what to say and in what order.
- Avoid colours that are difficult to read, such as red and yellow.
- Most importantly, check the slides yourself from where the learners will be sitting to see whether they are readable.
- Images and illustrations are often clearer and easier to digest than too much text

For more PowerPoint tips and tools visit:  
[www.knowwiththeflow.org](http://www.knowwiththeflow.org)

## APPENDIX IV:

# PLANNING SHORT TRAINING COURSES

### Introduction

Short courses are effective instruments for continuous professional and adult education.

Short courses distinguish themselves from long-term courses and educational programmes not only by the length of the activity but also the format and type of training offered. Typically they are interactive, build on the learners experience and emphasise facilitation rather than teaching.

With increasing emphasis on continuing education, many trainers and educators find themselves required to organise and implement short courses while often they may lack experience in managing such activities. This guide provides a brief summary of the points to consider.

The organisation of short courses can be a lot of work and you need to get it right. The success of the course comes as much from the organisation as the content.<sup>2</sup>

### 1. Subject

The first step is to formulate an idea for a short course that is going to meet needs of the target group. This is obviously important if you wish to attract learners and should be related to a knowledge of capacity needs and previous discussions with potential partners and clients.

Once the subject matter is established you may ask yourself:

- Has there been a short course delivered on this subject recently, or is any useful literature, hand-book or training manual available?
- What is the best way to deliver the required training?/
- Who are the best available facilitators?
- Who has a particular interest in the subject?
- What insights can be gained from learners?
- Who will fund the training?

Please note that it requires at least two months to prepare properly for a training course.

### 2. Target groups

Target groups need to be identified based on the objective of the course and the expected result. They may vary from water management planners to local water authorities or water users associations. Another target group may consist of capacity builders who will take the

subject further in their day-to-day training and education activities. The potential client group will also be determined by the likelihood and type of funding for the training course. It is therefore important to assess what the intention of the course is and what you expect learners to do with it. The “audience” is also the determining factor when deciding on the length and format of the training course. Are there particular institutions that you should target for the course and who may want to partner with you?

### 3. Format

Whether it is a “training-of trainers” course or targeted to water professionals, the learners will always be adults and therefore the format needs to be adapted to the audience. To keep the learners’ attention, it is important to vary between lectures, presentations, working groups, role plays, field trips, etc. The rule of thumb that has had positive feedback from learners is that a module (clusters of sessions on a particular subjects) is split in 1/3 presentation, 1/3 discussion and 1/3 interaction.

It is obvious, but often forgotten: The contents of the training needs to reflect the level and work practices of the learners.

### 4. Programming

There are several issues to be considered when creating the programme for the short course:

- a) Related to who is your target audience:
  - What is the ideal length of the course in relation to the target group (e.g. managers generally have less time for continuous content-related education than professionals)?
  - Does the course set-up appeal to the target group and prepare them better for their tasks?
- b) Programme the course in such a way that all sessions, exercises, field trips, working group assignments are relevant to the subject matter. It is generally considered appropriate to begin with introductory sessions that explain concepts and principles and then move into more technical and interactive sessions. Sometimes we may see field

<sup>2</sup> CAPNET 2007  
<http://www.cap-net.org/databases/network-management-tools>.

trips planned that have no other purpose than an organised outing for the learners. This may not be useful and may even interrupt the flow of the course. If a field trip is organised, make sure that it is closely related to the course subject and contributes to the training of the learners. Often, specific assignments related to the field trip may be appropriate.

- c) It is essential that the content of the course programme has enough platforms and outlets for the learners to express themselves. Interactivity is very important and adult education methods need to be used. Good methods to challenge the learners and extract knowledge from them include discussion platforms, working group assignments, role plays, and other interactive formats. Make sure you allocate enough time for these types of sessions.

The course content needs to be developed thoroughly and with partners if you expect to attract them to send learners.

Plan to make course materials available immediately to learners. It is preferable if these are in the form of properly prepared training materials.

Maintain steady communication with potential sponsors/ partners at all stages of course development in order to gain their commitment to the course. This will also allow you to develop a brochure to promote the course through networks and partners.

### 5. Partners and facilitators

It is imperative that partners are involved in the organisation of the course. Partners can bring in essential elements in the programme and provide facilitators for specific sessions.

Partner choice can be based on particular strengths of the partner in the subject area of the course. But it can also be a strategic choice. The right partners can lead to increased dedication and more people outside of your organisation buying-in into your programme or institution.

Different types of facilitation and facilitators can be brought in the course that you are organising. As mentioned in the previous section, adult education requires a large degree of interactivity in the sessions and require specific facilitation skills (see Facilitation and Presentation Techniques in the Cap-Net Network Management Tools). A major advantage of organising a course for professionals is that you may rely to a large extent, on the expert capacities of the learners. However, it is important to have knowledgeable and experience facilitators in the subject matter of the course who know how to teach adult learners.

### 6. Choose a host and venue

Ideally, a network member proposes to host a particular network training activity. The host institution should have credibility and experience in the subject area. Selecting a host institution that is specialised in the subject of the training programme has clear advantages.

This host then gets the credit for the course along with the network and the other partners. It is also important that the responsibility is clearly allocated to this organisation. Spreading the responsibility for activities around members brings them benefits and reduces the workload of the network secretariat.

When facilities are not available in-house at the host institution, external facilities (hotels, conference centres) are often used. Both options have advantages and disadvantages:

	Advantages	Disadvantages
Internal	<ul style="list-style-type: none"> <li>• Inexpensive</li> <li>• availability of equipment, labs, etc.</li> <li>• classroom set-up for lectures</li> <li>• exposure of the network member's institution</li> </ul>	<ul style="list-style-type: none"> <li>• location may not always be convenient</li> <li>• lodging and food facilities may not be adequate</li> <li>• IT facilities</li> <li>• Bureaucratic administrative procedures</li> </ul>
External	<ul style="list-style-type: none"> <li>• reduction on room rates or meeting rooms</li> <li>• learners stay together</li> <li>• no transportation between hotel and venue required</li> <li>• audio-visual facilities may be more adequate</li> <li>• location may be more convenient</li> </ul>	<ul style="list-style-type: none"> <li>• ownership of the course</li> <li>• interaction with faculties, professors</li> <li>• costs may be higher in case lodging could be provided by host</li> <li>• interference/noise of other events in the same location</li> </ul>

## 7. Develop a brochure/catalogue/concept note, and invite learners

The course brochure, (or catalogue, concept note, or pamphlet) developed from the programme and arrangements, are sent out to invite learners to the course, either internally in the network(s) and partners or externally through other organisations. The minimum content of a brochure contains:

- Introduction
- Objective
- Target group
- Description of the content
- Methodology
- Organisation
- Contact details and registration fee (see next section) information
- What the learners will gain from the course and what is expected after the training
- Course programme
- Background materials references

## 8. Draft the budget

The course should be organised on the basis of cost recovery. Even if you find a donor for the programme, they will need to see how costs and charges have been arrived at.

It is usually better to separate the management arrangements and costs of the course from the travel and per diem arrangements. As far as possible, have other parties, such as sponsors, deal with the per diems and travel and that reduces the work load on you.

How do you calculate a course fee to cover the management costs? This is a bit more complicated as this is where you have to get into detail (see box for example).

- a) The course fee should include things such as:
- hiring venue,
  - facilitators costs,
  - teaching materials,
  - field trip,
  - local travel,
  - preparation time of organisers,
  - lunches and tea breaks.

### A rough example for a 6 day course (USD)

2 trainers 2 × 6 days @ USD 150/day	= 1,800
Per diem 2 trainers × 6 days × USD 150/day	= 1,800
Travel, trainers 2 × USD 500	= 1,000
Venue 6 days × USD 100	= 600
Materials and general copying	= 500
Local travel	= 500
Lunch 6 days × 15 people × 12 USD	= 1,080
Refreshments 6 days × 2 × 15 people × USD 5	= 900
10 days preparation @ 150 USD	= 1500

- b) Most of these costs will be fixed regardless of the number of learners. Items such as lunch and refreshments will depend on the final number of learners. Make the budget based on a minimum of 15 or 20 learners. That way if you get too few learners you know you will lose money and may have to cancel the course. If you get more learners you will make a small profit which will help you plan the next course.
- c) You may be able to avoid or reduce some of these costs by negotiating with hotels or the host institution. An important component of your budget will be the cost and number of trainers/ facilitators you use. In the end, a regional course fee should be about USD 500 for a week but it could be less. If it is much more expensive then you run the risk of not being attractive for learners or sponsors.

## 9. Some practical arrangements

There are some practical arrangements that you may want to consider when organising a short course:

- a) Disseminate the **course announcement** in time and to a wide audience. Keep a distribution list so that it is easier to send out the announcement next time.
- b) **Solicit participation** through network members, partners or external parties. Make sure that the target group is well defined and that application criteria are clear.
- c) Once learners have been identified, assist in application for visa. Sometimes a block-application for all learners sent directly with the Ministry of Foreign Affairs is the most efficient way to do it;
- d) Learners and facilitators need to know **where to go** when arriving at the airport. Only giving them the name of the venue or hotel may not be enough. Provide specific instructions on what they should do when they arrive. It is better to have them picked up if it is possible;
- e) Make sure that there is **a functioning secretariat** where learners can go with practical questions before and during the course. You may want to have a secretary present at lunch/coffee breaks. FAQs at workshop secretariats almost always concern flight confirmations, per diems, internet facilities, shopping, etc.;
- f) Double check that all necessary **tools and equipment** for the whole course are available before the course starts. Ask facilitators beforehand what they need and if they have special requirements. Technical issues can take away from the course and it is very annoying for everyone when they have to be arranged after the course has already started. Frequently used tools and equipment are:
- Flip charts
  - Markers, coloured cards and tape

- Overhead projectors and sheets (although they are getting outdated)
  - Laptop and projector for presentation;
- g) Organise **transport** to and from participants lodging and venue, and possibly for a field trip. If you organise a field trip, make sure that it is relevant to the course and that learners do not spend half a day on a bus;
- h) **Guidance to the facilitators** is essential for the success of the course. Check that there is no overlap between facilitators. You may prepare a session outline, suggest resource materials, and guide them on general presentation and interaction. It is good to have all session outlines collected before the course and make them available to the learners;
- i) Prepare for the **proceedings** to be available to the learners at the end of the course. The proceedings may consist of the programme, session outlines, presentations, and resource materials (articles, references). They are usually distributed on CD-ROM;
- j) At the end of the course it is useful to ask the learners to complete a course evaluation form. An example of a **course evaluation** form is attached in annex 1;
- k) Any client will demand a **financial report** after the course but it is also useful for your own administration. It is good to be aware of your budget and spending before and during the workshop and to make sure all receipts are properly kept.

## 10. Checklist

Attached is the short course organisation checklist developed by IWSD, Harare, Zimbabwe. (Annex 2). This example checklist may help you when preparing a course.

## 11. Useful reading

- Candelo Reina, Carmen, Gracia Ana Ortiz R., Barbara Unger. 2003. Organising and Running Workshops; a practical guide for trainers. WWF-Colombia.
- Friends of the Earth. 2004. How to organise events. <[http://community.foe.co.uk/resource/how\\_tos/organise\\_events.pdf](http://community.foe.co.uk/resource/how_tos/organise_events.pdf)>
- James Madison University, Office of Sponsored Programs. 2005. Specialized Proposal Development Guides. <<http://www.jmu.edu/sponsprog/writingtips.html>>
- Generation Challenge Programme. n.d. Guidelines for organizing workshops for the Generation Challenge Program. CIMMYT, El Batán Texcoco, Mexico <[http://www.generationcp.org/sccv10/sccv10\\_upload/WorkshopGuidelines.pdf](http://www.generationcp.org/sccv10/sccv10_upload/WorkshopGuidelines.pdf)>
- Mineralogical Society of America. 2005. Basic instructions on how to plan, organize, and execute a short course. Chantilly, US.

## Example of a course evaluation form

We invite you to complete this course-evaluation form to help us improve our training activities. Please be frank and open with your ratings and comments. Your opinion – whether positive or negative – is valuable to us and will be considered in the preparation of future activities.

The average time it would you take to complete this form is around 10–15 minutes.

### 1. Relevance of the course to your current work or function.

None	Low	Medium	High	Very high

### 2. Extent to which you have acquired information / content that is new to you.

None	Low	Medium	High	Very high

### 3. Usefulness of the information / content that you have acquired for your work.

None	Low	Medium	High	Very high

### 4. Did the course reach your expectations and objectives?

None	Little	Just enough	More than enough	Completely

### 5. As a training of trainers course, did the course prepare you for you to lead a follow-up course in your region/organisation?

None	Little	Just enough	More than enough	Completely

What type of content/ methodological support would you need to lead a follow-up course in your region/organisation? (excluding organisation or financial issues).

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6. Considering the implementation of IWRM and conflict resolution and negotiation, the sessions were:

Fully relevant	
Most of them relevant	
Only some were relevant	
Not relevant	

7. The presentation of the different sessions was:

Excellent	
Very good	
Good	
Regular	
Bad	

8. Participation possibilities during the course were:

Excellent	
Very good	
Good	
Regular	
Bad	

9. The length of the course in terms of hours per day was:

Excessive	
Adequate	
Insufficient	

10. Content materials in support for the different sessions were:

Excellent	
Very good	
Good	
Regular	
Bad	

Comments:

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11. The presentation of case studies and experiences enabled you to appreciate the applicability of the issues discussed:

Completely	
Sufficiently but without covering all issues	
Insufficiently	

12. Has the course changed your perception of how similar trainings should be conducted?

Yes	
No	

If yes, how?

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13. What particular elements are missing, or what elements should have been given more attention in the course?

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14. What did you find most useful in the course, and why?

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15. What did you find least useful, and why?

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Thank you for taking the time to fill out this survey. Your inputs will be considered to improve the quality and significance of future activities and they are highly appreciated.

## Short course organisation checklis

Course: (Title).....

Date:.....Venue: .....

Partners:.....

	<b>ACTIVITY</b>	<b>Responsible Person/ Institution</b>	<b>Done by (date)</b>
<b>1</b>	<b>Identification of learners</b>		
	Course outline developed and agreed with partners		
	Course flyer developed		
	Electronically distributed to partners and other parties.		
	Learners list finalised		
	Successful learners notified		
	VISA letters prepared for those who need them		
	Special preparatory requirements communicated to learners (anything to be prepared prior to coming)		
<b>2</b>	<b>Development of course programme</b>		
	Draft programme ready		
	Distributed to partners for comments		
	Programme finalised		
	Final programme communicated to partners, learners and facilitators		
<b>3</b>	<b>Development of course budget</b>		
	Draft budget prepared		
	Course fee set.		
<b>4</b>	<b>Identification of facilitators</b>		
	Facilitators identified		
	Facilitators notified + any special format for material development		

Source: IWSD, Harare, Zimbabwe

	<b>ACTIVITY</b>	<b>Responsible Person/ Institution</b>	<b>Done by (date)</b>
<b>5</b>	<b>Preparation of course materials</b>		
	Materials ready and sent to organisers		
	Material assessed for appropriateness		
	Feedback to Facilitator		
<b>6</b>	<b>Travel arrangements (if managed by organiser)</b>		
	Itinerary ready and communicated to travellers		
	Arrangement for ticket collection/purchase communicated		
	Arrival and departure dates communicated		
<b>7</b>	<b>Development of pre and post course evaluation forms</b>		
	Pre-evaluation forms developed		
	Send to successful applicants		
	Feedback from learners received		
	Post course evaluation forms developed		
<b>8</b>	<b>Purchase of course materials</b>		
	Files, name tags, flip charts, VIP cards Markers etc		
<b>9</b>	<b>Preparation of course venue</b>		
	Course venue ready +equipment and other teaching aids		
<b>10</b>	<b>Registration form</b>		
	Form designed and ready		
<b>11</b>	<b>Course certificate</b>		
	Certificate designed and shared with partners		
	Design finalised		
<b>12</b>	<b>Preparation of training report and training pack</b>		
	Training report		
	Preparation of training pack		

## APPENDIX V: ROLE-PLAY GUIDE

### Confidential instructions

#### Group 1: NGO called “Water for All”

The intention of the role-play is not to test your acting talent or knowledge of Freedom of Information (FOI) laws, but to facilitate a discussion on FOI issues and roles of citizens and providers.

**Players:** NGO staff members and volunteers: Community facilitators, water specialists, and citizens right activists

**Handout:** Model FOI Law (esp. sections 7–16, 19, 22–31)

You are from a well established local NGO called “Water for All” supporting the right to water and sanitation for the urban poor.

Local slum dwellers from New Town slum no. 1 have sought your support in a conflict with the New Town Water Supply Board. The Board has implemented a new scheme to provide water to all inhabitants of New Town. The system in slum no. 1 is however not delivering as promised. Service is intermittent and some of the pipes are leaking. Slum dwellers suspect that the contractor has used inferior materials. They have complained to the Board and refuse to pay water fees as long as the system is not repaired. The Water Board however says that slum dwellers have vandalised the system themselves and will not repair it until they start paying the water fees.

To build a case for the slum dwellers, you need to access:

- project and performance contract documents held by the Water Board
- a record of the complaints submitted to the Water Board, which you think may contain useful information
- other information you identify as useful and relevant

You need the information quickly. There are forces who would like the conflict to escalate for their own political purposes. There has been serious rioting with loss of life in New Town slum no. 1 in the past.

Discuss the information you need to get from the Board and how to get it as soon as possible. The Board is governed by national FOI law as written down in the Model Freedom of Information Law.

### Confidential instructions

#### Group 2: New Town Water Supply Board

The intention of the role play is not to test your acting talent or your knowledge of FOI laws, but to facilitate discussion on FOI issues and the roles of citizens and providers.

**Players:** Information Officer and Chief Engineer responsible for New Town slum no. 1 water supply project

**Handout:** Model FOI Law (esp. sections 7–16, 19, 22–31)

You both work for a public water utility governed by the national FOI law as written down in the Model Freedom of Information Law.

The Water Board receives numerous FOI requests. Currently there is a high profile toxic waste spill for which you are receiving urgent FOI requests. Management says you must give this priority and it is taking up much of the Information Officer’s time. Still you do your best to comply within the 20 day response limit for FOI requests, but often have to extend this by another 20 days as allowed in the FOI law.

Processing FOI requests takes time because as yet records are not computerised. The public may view records, but are requested to pay for photocopies. You have records of complaints made to the Information and Communication Office, but management has asked not to disclose it until the Board has formulated official responses to these complaints.

There is a conflict with the residents of New Town slum no. 1. There are some problems with a newly installed water system, probably caused by vandalism, and now residents are refusing to pay their water fees. You have been approached by an NGO that represents the residents. The NGO claims that the reason why the water system is not functioning is that the contractor has used inferior materials and they want certain information to investigate these claims. The Information Officer feels pressured not to give out the requested information, since the contractor is a wealthy friend of the Chief Engineer who is counting on him to help him get new contracts. Since the Information Officer depends on the Chief Engineer to keep his job, the Information Officer will try to come up with excuses to why there would be an exception to the Freedom of Information Law in this case.

## APPENDIX VI: USEFUL RESOURCES AND WEBSITES

- Anti Corruption Coalition Uganda (ACCU),  
[www.accu.or.ug](http://www.accu.or.ug)
- Cap-Net UNDP, International Network for Capacity Building in IWRM,  
[www.cap-net.org](http://www.cap-net.org)
- EU Water Initiative,  
[www.euwi.net](http://www.euwi.net)
- Gender and Water Alliance,  
[www.genderandwater.org](http://www.genderandwater.org)
- Global Water Partnership,  
[www.gwpforum.org](http://www.gwpforum.org)
- Internet Center for Corruption Research,  
[www.icgg.org](http://www.icgg.org)
- IRC International Water and Sanitation Centre,  
[www.irc.nl](http://www.irc.nl)
- LA-WETnet, Latin America Water Education and Training Network,  
<http://la-wetnet.org/>
- The Government Accountability Project,  
[www.whistleblower.org/template/index.cfm](http://www.whistleblower.org/template/index.cfm)
- The Stockholm International Water Institute (SIWI),  
[www.siwi.org](http://www.siwi.org)
- The Swedish Water House,  
[www.swedishwaterhouse.se/opencms/en/](http://www.swedishwaterhouse.se/opencms/en/)
- Transparency International,  
[www.transparency.org](http://www.transparency.org)
- UN Economic Commission for Latin America and the Caribbean (ECLAC),  
<http://www.cepal.cl/dрни>
- UNDP Water Governance Facility,  
[www.watergovernance.org](http://www.watergovernance.org)
- UNESCO Centre for Water Law, Policy and Science,  
[www.dundee.ac.uk/water](http://www.dundee.ac.uk/water)
- UNDP Governance Assessment Portal  
[www.gapportal.org](http://www.gapportal.org)
- Water and Sanitation Program,  
[www.wsp.org](http://www.wsp.org)
- Water Integrity Network,  
[www.waterintegritynetwork.net](http://www.waterintegritynetwork.net)
- Waternet,  
[www.waternetonline.ihe.nl](http://www.waternetonline.ihe.nl)
- World Bank Institute, Governance & Anti-Corruption,  
[go.worldbank.org/KUDGZ5E6P0](http://go.worldbank.org/KUDGZ5E6P0)
- World Bank, Water & Sanitation Programme,  
[www.wsp.org](http://www.wsp.org)





