

Workshop: Strengthening integrity and transparency in the education and health sectors of Bangladesh

(Savar, Bangladesh: March 31 - April 2, 2014)



An advanced training workshop on “Strengthening integrity and transparency in the education and health sectors of Bangladesh” was held from the 31st of March till the 2nd of April 2014 in Savar, Bangladesh. It was organised by the Embassy of Sweden in Bangladesh within the framework of cooperating arrangements between the Anti-Corruption Resource Centre (U4) and the International Institute for Educational Planning (IIEP-UNESCO).

The major aims of this workshop were: understanding corruption in the health and education sectors and taking stock of how anti-corruption measures can be integrated in both sectors in Bangladesh.

This report includes the various materials that were prepared and used for the Workshop, in particular: the plenary presentation outlines, as well as group work exercises. The appendix contains the list of participants.

U4 Workshop

Strengthening integrity and transparency in the education and health sectors - Bangladesh

Savar, Bangladesh March 31 – April 2, 2014

AGENDA

Aim:

- Understanding corruption in the health and education sectors and taking stock of how anti-corruption measures can be integrated in both sectors in Bangladesh.

Objectives:

- Discuss the relevance, impact and most urgent scenarios of corruption in Bangladesh's health and education sectors, as well as the effective integration of anti-corruption into sectors.
- Explore the potential of information technology for transparency and accountability.
- Deepen knowledge of good practices in education and health governance, drawing lessons across sectors for the prevention of mismanagement and corruption.
- Promote coordination among relevant stakeholders around anti-corruption objectives and expected results in the education and health sectors in Bangladesh.

DAY ONE

9.30 – 10.00

Registration

10.00 – 10.20

Opening session

- Welcome and expectations
- Introducing U4 and participants
- Introducing the agenda, goals, and workshop structure

Aranzazu Guillan, U4

10.20 - 11.00

Official opening session

- Welcome and introductory remarks
- Welcome remarks by Ambassador of Sweden
- Official opening remarks by GoB

Ambassador of Sweden

Senior official, GoB

Aranzazu Guillan, U4

11.00 - 11.15

Coffee break

11.15 – 12.30

Session 1: Understanding the problem: The challenge of corruption - international perspective and Bangladesh

Aranzazu Guillan, U4

- Presentation on corruption, causes and consequences. What do two decades of experience tell us about corruption problems and solutions?
- Causes, patterns, consequences and challenges of corruption in Bangladesh
- Moderated group discussion

Rezwan-ul-Alam, TI
Bangladesh

Objective: Provide an overview of the complexities and evolving knowledge in diagnosing the different faces of corruption, and introduce participants to the problem of corruption in Bangladesh.

12.30 – 13.30	Lunch Break	
13.30 – 14.30	Session 2: “Is it corruption?” Exercise <ul style="list-style-type: none"> • Group work - Participants work in small groups to assess potential corrupt practices, followed by a large group discussion. <p><i>Objective: Appreciate the diversity of viewpoints on what is corruption (with a focus on sectors) through analysis of practical scenarios.</i></p>	Taryn Vian, BU
14.30 – 15.45	Session 3: Anti-corruption strategies: The value and challenges of a sector-based approach <ul style="list-style-type: none"> • Presentation on basic requirements to address the challenge of corruption at global level and anti-corruption strategies • Presentation on the rationale, value and challenges for mainstreaming anti-corruption in sectors • Regulation, management and ownership: the need for integrated strategies within sectors • Group work <p><i>Objective: To analyze common types of anti-corruption strategies and how they work, and to help participants understand the value and challenges of mainstreaming.</i></p>	Aranzazu Guillan, U4 Jacques Hallak and Muriel Poisson, IIEP-UNESCO
15.45 – 16.00	Coffee Break	
16.00 – 17.00	Session 4a: Mainstreaming anti-corruption into priority sectors: How could this be done? <ul style="list-style-type: none"> • Presentation on the key elements of mainstreaming anti-corruption in sectors (building blocks) • Presentation and discussion of the role of different stakeholders in anti-corruption mainstreaming approaches <p><i>Objective: Provide participants with an understanding of the challenges and opportunities for integrating anti-corruption approaches into sector work, and reflect on the role of different actors.</i></p>	Aranzazu Guillan, U4 Mohammad Rafiqul Hassan, TI Bangladesh
17.00 – 18.15	Session 4b: Mainstreaming anti-corruption into priority sectors: How could this be done? <ul style="list-style-type: none"> • Group exercise - Participants work in groups to apply the analytical tools and concepts learnt in the previous session <p><i>Objective: Participants are able to develop a blueprint for systematically integrating anti-corruption measures into sector work.</i></p>	Aranzazu Guillan, U4 Mohammad Rafiqul Hassan, TI Bangladesh
18.15 – 18.30	Closure day one	

DAY TWO

DAY TWO		
8:30 – 9:00	Summary of Day 1	U4
9.00 –10.45	<p>Session 5: Mapping risks and consequences of corruption in the health and education sectors</p> <ul style="list-style-type: none"> • Risks and consequences of corruption in sectors (health and education), and methodologies for assessing risks <p><i>Participants will be divided in two sector-based groups:</i></p> <ul style="list-style-type: none"> • Group work <ul style="list-style-type: none"> - Participants identify and discuss the main corruption risks in the respective sector (health /education) • Reporting to the plenary and discussion on commonalities and differences across sectors <p><i>Objective: Identify the main risks and consequences of corruption in health and education service delivery, internationally and in Bangladesh.</i></p>	<p><u>Group on health:</u> Taryn Vian, BU</p> <p><u>Group on education:</u> Jacques Hallak and Muriel Poisson, IIEP-UNESCO</p>
10.45 –11.00	Coffee Break	
10.45 –12:30	<p>Session 6a (Health sector): Transparency and public engagement in the health sector in Bangladesh</p> <ul style="list-style-type: none"> • Film “It’s Our Money, Where’s It Gone?” • Presentation on international experiences in the implementation of transparency and public engagement for promoting accountability in the health sector • Group discussion <p><i>Objective: Provide an overview of the principles and main types of transparency and accountability initiatives in health service delivery and identify lessons learned from their implementation.</i></p> <p>Session 6b (Education sector): Transparency and methodologies for assessing corruption problems in the education sector of Bangladesh</p> <ul style="list-style-type: none"> • Overview and principles of transparency and access to information in the education sector (internationally and in Bangladesh) • Group work <ul style="list-style-type: none"> - Participants identify and discuss lessons learned from implementing education report cards in Bangladesh • Reporting back and plenary discussion <p><i>Objective: Provide an overview of transparency approaches and the main methodologies for assessing corruption in the education sector, and discuss how to apply them to Bangladesh.</i></p>	<p>Taryn Vian, BU</p> <p>Jacques Hallak and Muriel Poisson, IIEP-UNESCO</p>

12.30 – 13.30	Lunch	
13.30 – 15.00	<p>Session 7a (Health sector): Improving health service delivery by addressing petty corruption and informal payments</p> <ul style="list-style-type: none"> • Presentation on informal payments, their causes, and their effects on the quality and access to health services • Good practices and lessons learned from the implementation of strategies to reduce informal payments • Group work <ul style="list-style-type: none"> - Through a case study, participants discuss the problem of petty corruption and informal payments, and identify mitigating measures <p><i>Objective: Analyze the scope and impact of informal payments and petty corruption in the health sector, and develop interventions to address the problem.</i></p> <p>Session 7b (Education sector): Improving access to education by addressing petty corruption and informal payments</p> <ul style="list-style-type: none"> • Presentation on informal payments at school level, their causes, and how their effects on the quality and access to education • Good practices and lessons learned from the implementation of strategies to reduce informal payments at school level • Group work <ul style="list-style-type: none"> - Participants discuss the problem of petty corruption in primary education (e.g., illegal fees, private tutoring, etc.), and identify mitigating measures <p><i>Objective: Analyze the scope and impact of petty corruption and informal payments in primary schools, and discuss interventions to address the problem.</i></p>	<p>Taryn Vian, BU</p> <p>Jacques Hallak and Muriel Poisson, IIEP-UNESCO</p>
15.00 – 15.15	Coffee Break	
15.15 – 16.45	<p>Session 8: ICTs for transparency and accountability</p> <ul style="list-style-type: none"> • Presentation on the value of ICTs for transparency and accountability, different types of ICT tools, and conditions for their effective adoption and use • Presentation on international/regional and Bangladeshi experiences with ICTs for transparency and accountability (health and education) • Group and plenary discussion <p><i>Objective: Introduce participants to ICT-based tools, and discuss how they can be used by governments and civil society to promote transparency and accountability in the education and health sectors.</i></p>	<p>Aranzazu Guillan, U4</p> <p>Nuzhat Jabin, ANSA-SAR</p>
16.45 – 17.00	Closure day two	

DAY THREE

8:30 – 9:00	Summary of Day 2	U4
9:00-10:30	<p>Session 9a (Health sector): Promoting integrity and accountability in human resources management</p> <ul style="list-style-type: none"> • Case study: Polio eradication • Exercise: Interventions to reduce absenteeism <p><i>Objective: Increase understanding of various approaches to improve accountability and control discretion of managers and employees.</i></p>	Taryn Vian, BU
	<p>Session 9b (Education sector): Promoting integrity and accountability of teacher behaviour and management</p> <ul style="list-style-type: none"> • Presentation on approaches to improve teacher behavior and management and reduce corruption risks • Lessons drawn from international experiences (community and parents’ participation, teachers’ accountability, role of local governments, etc.) • Group work - Participants discuss how to optimize the use of integrity and accountability tools to improve teachers’ accountability (e.g., integrity pledge, code of ethics) <p><i>Objective: Increase understanding of various approaches to improve accountability in teacher behavior and management and to reduce the risks of distorted practices.</i></p>	Jacques Hallak and Muriel Poisson, IIEP-UNESCO
10:30 –10:45	Coffee Break	
10:45 – 12:15	<p>Session 10a (Health sector): Addressing corruption risks in procurement in the health sector</p> <ul style="list-style-type: none"> • Lecture on corruption vulnerabilities in procurement and mitigation strategies. International experiences in the health sector • Group work - Through a case study, participants identify and discuss mitigating measures to address the risks of corruption in drug procurement in Bangladesh <p><i>Objective: Detect vulnerabilities to corruption in procurement, and present good practices to mitigate those risks.</i></p>	Taryn Vian, BU
	<p>Session 10b (Education sector): Addressing corruption risks in procurement in the education sector</p> <ul style="list-style-type: none"> • Corruption vulnerabilities in procurement and mitigation strategies. International experiences in the education sector 	Jacques Hallak and Muriel Poisson, IIEP-UNESCO

- Challenges and opportunities for strengthening procurement in education in Bangladesh (e.g., construction, equipment, textbooks, school meals)
- Group work
 - Participants identify and discuss mitigating measures to address the risks of corruption in textbooks and school meals in Bangladesh

Objective: Detect vulnerabilities to corruption in procurement, and present good practices to mitigate those risks.

12.15 – 13.15	Lunch break	
13.15 – 15.15	<p>Session 11: Integrating anti-corruption into sector programmes. Lessons learned and opportunities for reform. Donor support to anti-corruption in health and education in Bangladesh</p> <ul style="list-style-type: none"> • Donor support to anti-corruption reform in both sectors (25 min.) • Building on previous discussions, sector groups reflect on how to better integrate anti-corruption in their sector and the way forward for improving sector governance (35 min.) • Groups report back to plenary (10 min. each) • Moderated group discussion (35 min.) <p><i>Objective: Draw lessons learned on anti-corruption risks and approaches in both sectors, reflect on the way forward to strengthen governance of both sectors, and discuss how donors can support anti-corruption reform and contribute to multi-stakeholder dialogue in health and education.</i></p>	<p>U4 Team (Taryn, Muriel, Aranzazu, Jacques) David Grey, UKAid Other donor representatives</p>
15.15 – 15.45	Closing remarks and handing out of certificates	<p>Representative ACC Representative SIDA Aranzazu Guillan, U4</p>
15.45 – 16.00	Group Picture	
16.00	Departure to Dhaka	

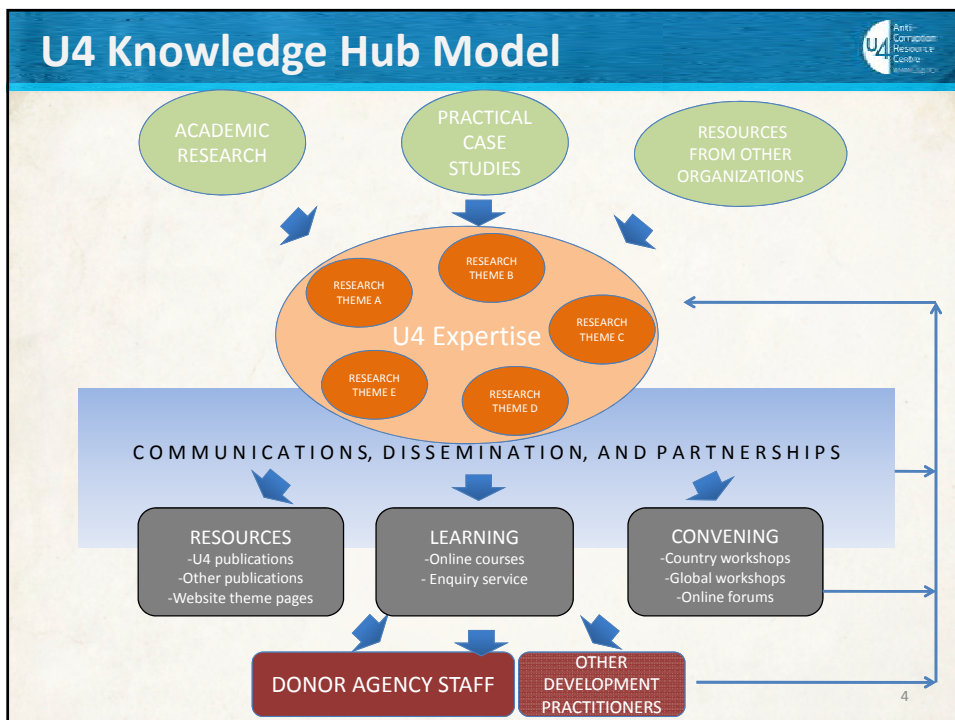
Strengthening integrity and transparency in the education and health sectors - Bangladesh

Savar, March 31-April 2, 2014

U4 Partners 2014

Founded in 2002 - Donor partnership to support a web-based resource centre





Workshop Program



Goal

Understanding corruption in sectors and taking stock of how anti-corruption measures can be integrated in the health and education sectors in Bangladesh



Discuss the **relevance, impact, and most urgent scenarios of corruption** & the **integration of anti-corruption into sectors**.

Explore the potential of **information technology** for transparency and accountability.

Deepen knowledge of **good practices in education and health governance**, drawing lessons across sectors.

Promote **coordination** among relevant stakeholder.

5

Introduce yourself in 30 seconds!

- ✓ Who are you?
- ✓ Why is corruption relevant to your work?
- ✓ What do you expect from this workshop?



6



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Setting the stage: Definitions, causes & consequences of corruption

Aranzazu Guillan Montero

1

Learning objective

**PROVIDE AN OVERVIEW OF
DEFINITIONS, CAUSES &
CONSEQUENCES OF
CORRUPTION**



2

What is corruption?

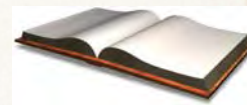


- No single, universally accepted definition of corruption!
- *However* to address corruption useful to have a commonly agreed understanding...
- Critical to acknowledge and take into account local culture, norms and attitudes



3

Commonly used definitions



- Abuse of public power for private benefit (World Bank)
- The misuse of entrusted power for private gain (Transparency International)

4

Forms of corruption

U4 Anti-Corruption Resource Centre

Categories	Common forms
<ul style="list-style-type: none"> • Grand vs. Petty • Political vs. Administrative 	<ul style="list-style-type: none"> • Bribery • Embezzlement • Fraud • Nepotism/Cronyism/ • Favoritism/ Clientilism

<http://www.u4.no/glossaire/>

5

BUT...

U4 Anti-Corruption Resource Centre

Not always clear lines between:

- Abuse, unethical behaviours and mistakes
- Gifts, socially accepted favours and small-scale bribe

Integrity Probity Mistakes Unethical behaviour Admin. Demeanour Criminal practice

6

Explanations of corruption

1. Economic explanations
2. Political explanations
3. Social / cultural explanations

7

Causes of corruption

Clitgaard's formula:

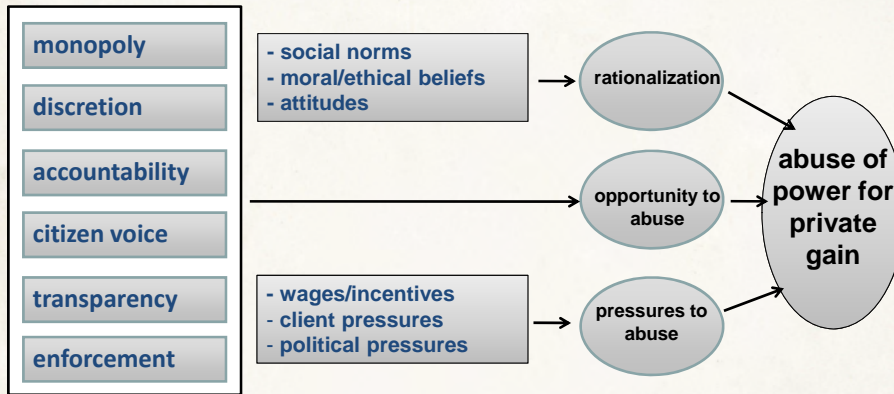
Corruption = Monopoly + Discretion – Accountability

Low Risk/High Reward Environment:

- Clear opportunities
- Low risk of getting caught
- Perverse incentives

8

Framework to analyse and address corruption



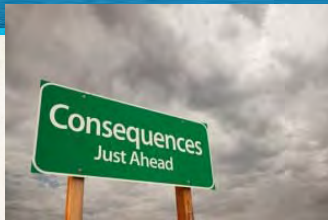
Adapted from Taryn Vian, 2008



Source: Earthquake Peru 2007, www.bbc.co.uk



Source: Earthquake L'Aquila (Italy), 2009, www.laquilaesa.org



The consequences of corruption

- On trust in the political and institutional system
- On poverty eradication (disproportionate impact on the poor and women)
- On provision of basic services
- On social divides
- On growth, investment and development
- On human rights and rule of law
- On the environment

An overview of the problem of corruption in Bangladesh: Patterns, causes and consequences

**U4 Workshop
Savar, 31 March 2014**

Bangladesh at 44: Source of Pride

- **Steady economic growth: 5-6% since 1990s**
- **Human Dev Index (HDI): 0.365 (1980) ►► 0.566 (2011)**
- **Gender Equity Index (GEI 2012): Bangladesh (0.55) ahead of Bhutan (0.41), India (0.37), Nepal (0.47), Pakistan (0.29)**
- **Population growth: 2.5 (1980s) ►► 1.39 (2010)**
- **Gross primary education enrollment: 72% (1980) ►► 93.5% (2010)**
- **Child mortality: 239/1000 (1970) ►► 65/1000 (2010) – MDG Award**
- **Public sector, fledgling private and vibrant NGO sector**
- **Democratic structures (hardware)**

All these - in spite of well-known governance deficit and pervasive corruption. (e.g., 77% of people outside the true benefits of growth - BBS)

Bangladesh's anti-corruption architecture

- Article 20 (2) of the Constitution:
- (2) *The State shall endeavour to create conditions in which, as a general principle, persons shall not be able to enjoy unearned incomes*
- UNCAC ratification in 2007
- More than dozen laws
- National Integrity Strategy of Bangladesh 2012
- Official affirmations and pronouncements



3

Key anti-corruption laws

- Anti-corruption Act 19 Prevention of Money Laundering Act, 2009
- The Penal Code (Amendment) Act, 2004
- Speedy Trial Tribunal Act, 2002
- Speedy Trial Tribunal (Amendment) Act, 2004
- Speedy Trial Tribunal (Amendment) Act, 2010
- The Code of Criminal Procedure (Amendment) Act, 2003
- Anti Corruption Commission Act, 2004
- Anti Corruption Commission Ordinance, 2007
- Public Procurement (Amendment) Act, 2010
- Right to Information Act, 2009
- Whistleblowers' Protection Act, 2011

4

Governance Context: Perspective Plan 2010-21

- **‘The Government is determined to confront and root out the scourge of corruption from the body politic of Bangladesh’.**
- **‘The Government intends to strengthen transparency and accountability of all government institutions as integral part of a program of social change to curb corruption’**
- **‘With Vision 2021 the country aspires to an accountable and transparent governance system’**

Perspective Plan 2010-2021, p. 17

5

Governance Context: 6th Five Year Plan

The Government recognizes:

- **‘Corruption lies at the heart of overall governance shortcomings in Bangladesh’**
- **‘Ensuring good governance requires establishing strong institutions’**
- **‘Without a strong anti-corruption strategy the ability to implement Vision 2021 and the underlying 5 year development plans will be seriously compromised’**

(6th Five Year Plan FY 2011-2015, p. 9)

In addition:

- ***Governance and corruption control at the core of election manifesto in successive national elections***

6

Public Pronouncements

- **Father of the Nation Bangabandhu Sheikh Mujibur Rahman on 25 December 1974**
- “ ... *By rising above nepotism, corruption and self-deception, all of us have to be engaged in self-criticism, self-restraint, and self-purification.*”
- **Prime Minister Sheikh Hasina:** “*We are pledge-bound to promote good governance in Bangladesh...We are also taking rigorous measures against corruption.*”

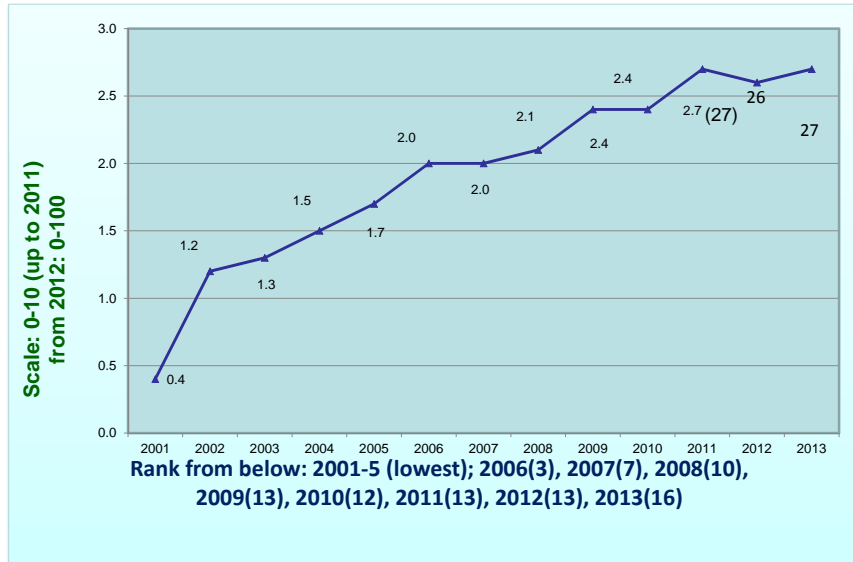
7

Current status as per CPI

- CPI 2013, Bangladesh scored 27, just one point higher than 2012 and the same as in 2011.
- In terms of ranking Bangladesh was placed 16th from the bottom in 2013, 3 steps higher than that in 2011 and 2012.
- Counted from the top, Bangladesh has ascended by 8 positions to 136th among 177 countries, compared to 144th in 2012 among 176 countries.
- Bangladesh's score remained well below global average of 43, and was ranked as the second worst performer in South Asia, better than only Afghanistan which ranked at the bottom of the global list.
- Bangladesh was earlier placed at the bottom of the list for five successive years from 2001-2005. In 2006, 2007, 2008, 2009 and 2010

8

Bangladesh: CPI Scores 2001-2013



9

Global Corruption Barometer 2012

- 60% Bangladeshi respondents believe the level of corruption in the country has increased in the last two years,
- Only 26% have confidence in government measures to fight graft

TOP 5 CORRUPT SECTORS

- Political parties
- Police
- Judiciary
- Parliament
- Administration

In nine out of 12 sectors, corruption in Bangladesh is lower than at global level

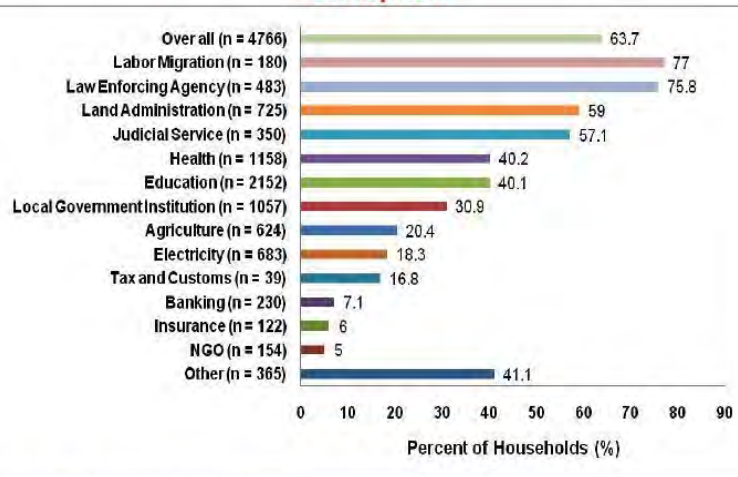
Padma, Hall-Mark, share market scams contributed to people's perception that corruption rose: TIB

From a global perspective, Bangladesh fares better in nine of the 12 sectors in terms of the level of corruption.

10

Status as per NHHS 2012

Percentage of surveyed households who experienced Corruption



NHHS 2012 shows 63.7% of the surveyed households have been victims of corruption

Source: TIB, Corruption in Service Sectors: National Household Survey 2012

11

Continued...

- Cost of bribery increased from 2010's 1.4% to 2.4% of GDP and from 2010's 8.7% to 13.4% of annual national budget in 2012.

The rate of victimization of corruption decreased from 2010's 84% to 55.8 in 2012.

While corruption affects everyone, the poorer sections of the society suffer from it more.

Incidence of corruption has been found to be relatively higher in rural areas.

12

Corruption defined

- No agreed definition in UNCAC
- No Bangladesh law defines corruption
- TIB's definition: ***abuse of power for personal gain.***
- In NHHS's: bribery, extortion, fraudulence, embezzlement of money or property, negligence to duties, nepotism and different kinds of hassles.
- Unauthorized money/ payment denotes to bribery, extortion, fraudulence and embezzlement of money
- Embezzlement of money or property means absorbing money or property of people illegally abusing one's power.

13

Causes of corruption

Structural/Institutional factors

- **Range of discretion - absence of checks & balances**
- **Ineffective enforcement and implementation of law and processes**
- **Low level of transparency, disclosure, accountability**

Personal factors

- **Incentives, Compulsion, Opportunities Need-based, ►► Greed-based**
- **Cost-benefit calculation - Benefits of corruption higher than risks/costs**
- **Low citizens awareness, involvement**
 - Sense of Disempowerment
 - Lack of forum & channel
- **Value erosion ►► way of life ►► culture of impunity**

14

Consequences of Corruption

- Depletion of national wealth. The World Bank (2000) estimates Bangladesh loses 2.1 to 2.9 percent GDP growth due to corruption
- Corruption leads to increased costs of goods and services (*It was average **BDT 4834** in 2010, it increased to average **BDT 13,084** in 2012*), funnels scarce public resources to sectors in total disregard of priority projects
- It entails diversion and misallocation of resources, conversion of public wealth to private and personal property
- Contributes to inflation, imbalanced economic development and poverty
- Weak work ethics and professionalism
- Hindrance to the development of fair in market structures and unhealthy competition
- Weakens NIS system and impoverishes the country

15

Government's 16 NIS Institutions

- State institutions 10
 - Public administration
 - Parliament
 - Judiciary
 - Election Commission
 - Attorney General's Office
 - Public Service Commission
 - Comptroller and Auditor General
 - Ombudsman
 - Anti-Corruption Commission
 - Local Government
- Non-state institutions 6 (Political parties, private sector, NGO and CSO, family, educational institutions and media)

16

NIS Challenges and Action Plans



1. Public Administration	8 Challenges	12 Action plans
2. Parliament	6	11
3. Judiciary	7	9
4. Election Commission	6	7
5. Attorney General's Office	4	5
6. Public Service Commission	8	8
7. Comptroller and Auditor General	4	6
8. Ombudsman	2	4
9. Anti-corruption Commission	7	10
10. Local Government	7	7
11. Political parties	4	4
12. Private sector	7	11
13. NGO and CSO	5	6
14. Family	3	4
15. Educational institution	3	4
16. Media	5	8
Total	86	114

17

Health Corruption as per NHHS 2012

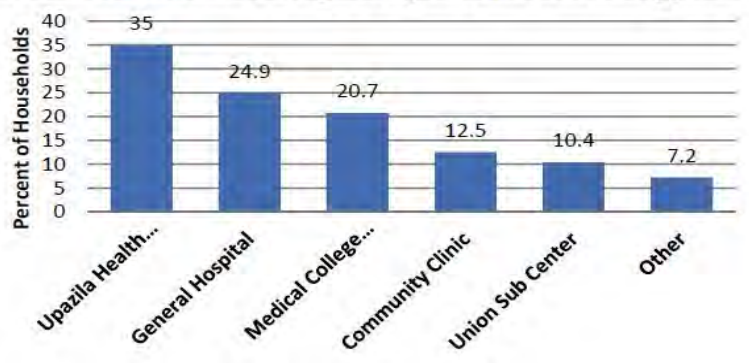


- Corruption in the health sector is a reflection of general governance problems in Bangladesh's public sector (Knox, 2009)
- NHHS 2012 40.2% were victims of different kinds of irregularities and corruption in receiving services.
- 21.5% service recipient households had to pay on average 258 taka in unregulated way (without any receipt).
- The highest proportion (15.2%) of households reported the presence of pharmaceutical companies' representatives
- 11.4% households did not get any doctor available during emergency, 10.1% households faced serial break while waiting at the queue for doctor consultation
- 6.2% faced brokers' harassment in hospital premises.

18

Corruption in different types of hospitals

Percent of Households Facing Corruption from Different Types of Hospitals



19

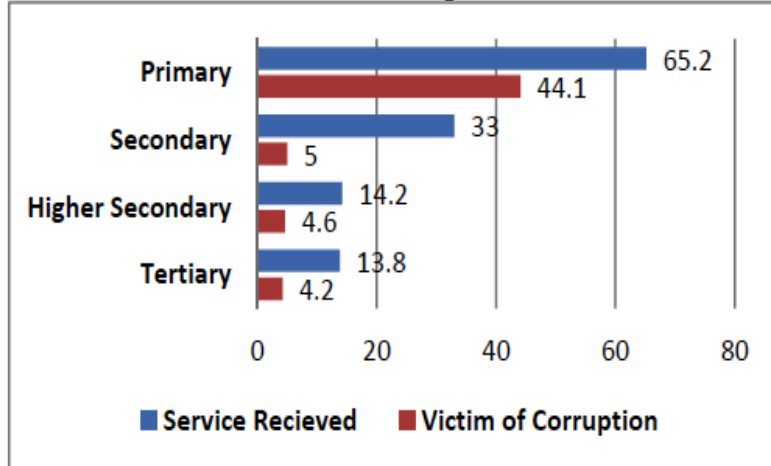
Education Corruption as per NHHS 2012

- Corruption in education still manifests itself in a variety of ways, including negligence of duty, bribery, misuse of resources etc. (NORAD, 2011)
- NHHS 2012 40.1% were victims of corruption and irregularities
- 30.7% of the households had to pay unauthorized money.
- The average amount of unauthorized payment was Tk 100 (Tk 82 in rural and Tk 164 in urban areas).
- Corruption types: student admission, examination fees, getting free books, getting stipend and becoming enlisted, examination registration and performing different programs of educational institutes.

20

Corruption in types of education

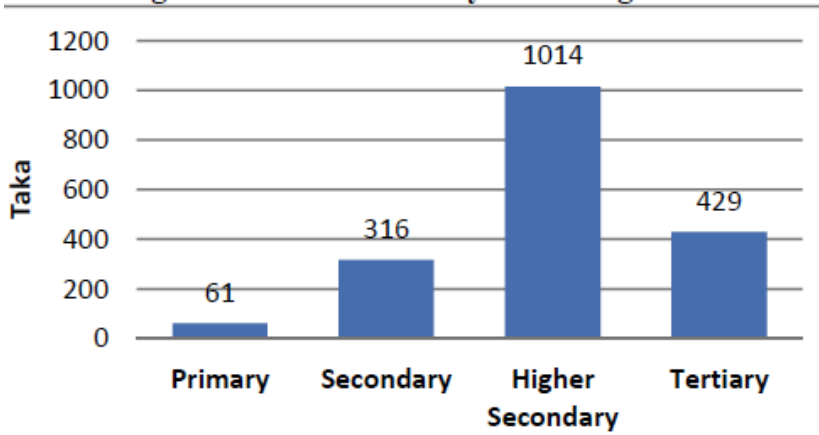
Education level based service recipient and victims of corruption (%)



21

Amount of corruption in education

10: Average unauthorized money according to education level



22

In Lieu of a Conclusion

- Fighting corruption is a national imperative and UNCAC obligation
- The key challenge – WHO WILL BELL THE CAT?
- Complete eradication of corruption is not a realistic proposition.
- *To fight corruption requires highest level of political commitment for courageous action without fear or favour*
- *Where the political commitment is weak, and institutions are not functioning independently and effectively – create demand: inform, communicate and campaign for a social movement*

23



THANK YOU

24

Financing Modalities and Budget Transparency

Taryn Vian

Boston University School of Public Health

Acknowledging the assistance of Dr. William D. Savedoff, Social Insight, Inc.

U4 Workshop, **Strengthening integrity and transparency in the
Education and Health Sectors**

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The problems

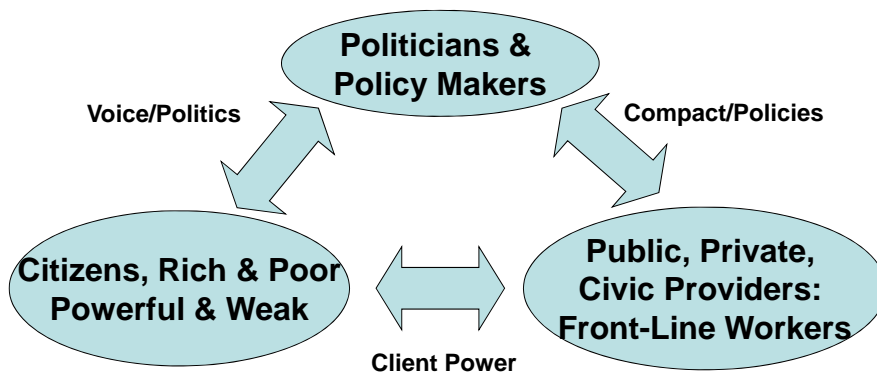
- Weak link between spending & outputs
 - Spending on activities which citizens do not want or need
 - Resource allocation influenced by factors unrelated to public benefit
 - Diversion of funds, 'leakage' between levels of government
-

Leading to...

- Ineffective or unnecessary programs
- Limited access to services
- Stock-outs of drugs, poor quality care
- Greater out-of-pocket spending



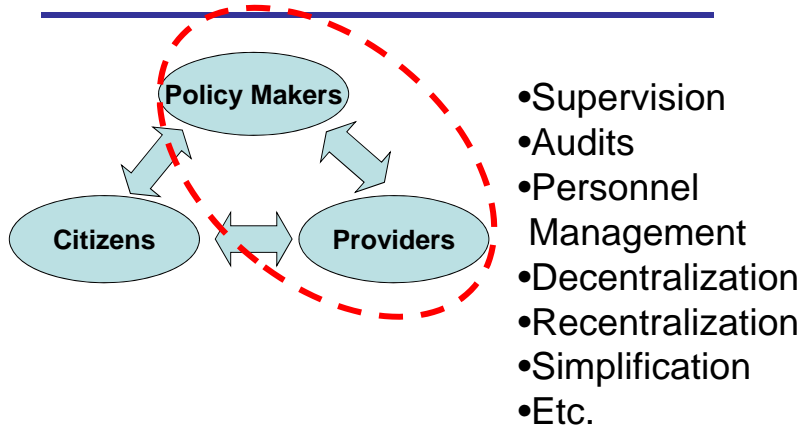
Accountability in Public Services



Source: World Bank, World Development Report 2004.



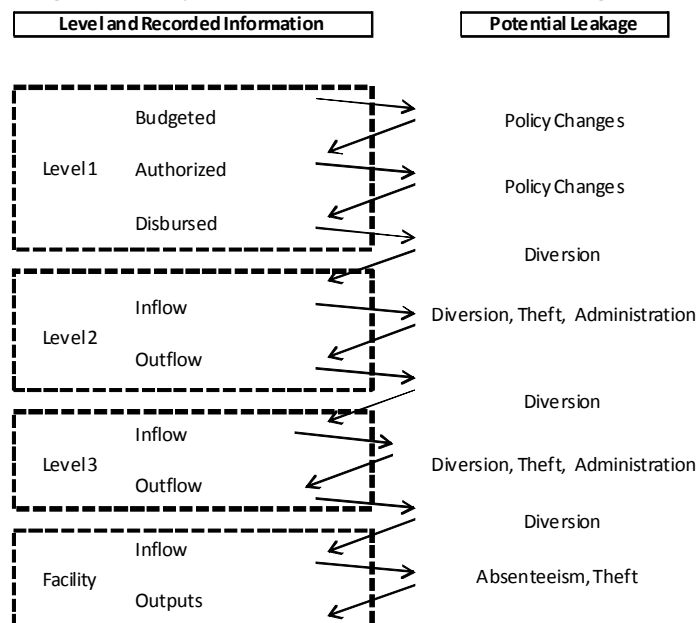
Accountability in Public Services Vertical Mechanisms



Source: World Bank, World Development Report 2004.



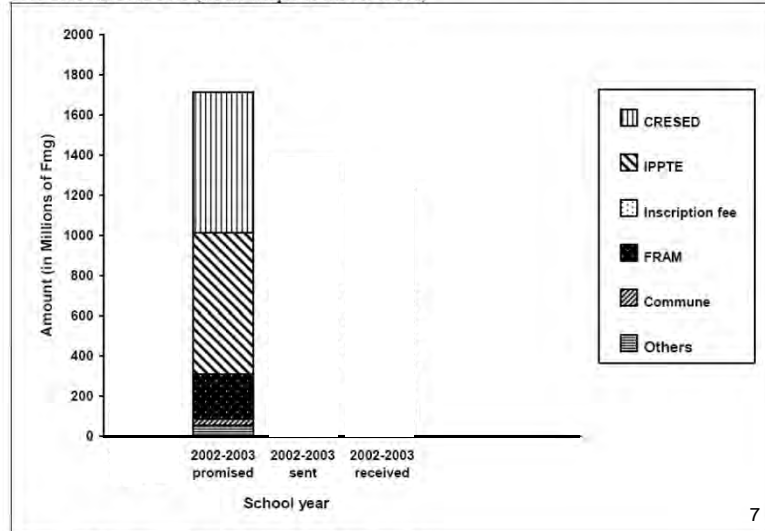
Figure 1: Representation of Potential Leakage Points



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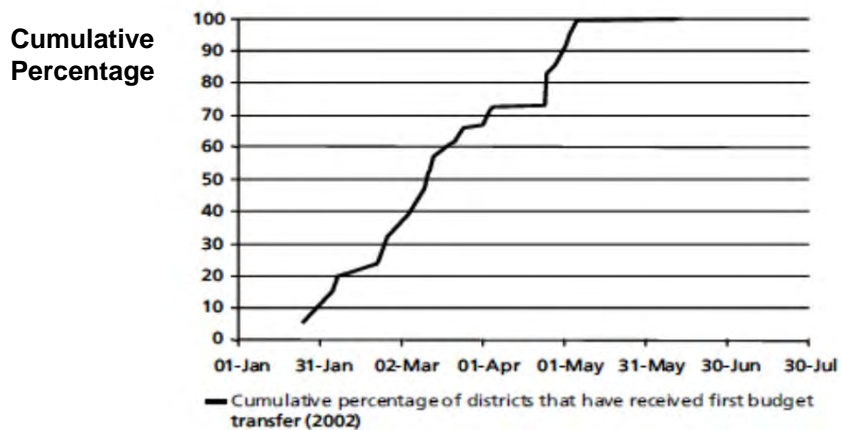
Madagascar PETS 2003

Figure 3: Total amount in cash (in Millions of Fmg) planned and received during the last two school years 2001-2002 and 2002-2003 (for the sample of schools visited)



Source: Budget Tracking Survey, World Bank, April/Mai 2003

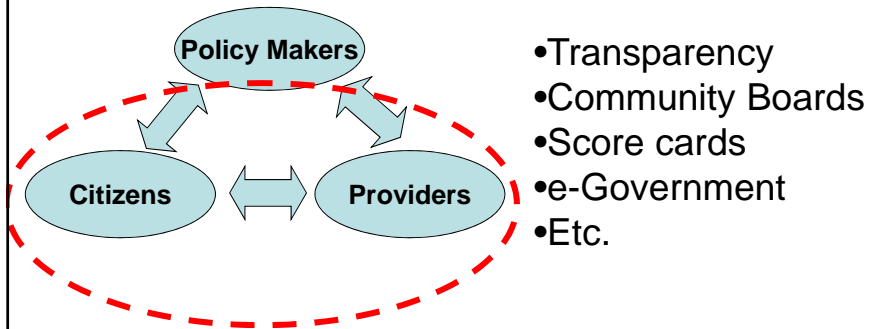
Mozambican Health Sector, PETS 2004 Districts Receiving 1st Transfer by Month



Source: ETSDS (2003).

8

Accountability in Public Services Horizontal Mechanisms



Source: World Bank, World Development Report 2004.



Goal of budget oversight

“What brings us together . . . is our belief that people have a right to influence the public choices that shape our lives. Public budgets are the chief instruments by which governments make these decisions, and civil society the greatest tool to ensure that people are part of that process.”

Jim Schultz, Democracy Center in Bolivia, at the International Budget Project’s third conference

To ensure that independent stakeholders have the information & capacity necessary to hold governments to account



Objectives and Actions

Raise level of budget transparency

- Collate, synthesize, disseminate budget information
- Conduct independent analysis

Increase public budget literacy & awareness

- Expand public engagement with budget process
 - Bring new information to budget decision-making, i.e. citizen priorities
-



Transparency Tools: Score Card

- Create a transparency “score card”, including objectives for transparent budget *process and documents*
 - Measure how well government performs against the score card
 - Citizen organizations collaborate with government to improve performance based on findings
-



Budget Transparency Score Card State of Colorado USA

Checkmarks can be interpreted as follows:

Summary of Scores and Grades for Colorado at baseline

√√√√	Colorado's budget substantially complies with recommended practices
√√√	Colorado's budget complies with recommended practices most of the time
√√	Colorado's budget complies with some of the recommended practices
√	Colorado's budget minimally or seldom complies with recommended practices
-	Colorado's generally does not comply with recommended practices

Percentage	Score	Grade
I. Availability in (Governor's) Proposed Budget of Revenue, Expenditure, and Fund Balance Data – Historical and Projected	52/152 (34.2%)	√
II. Availability of Revenue, Expenditure, and Fund Balance Projections as Budget Proceeds through the Legislative Process	20/29 (69%)	√√√
III. Availability of Information to Put Budget Data in Context	35/97 (36%)	√
IV. Availability of Supplemental Tax and Revenue Information	2/34 (6%)	-
V. Budget Process Issues	9/38 (24%)	√



International Budget Project



- CSOs in Brazil, Croatia, India, Mexico, South Africa, and Uganda
- Committed to social justice, efficient and effective government

<http://www.internationalbudget.org/>



Budget transparency

Mexico:

- Uncovered corruption in HIV prevention & treatment
- Provided knowledge and skills to civil society coalitions, e.g. data analysis to monitor government's commitment to maternal mortality reduction.

South Africa:

- Changed focus of AIDS advocacy groups from national to provincial level, where problems were frequent

Source: IBP "Lessons from the Field" & case studies.
<http://www.internationalbudget.org/casestudies.htm>



Budget Literacy

Uganda:

- Created budget guides
- Linked budgets to citizens' daily lives through media.

Brazil:

- Created distance learning modules.

Source: IBP "Lessons from the Field" & case studies.
<http://www.internationalbudget.org/casestudies.htm>



Transparency + Literacy + Action

Gujarat:

- DISHA informs local officials of Tribal Sub-Plan allocations & asks if implementation is underway. If not, DISHA pressures the relevant government minister to release funds. Budget execution increased.
 - Monitoring implementation can be more effective than calling for more funds!
-



Conclusion

- Civil society can improve transparency of the budget and budget process
 - Budget work requires an audience with interest in and capacity to use results for social change
 - Structural & policy change in budget systems requires long term engagement
 - Focus on: Accuracy—accessibility—timeliness
 - Impact depends on relationships with civil society, government, legislature, donors, media
-



The value of sector-based approach: an education perspective

Jacques Hallak & Muriel Poisson

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2

OBJECTIVES OF THE SESSION

- Review the major arguments in favor of addressing the issue of corruption at the sector level
- Identify major challenges for addressing the issue of corruption at the sector level

Case of the **education sector** used as an illustration



1. EDUCATION IS A MAJOR PUBLIC SECTOR

Resources allocated to the education sector in the E9 countries (2013)

	Total pop. (in thousands)	Total pub. exp. on education as % of total gov. exp.	Total pub. exp. on education as % of GNP	Tot. nber of 1ary school teachers (in thousands)
Bangladesh	154 394	14.1	2.1	364*
Brazil	200 050	18.1	5.9	775
China	1 359 368	n.a.	1.9	5 939
Egypt	85 378	11.9	3.7	380
India	1 275 138	10.5	3,3	3 135*
Indonesia	247 188	15.2	3.7	1 923
Mexico	117 478	n.a.	5.3	531
Nigeria	170 901	n.a.	n.a.	574
Pakistan	183 189	9,9	2.3	453

* Figure for 2007

Source: EFA Global Monitoring Report, 2013-14

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2. EDUCATION IS BOTH A SUBJECT AND AN OBJECT OF CORRUPTION

- Education offers a broad variety of opportunities for corrupt practices in the use of resources allocated to the sector
- But education is also instrumental in the design of strategies to reduce corruption in all sectors (both economic and social)



Hallak & Poisson ©IIEP-UNESCO 2014



3. ACCESS TO EDUCATION IS A HUMAN RIGHT

- **Primary education must be free of charge for all:** no child should be required to pay unauthorized fees
- **Non-discrimination:** the admission/promotion of children should not be based on favoritism or bribery
- **Equality of educational opportunities:** the number of teaching hours offered should not be affected by teachers' unjustified absenteeism

“Everyone has the right to education”
(Universal Declaration of Human Rights, Article 26)



4. SOME MALPRACTICES ARE SPECIFIC TO THE EDUCATION SECTOR

Areas of planning/management	Malpractices
Finance	<ul style="list-style-type: none"> ➤ Transgressing rules and procedures ➤ Inflation of costs and activities ➤ Leakage of funds
Personnel behavior (professional misconduct)	<ul style="list-style-type: none"> ➤ Absenteeism ➤ Illegal fees ➤ Favoritism/nepotism/acceptance of gifts ➤ Private tutoring
Examinations	<ul style="list-style-type: none"> ➤ Selling of information
Access to universities	<ul style="list-style-type: none"> ➤ Examination fraud
Transborder education	<ul style="list-style-type: none"> ➤ Diploma mills and false credentials
Institution accreditation	<ul style="list-style-type: none"> ➤ Fraud in the accreditation process



5. THE LEVELS, STAKEHOLDERS AND PROCESS ARE DIFFERENT THAN IN OTHER SECTORS

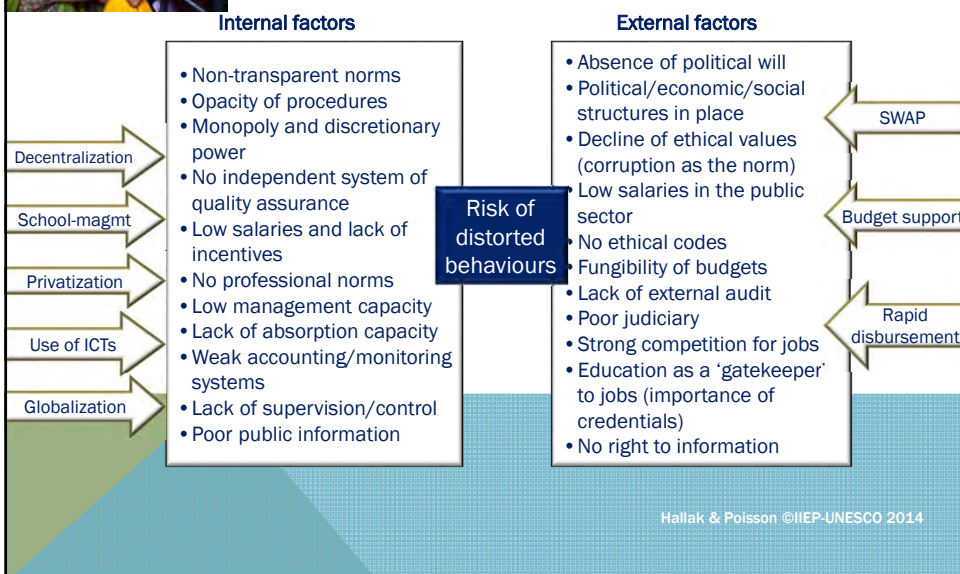
7

Level of occurrence	Level of education	Actors involved	Nature of exchange
<ul style="list-style-type: none"> Ministry of Education Region-district level School level Classroom level 	<ul style="list-style-type: none"> Primary education Secondary education Higher education Distinction public/private education Distinction formal/non-formal education 	<ul style="list-style-type: none"> Private supplier-administrator exchange School staff-administrator exchange Student-administrator exchange Student-faculty exchange Student-non-teaching staff exchange 	<ul style="list-style-type: none"> Administrator-driven Faculty-driven Non-teaching staff-driven Student-driven Locating agents with monopolistic powers Identifying 'win-win'/'win-lose' situations



6. WITHOUT GOOD SECTORAL DIAGNOSIS, NO SUCCESSFUL STRATEGIES

8





7. ANTI-CORRUPTION ACTIONS MATCH WITH SECTOR CONCERNS

9

- **Reduction of the resources available:** fund leakage, ghost teachers, absenteeism
- **Major obstacle for improving quality:** reduced teaching hours, unavailable textbooks
- **Reinforcement of inequalities:** less resources in priority areas, school meals unavailable for the poor, unjustified credentials available to students who can afford to pay bribes

In some Indian states, the salaries of absent or ghost teachers may account for 15-20% of payroll costs (half of non-salary running costs)

“Corruption is a major drain on the effective use of resources for education and should be drastically curbed” EFA (Dakar, 2000)

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CORRUPTION IN EDUCATION: WHERE DO WE STAND TODAY?

10

- Great deal achieved in sector assessment (*sector-wide integrity assessment in Serbia*) and piece-meal approaches:
 - *Financial leakage*
 - *Teacher absenteeism*
 - *Academic fraud*
- At the same time, development of some anti-corruption plans for education (*Montenegro*)
- Successful stories to reduce corruption in selected domains (reducing financial leakage, admission to universities, cleaning staff lists)

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SECTORAL APPROACH OF CORRUPTION MAJOR CHALLENGES

- ▶ **Socio-political obstacle:** teachers, first or second largest group in the civil service, very influential in political decisions
- ▶ **Cultural barriers:** in Latin America, linking corruption with education is “taboo” (how to change the mindset?)
- ▶ **Lack of capacities** in the sector to develop adequate diagnostic tools and strategies
- ▶ Donor agencies reluctant until recently to integrate anti-corruption concerns into sectors
- ▶ Grand corruption naturally regarded as to be addressed by global anti-corruption approaches

Importance of this course...

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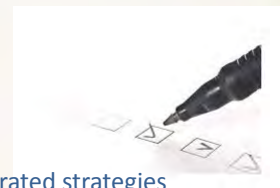
Anti-corruption Mainstreaming

Concept, Value and Challenges

Aranzazu Guillan Montero
Program Advisor – U4

1

Objectives of the session



Discuss the value and rationale of sector-based integrated strategies



Understand what is anti-corruption mainstreaming

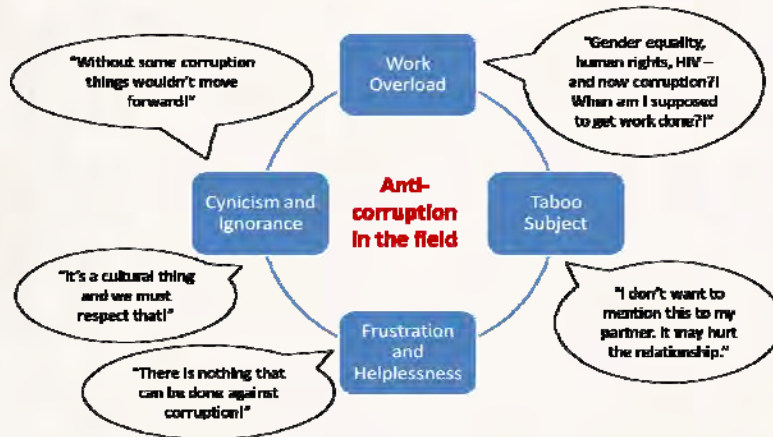


Identify the challenges of mainstreaming anti-corruption into sectors



2

Concerns about integrating anti-corruption



3

Source: Hussman and Boehm (2012)

Rationale for anti-corruption mainstreaming

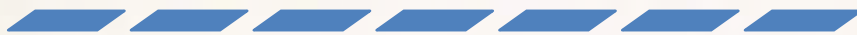
Relevance – a theme that can't be overlooked



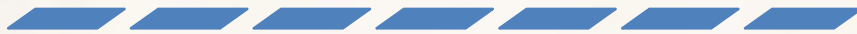
Achievement of sector goals and MDGs



Focus on results



Strategic option for donors to engage with multiple stakeholders



4

Rationale for anti-corruption mainstreaming



Area of impact	Corruption effects in specific sectors
Access and equity	Health. Unofficial user fees at the service delivery level discourage the poor from using services or lead them to sell assets, driving them further into poverty. Evidence shows that these fees are regressive, putting a major burden on poorer households (Vian, Savedoff, and Mathisen 2010; Lewis and Pettersson 2009; Vian and Nordberg 2008). In Azerbaijan about 35 per cent of births in rural areas take place at home, in part because of high charges for care in facilities where care is supposed to be free (Transparency International 2006).
Effectiveness and efficiency	Health and education. A study found that corruption lowered public spending on education, health, and social protection. In Cambodia 5– 10 per cent of the health budget was lost at the central level alone; in Tanzania, local or district councils diverted up to 41 per cent of centrally disbursed funds; in Uganda, up to two-thirds of official user fees were pocketed by health staff (Vian and Nordberg 2008).
Quality	Education. Evidence of negative relationship between corruption and the number of years in school (Svensson 2005). Health. Bribes to avoid government regulation of drugs have contributed to the problem of counterfeit drugs, which can lead to disease resistance and death. Globally, 10 per cent of all drugs are believed to be fake; in some African countries the figure can amount to 50 per cent (Vian and Nordberg 2008).

5

What is anti-corruption mainstreaming?



Mainstreaming

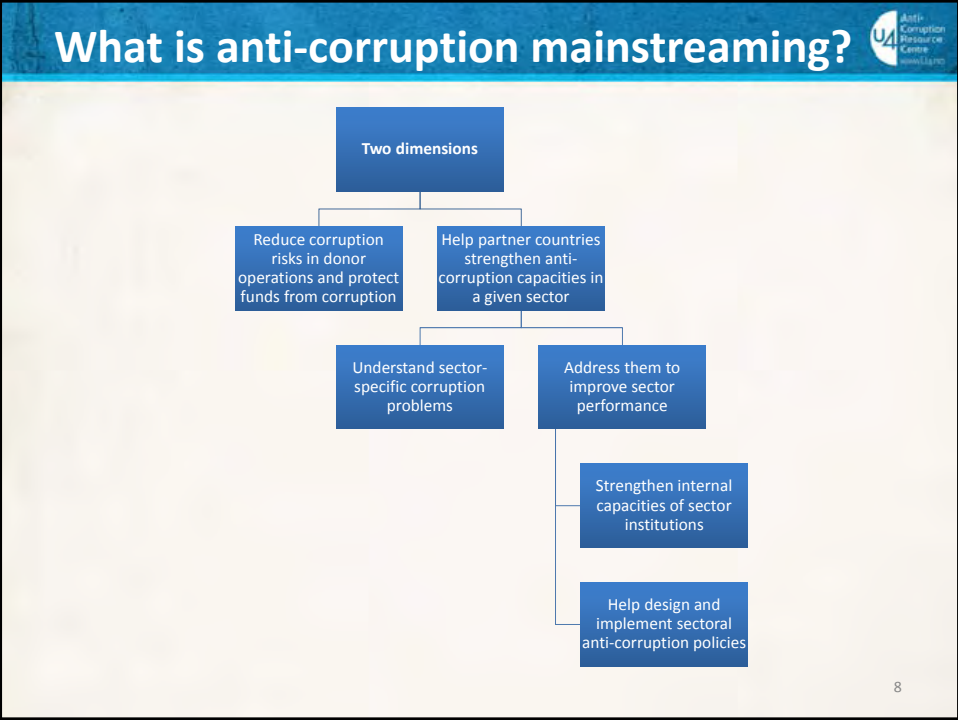
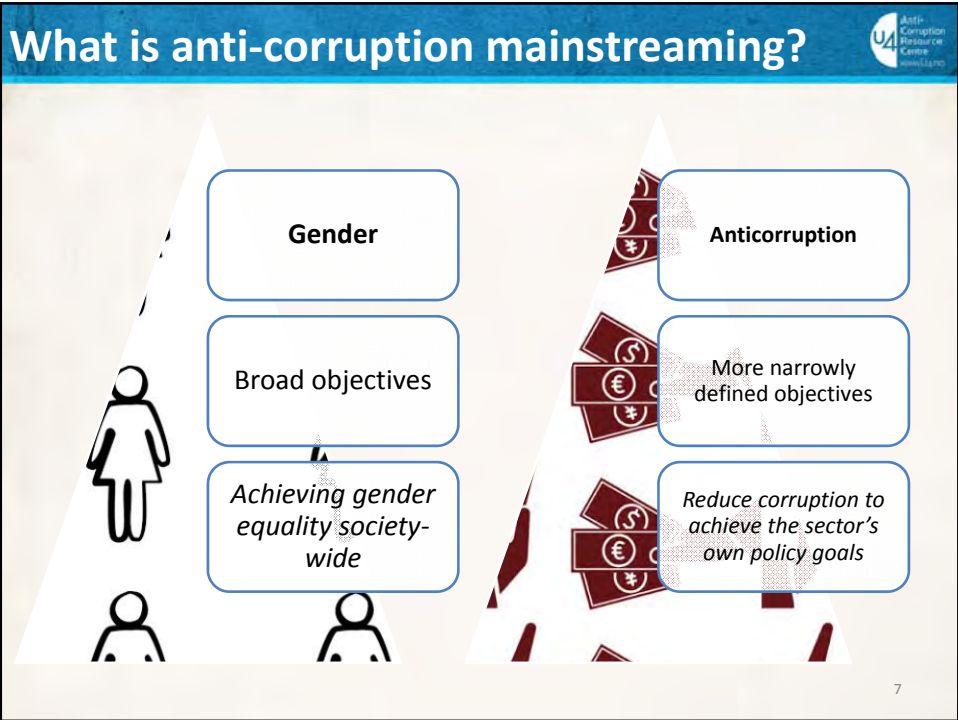
- Integrating an anti-corruption perspective into all activities, projects, lines of work and levels of an organisation, **sector**, or government policy.

Sector



- Areas of private or public activities that are of public interest (e.g., education, health).



6



Understanding mainstreaming



Mainstreaming is an **implementation strategy**

The **entire organisation and its staff** is involved in the implementation of a policy

Responsibility is spread throughout the entire organisation

9

Understanding mainstreaming





Specialization

Directive → Specialist unit → Implementation


Mainstreaming

Directive → Specialist unit → Entire organisation → Implementation



10

Anti-corruption mainstreaming?



PROS

- Taking into account specific sector features
- Concrete results that have an impact on people's life
- Feasibility, political will and opportunity windows



CONS

- Broader governance problems
- Sustainability
- Displacement
- Policy objectives
- Organisational factors

11

Assessing anti-corruption mainstreaming

Integration in country and sector strategies

- Goals not always linked to goals in other areas
- Should not require evidence of bad situation

Integration in dialogue and sector/budget support

- Requires building skills and competence

Integration into projects

- Often eclectic rather than coherent and systematic

Important challenges!

12

Gap between policy design and implementation

Integration of the issues appears to be unevenly implemented across the organisation and subject to the personal interest, competence and motivations of individual staff...

The outcome (a differentiated treatment in which these issues are sometimes not included at all) counter to the intentions of the policy

13

Gap between policy design and implementation

“On average, partner agencies report a relatively low level of implementation of their anti-corruption mainstreaming policies.”

“On a scale from 0 (low degree of implementation) to 10 (high degree of implementation), the average among the six agencies that reported having such a policy was 5.16.”




Source: 2013 U4 Survey on AC mainstreaming

14

Requirements for effective mainstreaming

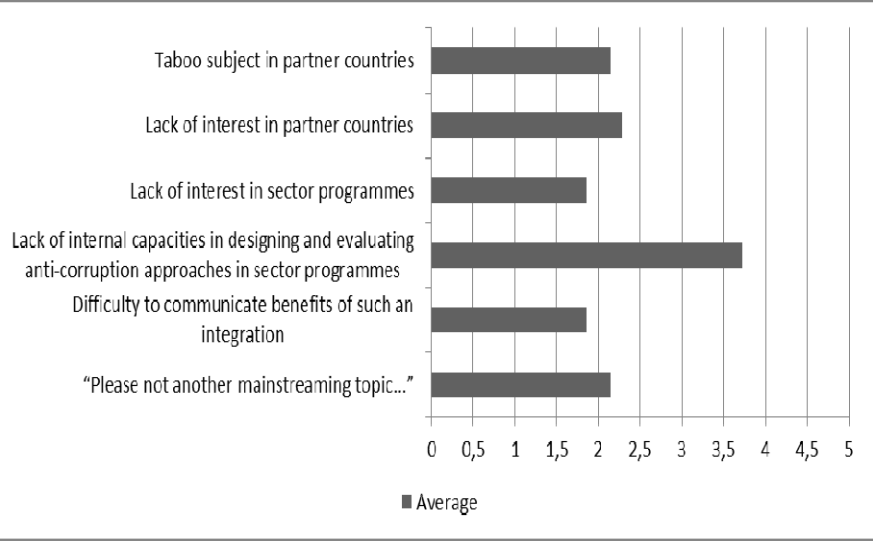
- Clearly defined goals
- Creating /providing the capacities for staff to make informed decisions
- Ensuring staff commitment to conform to the requirements of the policy
- Analysis and monitoring. Learning from practice
- Oversight and follow up



*It's not easy
in practice*

15


Requirements for effective mainstreaming



Challenge	Average
Taboo subject in partner countries	2.1
Lack of interest in partner countries	2.2
Lack of interest in sector programmes	1.8
Lack of internal capacities in designing and evaluating anti-corruption approaches in sector programmes	3.6
Difficulty to communicate benefits of such an integration	1.8
"Please not another mainstreaming topic..."	2.1

Source: U4 Exploratory Survey on Mainstreaming Anti-Corruption into Sectors, 2013.


16


Internal implementation challenges 

Policy-related Need of specifying the mainstreaming policy


 Identification of clear goals against which performance can be measured and monitored

 Linkages between different goals and policies



Internal implementation challenges 

Organisational	Prioritisation	Competing policies & priorities
		Time is limited
		Up to each to prioritise
	Follow up	Difficult without concrete requirements and targets
		Requires clear responsibility lines
Responsibilities	With unclear responsibilities, it becomes voluntary	
Learning	Limited documentation of experiences	
	Need mechanisms for sharing lessons and learning	
Staff competence & support	Skills	
	Training	
	Support	



External implementation challenges

Influence of local context in the implementation process

- Need to adapt interventions

Lack of or limited political will

- How to prioritize themes that are a priority for donors

Disjunction between donors and partner country priorities



19

What can we learn?

Getting serious about corruption...



20

What can we learn?



Complementarity No “either or” between sector and non-sector approaches

Anti-corruption approaches strengthen existing approaches to make systems work efficiently

Do not forget broader governance issues

Work with different actors

Acknowledge that corruption is fluid

Invest in building capacities

Communicate internally

Learn from ongoing experiences

Evaluation is key





TIB Learning from Stakeholder Engagement : Health, Education, and LG Sectors

31 March 2014

1



The Sectoral Approach of TIB

- TIB has been working in three selected sectors – Health, Education, and Local Government, considering their implications on life and livelihood of poor people of the country (higher burden of corruption)

- The basic strategies include
 - Research examining causes and consequences of corruption
 - Advocacy based evidence based knowledge produced by research
 - Engaging authorities and other stakeholders
 - Raising demand and voice through mobilizing and increasing knowledge/awareness

2



The Sectoral Approach (Cont.)

TIB works both at national and local level, prioritizing issues of intervention through research and consultation

- The broad stakeholder categories include
 - Policy makers and authorities
 - Service providers at delivery end
 - Civil Society, media, and the community at large, with specific focus on youth and individuals with higher integrity reputations

Local Level Engagement

- TIB has established CCC and YES groups in 45 locations of the country, covering 37 districts and 8 sub-districts – a fairly representative part of the country
- Additionally there are two associate groups called Swajan and YES-friends

3



Local Level Engagement (Cont.)

Objectives of CCC

- To involve more people in anti corruption social movement
- To mobilize citizens for demanding **transparency** and **accountability** in key public service delivery institutions
- To create Island of Integrity
- To institutionalize changes
- Overall: To strengthen anti corruption social movement in Bangladesh

4

Local Level Engagement (Cont.)

CCC, the steering force:

- Diversified professionals and individuals teachers, doctors, engineers, advocates, business entrepreneurs etc
- People with High degree of moral and social standing/credibility
- Committed to values, vision, mission and Code of Ethics of TIB
- Leadership capacity to inform, motivate and mobilize citizens
- Ability to influence and mobilise local government officials, service providers and the public to curb corruption
- Committed to work on a fully voluntary and non-partisan basis.

5

Local Level Engagement (Cont.)

- In each of the constituencies of respective CCC it engages in a series of interventions in three sectors that include
 - Rapport building
 - Signing IP
 - Creating islands of integrity
 - Anti-corruption oath taking
 - Organizing Face the public, Mothers Gathering, Open Budget, Chose the Right Candidate, etc
 - Conducting Baseline to assess existing scenario
 - Making change advocacy based on findings
 - Use Social Accountability tool (e.g. CRC) to monitor
 - Developing local-to-national linkage
 - Disseminate knowledge/information
 - Mobilization through rallies, fairs, theatres etc.

6

National Level Engagement

- At national level TIB, for its intervention sectors, TIB also conducts research on selected sub-sectors, institutions in consideration of their importance, state of governance, and implications on local level intervention
- Advocacy are made for changes in policy, and practices influencing governance based on research findings

7

Results/Impact

Commendable results have been achieved through selected sector based interventions. Some changes are reported in various study findings from local level:

Health Sector

- Service recipients awareness on their rights and availability improved
- Undue payments have been reduced
- Diversion to private service providers decreased
- Information ticket on fees, charges, etc published/displayed
- Extra money from fees for tickets to welfare fund stopped
- Cleanliness improved
- Key health personnel (Director, Civil Surgeon, etc) more reform oriented
- List of medicines, doctors and nurses on duty are now displayed
- Undue payment for ambulance service stopped
- Unauthorized payments for other services stopped
- Presence of medical representative during consultation reduced

8

Results/Impact (Cont.)

Education Sector

- Undue payments have been stopped /reduced
- Distribution of cash stipend becomes transparent
- SMCs are reformed and activated
- Guardians' rights awareness and participation increased
- Education Authorities are now more aware of anomalies and commit to address them
- Teachers' performance improved including time-keeping and discipline
- Enrollment and attendance increased
- Text books are distributed fully free
- Private tuition reduced
- Teachers, SMC, Officials, and Guardians are now jointly engaged to improve service delivery

9

Results/Impact (Cont.)

LG

- Attitudinal change (Elected representatives and officials acknowledge problems and commit to work with CCCs and civil society)
- Change in service quality: Improved roads, water supply (Tube wells)
- Open budgets
- Revenue collection increased
- Extra money for trade license stopped
- Transparent and increased distribution of VGF and VGD cards
- Demand raised by citizens
- Overall accountability increased
- Unauthorized payments for services reduced
- Information board established
- Irregularity in providing money receipts stopped
- Transaction through bank introduced
- LG representatives proactively organizing FtP at micro level
- FtP contributing to increase accountability and allocation of resource

10

Results/Impact (Cont.)

At National Level

Health Sector: Intervention at Tertiary / District Hospitals

- Flow of information to service recipients increased (information on the fees of different services, doctors name mentioning their duty time, indicating different unit's name of hospital and so on).
- Systematize feedback from service recipient to provider exchange (set up complain box at indoor, outdoor and emergency units; organize face the public).
- A number of close circuit camera was set-up at important places of hospital
- Number of trolley increased
- Internal monitoring team of the staff formed.
- The medical representative team advised to visit doctors in specific time and day

11

Results/Impact (Cont.)

LG Sector: The Case of LGED

- **Research and engagement with LGED is an ideal example of stakeholder engagement at national level**
- **TIB successfully engaged LGED in a supportive way**
- **A follow-up TA project has been financed by ADB to improve governance scenario at LGED in light of study recommendations**

12

Results/Impact (Cont.)

National Consultation: Health and Education

- TIB organized national consultation workshop bringing various sectoral stakeholders from grassroots and national policy level decision makers together during 2013
- This engagement created a conduit for raising local level governance issues that can't be mitigated without central level policy support
- Although due to political unrest consultation (and advocacy based on consultation as well) discontinued /disrupted to some extent

13

The Sectoral Approach : Way forward

- Each sector is a multi-stakeholder one where TIB needs to engage/integrate as many stakeholders as possible into its anti-corruption movement
- For example let us try to enumerate stakeholders in one of the 3 sectors-

14

The Sectoral Approach : Way forward (cont.)

1. Ministry of Education
2. Ministry of Primary and Mass Education
3. The University Grants Commission
4. Directorate of Secondary and Higher Secondary Education
5. Directorate of Primary Education
6. Regional/Divisional, District, and Sub-district level Education Authority
7. National University
8. The Public Universities
9. Secondary and Higher Secondary Education Boards
10. National Curriculum and Text Book Board
11. Private General and Technical Education Providers at various levels
12. Members of Parliament (often Chair of SMC at local level of above primary education institutions)
13. Donors
14. Media
15. Civil Society

The above list needless to mention is not exhaustive

15

The Sectoral Approach : Way forward (cont.)

- All possible stakeholders need to be brought under the broader framework of anti-corruption process where TIB can play a key catalytic role
- TIB has undertaken 3 sectoral studies that should prove helpful further in identifying key players, possible areas of intervention, and specific process /tools that need to be applied
- For example, findings so far indicate that, in education sector key points of corruption are as follow:

16

The Sectoral Approach : Way forward (Cont.)

- **Grand corruption**
 - Procurement /purchase (large tender of big projects)
 - Recruitment, posting, transfer, promotion
 - Enrolment, certificate , coaching center
 - Private university/Public university (transport, utility bill, property grabbing)
 - Approval new education institution
 - Inclusion into MPO
- **Petty corruption**
 - Small scale tender/purchase
 - Illegal money raising and misappropriation (various types of subscription)
 - Stipend money
- **Irregularities and other types of corrupt practices**
 - Private and coaching
 - Negligence in teaching-learning
 - Proxi teacher
 - Irregularities in exam (e.g. disclose questionnaire)

17

The Sectoral Approach : Way forward (cont.)

- **The Sectoral studies will provide more elaborate knowledge on types of corruption, key actors of corruption, as well as bottlenecks/constraints at institutional level and Law that are barrier to promoting good governance.**
- **Based on such findings key areas of intervention will have to be identified and appropriate advocacy will have to be designed / tools will have to be developed in collaboration with/association with various stakeholders to reduce corruption in these sectors**
- **TIB in its next strategic phase BIBEC will strive towards that end**

18

Thank You for
your patient hearing

Strengthening integrity and transparency in the education and health sectors - Bangladesh

Recap Day 1

1

Intro to corruption

- Need of a shared understanding of corruption
- Some common forms of corrupt practices
- Causes of corruption: explore the opportunities, the incentives and the rationalization of corrupt practices
- Consequences:
 - Different types of effects
 - Negative effects on service delivery -> directly impact on citizens life

2

Corruption in Bangladesh



- Policy priority
- National level indicators (perception) show improvement (2001-13), but people believe corruption has increased
- Experienced based indicators show increase in cost of bribery and decreased victimization rate
- Sector level indicators
 - HEALTH: 40.2% victims, 21.5% recipients made unregulated payments
 - EDUCATION: 40.1% victims, 30% made unauthorized payments
- Political commitment – if weak, strengthen demand from the bottom up

3

Is it corruption? Key issues



- People in the room disagree on whether they see one practice as corrupt or not
- Some issues:
 - Risk of corruption (e.g., conflict of interest) vs. Actual corrupt practices
 - Gift giving: role of social norms, how to regulate gifts
 - Circumstances and timing
 - Nature of different incentives
 - Length of time between the quid and the pro quo
 - Cumulative impact of small leakages and inefficiencies

4

Mainstreaming anti-corruption

- Systematically integrate AC perspective into all activities, projects, levels of an organisation, sector, or policy
- Pros and cons of mainstreaming
- Mainstreaming vs specialisation
 - Everyone involved in the implementation: Capacities and incentives, clear responsibilities
- Challenges: set priorities, clarify roles, build capacities, learn from practice, monitoring
- No “either or” but synergies between sector and non sector AC approaches

5

For the education sector

- Arguments for integrating AC:
 - Significance of budget spending in education
 - Cross-sectoral
 - Access to education as a human right
 - Some corruption problems are specific to the sector
 - Complexity of the sector and multiple stakeholders
- Need of a sectoral diagnosis: Risks in the interface between sector and non-sector characteristics; Consider global policy issues and funding approaches
- Progress (sector assessments, sector based AC plans, success stories) yet challenges (cultural barriers, donor related, capacities, etc.)

6

Group work: Integrating AC into sectors



- **Group 1 (Edu):** build on survey data, focus on transparency and disclosure of information
- **Group 2 (Edu):** education as a factor for economic growth, identification of critical factors (e.g., recruitment), risks and mitigating measures
- **Group 3 (Edu):** scope of corruption in the sector, focus on specific risks and practices, consider impacts, integrated approach to address risks
- **Group 4 (Health):** use of direct experience and news information for identifying problems
- **Group 5 (Health):** use normative, economic, political, global arguments

7

Key issues from the group work



- Digging into the specifics of the sector leads to issues outside the sector
- Consider arguments regarding other sectors, institutions outside the sector
- Use evidence and information on both results & deficiencies
- Process vs actor based mapping exercises
- Understand the political economy of the sector
- Consider not only risks and corrupt practices but also impact
- Need of setting clear priorities and obtaining results building on the diagnostic ... but how?

8

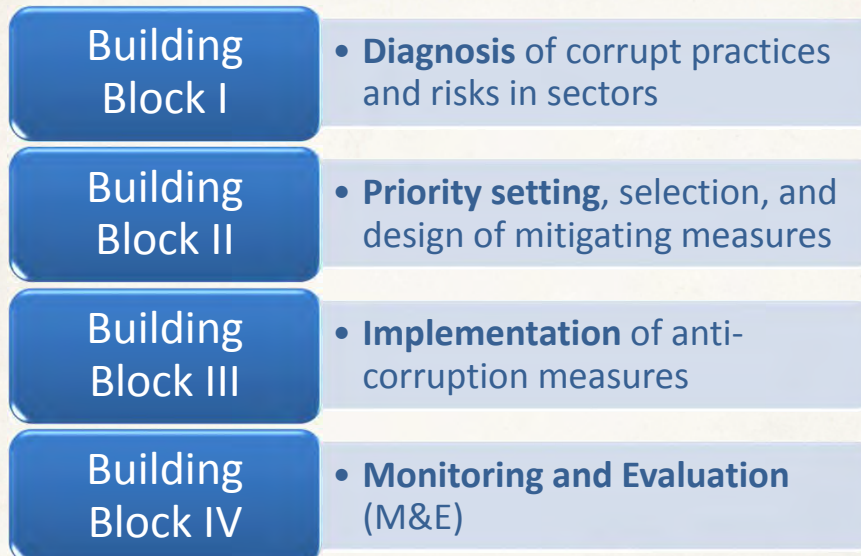
Engagement with different stakeholders



- TIB approach: Evidence based advocacy + engagement with multiple stakeholders + enhancing voice and demand
- Local level engagement through CCCs
 - Results of selected based interventions at the local level
- Stakeholder engagement at national level in sectors
- Way forward: mapping stakeholders for each sector, identifying bottlenecks and constraints, possible areas of intervention, and tools that can be applied

9

Building blocks for anti-corruption integration



10



Mapping risks and consequences of corruption in the health and education sectors

Session 5

1

Agenda

- Brief presentation on risks and consequences of corruption in health and education, and tools for assessing risks (corruption risk management)
- Group work – health and education

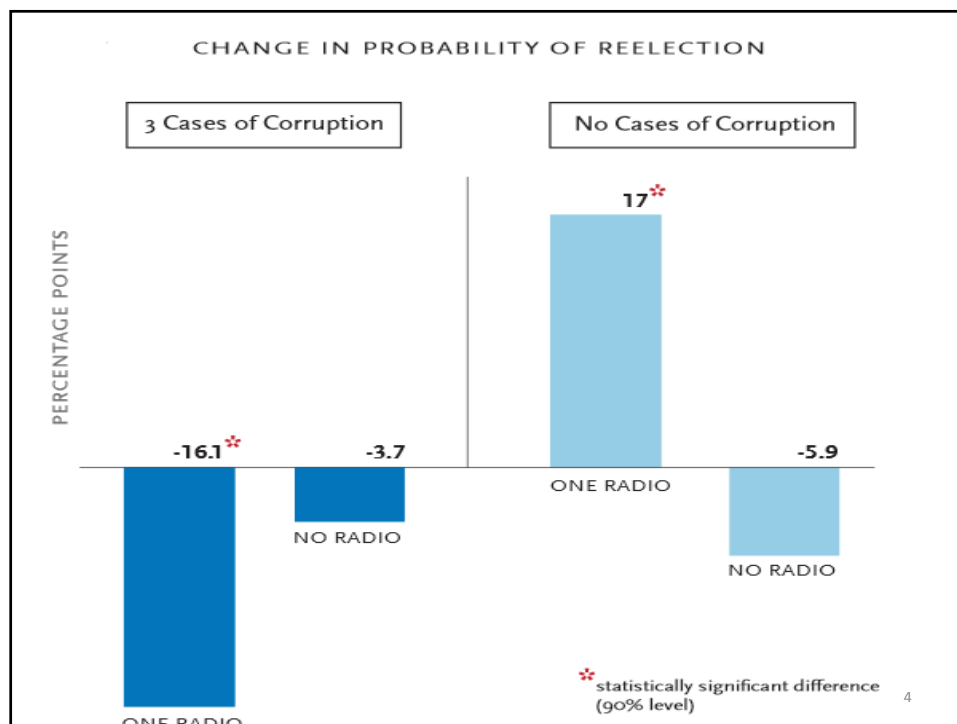
Learning objective: Identify the main risks and consequences of corruption in health and education service delivery, internationally and in Bangladesh

2

Some sector examples

- Argentina – hospital procurement – prices decrease 10% after crackdown (audits)
- Uganda – education – access to information and budget tracking reduces leakage from 80% in 1995 to 20% in 2001
- India – education – formal monitoring reduces absenteeism from 42% to 21%. Test scores improve.
- Uganda – health – community monitoring reduces child deaths by 33%

3



Corruption risk management basics

- Risk management = risk identification → risk assessment → risk mitigation
 - *Risk identification* – Identifying types of risk in a given process or system
 - *Risk assessment* – Measuring the magnitude of each type of risk
 - *Risk mitigation* – Putting measures in place to minimise risk, monitoring those measures to ensure that they have their desired effect, and re-designing them if they do not have the desired effect.
- Some main types of corruption:
 - Bribery ◆ Embezzlement ◆ Facilitation payment ◆ Fraud
 - Abuse of power ◆ Clientilism/nepotism ◆ Rent-seeking ◆ Silent corruption/abseentism?

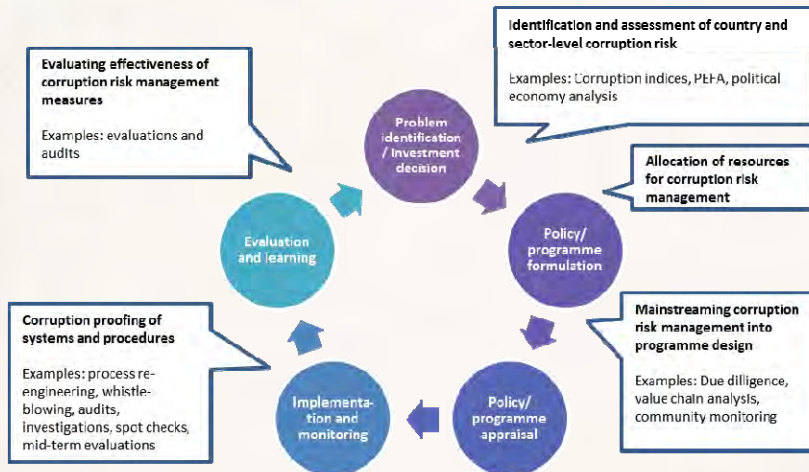
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Tools for corruption risk assessment in sectors

- **Country level**
 - Assessments of the public financial management system and overall fiduciary risk environment (PEFA, FRA)
 - Global Integrity reports, National Integrity System reports, national surveys (experience/perceptions), political economy analysis
- **Institutional/sector level**
 - Global Corruption Barometer, victimisation surveys, value chain/vulnerability to corruption assessments, due dilligence, audits, etc.
- **Service provision level**
 - Citizen report cards, citizen score cards, social audits, budget tracking (PETS), user satisfaction (QSDS), complaints systems, etc.

6

Corruption risk management and the project cycle



Link to Prezi:

http://prezi.com/osddirkyzpw/?utm_campaign=share&utm_medium=copy&rc=ex0share

7

Better diagnosis = better corruption prevention

- **What is the diagnosis?**
 - Which forms of corruption?
 - Which sectors?
 - Which regions?
 - Which institutions?
 - Which processes?
- **Remedies depend on diagnosis**
 - Ghostworkers = payroll management reform, social audit
 - Bribery/facilitation payments = process simplification, e-government
 - Clientelism = recruitment/career advancement reform + politics
 - "Leakage" = PETS, social accountability, PFM reform

8

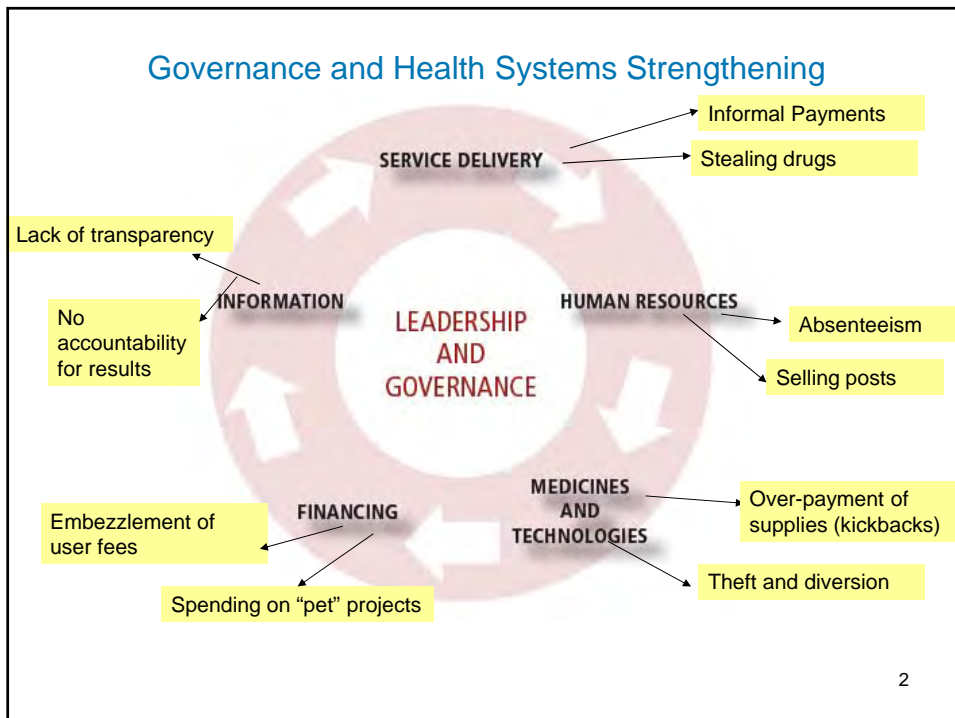


Risks and Consequences of Corruption in the Health Sector

Taryn Vian

Boston University – School of Public Health

U4 Workshop, Strengthening integrity and transparency in the Education and Health Sectors

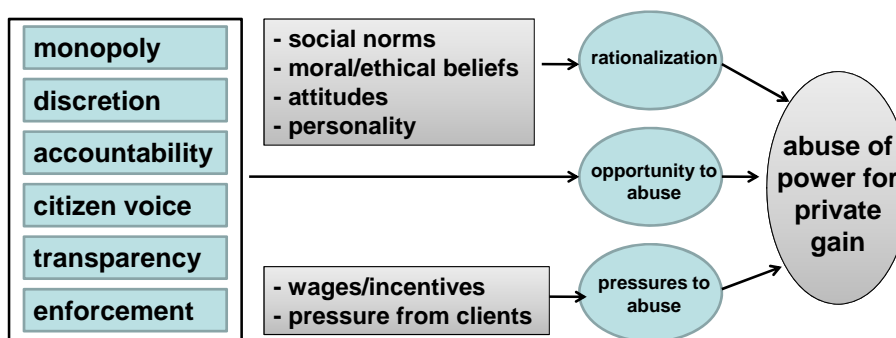


Examples of Corruption in Health Sector

- Grand corruption
 - Procurement corruption
 - Capture of laws regulating private practice of medicine and conflicts of interest
 - Embezzlement
- Administrative corruption
 - Informal payments (care giver and providers)
 - Theft and diversion of medical supplies
 - Absenteeism (stealing time)
 - Abuse of user fee and insurance billing systems

3

Framework of corruption in the health sector



Health care system and structure

- Insurance
- Payer-provider split
- Role of private sector, etc.

Type of abuse

- Hospital construction
- Procurement
- Informal payments, etc.

Resources

- High or low incomes
- Donor dependence, influx of funding



4
(Vian 2008)

Risk Assessment

- Step 1: describe and measure
- Step 2: understand the drivers (pressures, opportunities, rationalizations)
- Step 3: consider levers to restrict opportunities, reduce pressures or change incentives, address rationalizations

5

Example: User Fee Corruption in Hospital B

- Patient user fees = 5.7% of total revenue, 24% of non-personnel revenue
- Quality is low, staff have poor manners and bad attitudes
- What are the risks of corruption?
- What is driving the risk? (opportunities, incentives)
- What strategies can the hospital put in place to mitigate risk?
- What factors are needed for strategies to succeed?



6

Example: Measuring Risk through WHO Pharmaceutical System Vulnerability Analysis

	Bolivia	Indonesia	PNG
Registration	8.6	7.2	4.3
Promotion	4.7	7.6	1.7
Inspection	6.2	8.7	2.6
Selection	7.6	5.5	4.5
Procurement	6.2	7.0	6.6

Moderately vulnerable

0.0-2.0 = extremely vulnerable; 2.1-4.1 = very vulnerable

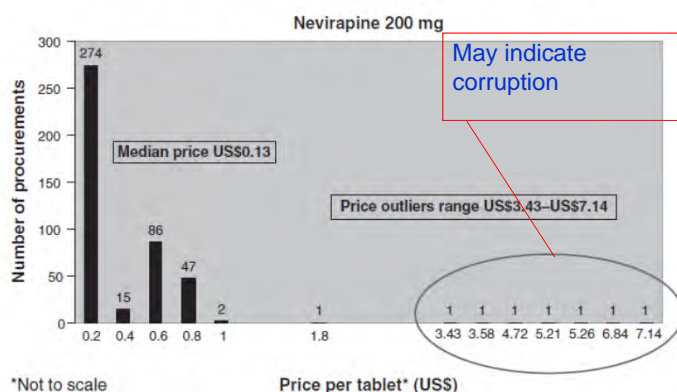
4.1-6.0 = moderately vulnerable; 6.1-8.0 = marginally vulnerable

8.1-10.0 = minimally vulnerable

Source:
<http://www.who.int/medicines/ggm/en/>

Identifying risk in pharmaceutical procurement: price analysis

Figure 10.2 High price outlier analysis, Nevirapine 200 mg



May indicate corruption

Source: Vian, Savedoff, Mathisen eds. 2010. Chapter 10.

Risks of Procurement Corruption

- **Cartels**: companies illegally agree on a price for a service or contract or agree not to bid at a tender (undermines competitive bidding, driving up price)
- **Fingered procurements**: purchaser adjusts the procurement call to be better suited for specific bidder
- **Kickbacks**: agent of the supplier pays agent of the purchaser to select the supplier's bid
- **Emergency procurements**: to avoid rules

9

Example

From 1999 to 2007, in at least 30 bids, employees of Royal Philips Electronics Poland made improper payments to public officials of healthcare facilities to increase likelihood that public tenders for medical equipment would be awarded to Philips. Philips would submit technical specifications of its medical equipment to officials drafting the tenders, who would incorporate these specifications into the contracts. Certain officials involved in these arrangements also made the actual decision of whom to award the tenders. When Philips won, employees of Philips Poland allegedly paid these officials 3% to 8% of the contract amounts.

http://ec.europa.eu/dgs/home-affairs/what-is-new/news/news/docs/20131219_study_on_corruption_in_the_healthcare_sector_en.pdf
Heimler, Cartels in Public Procurement. <http://jcle.oxfordjournals.org/content/early/2012/10/25/joclec.nhs028.full>

10

Who Makes Money on Epidemics of HIV/AIDS and Tuberculosis in Ukraine



October

- In Ukraine, Government-funded medicines for HIV (\$32m) and TB (\$20m) are expensive, arrive late. This creates barriers to access for treatment
- An NGO analyzed data on 39 procurements to reveal several ways in which corruption had affected purchasing systems

11

Corruption pathways

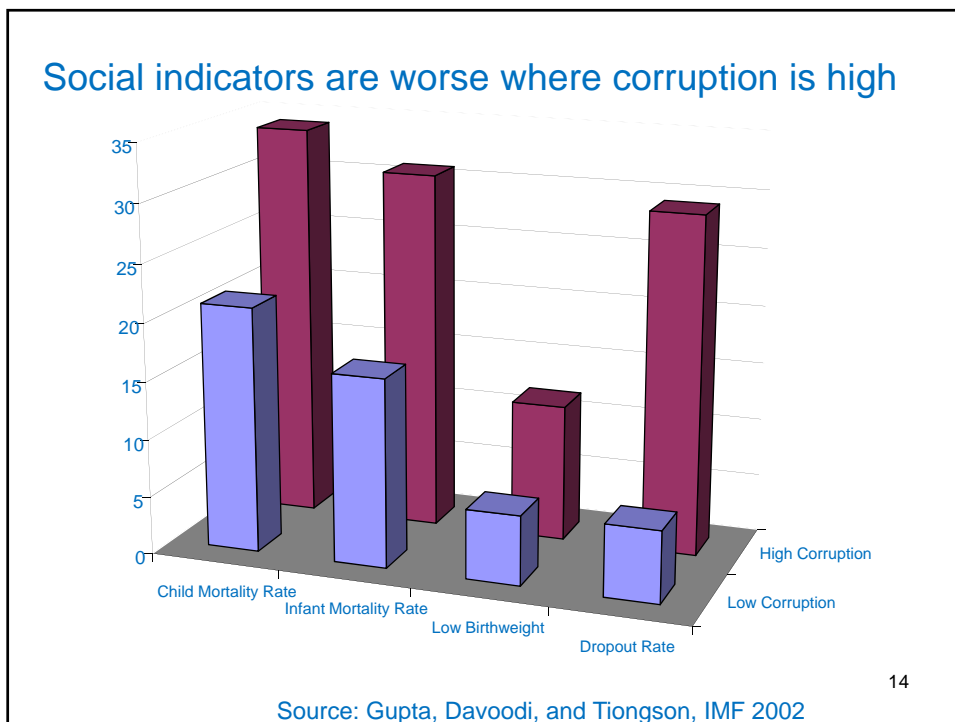
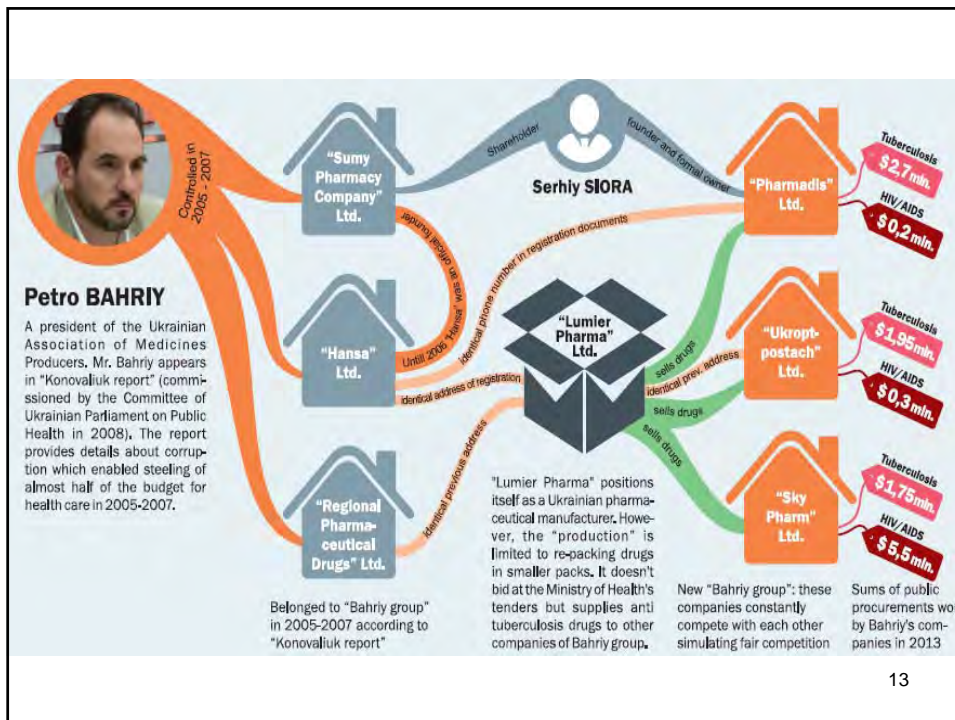
1. Companies with the same ownership competing with each other
2. Direct collusion (cartel agreements) prior to submitting bids
3. Inflated benchmark prices
4. Shell corporations and off-shore accounts

Results

- Revealed critical role of relationships & networks in facilitating corruption
- 7 investigations, 2 prosecutions, \$145,700 savings from watchdog function on procurement tenders



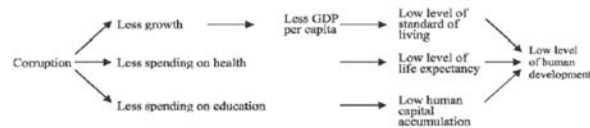
12



Consequences

- Paying too much for inputs, wrong “mix” of inputs
- Lower productivity of workers, less people treated
- Delays in seeking care, or people don't seek care at all
- Eroded financial protection, leading to catastrophic expenditures and increased poverty
- Treatment failures, death from substandard care

FIGURE 1.
CORRUPTION AND HUMAN DEVELOPMENT



15



U4 training workshop:
 'Strengthening integrity and transparency in the education
 and health sectors in Bangladesh'
 Dakha, 31 March-02 April 2014

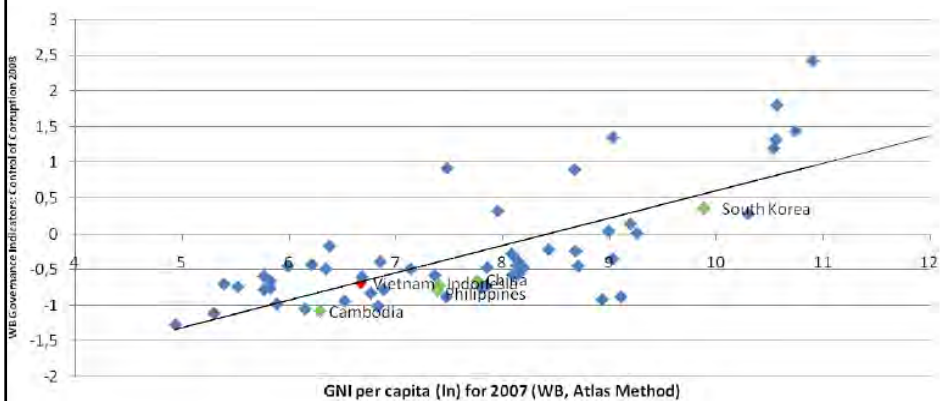
Mapping distorted practices in the education sector

Jacques Hallak & Muriel Poisson

© IIEP-UNESCO

INTRODUCTION INTEGRITY AND GDP PER CAPITA

2



Source: Davidsen et al.

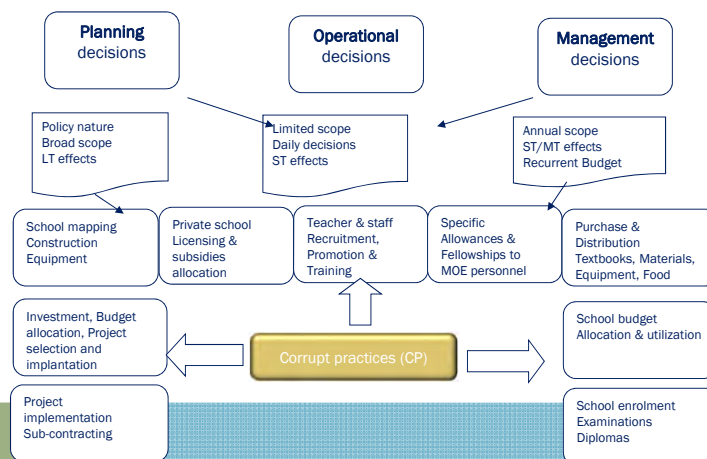
Hallak & Poisson ©IIEP-UNESCO 2014

GENERAL DEFINITION OF CORRUPTION IN EDUCATION

“The systematic use of public office for private benefit whose impact is significant on access, quality or equity in education”

- Diversion of funds from govt accounts
- Favouritism in personnel appointments

MAPPING DECISIONS AND RELATED ACTIVITIES




Source: Saidi, 2000.

SCOPE: NEED FOR A SYSTEMIC APPROACH

Focus on institutions,
procedures, mechanisms and
not on individuals

SELECTED AREAS OF PLANNING/MANAGEMENT

1. Finance and allocation of specific allowances
 2. Construction and equipment
 3. Teacher management and behavior
 4. Academic and accreditation fraud
 5. Information systems
- 

1. FINANCE

Areas	Corrupt practices
Finance	<ul style="list-style-type: none"> • Opacity of flows • Transgressing rules and procedures, bypass of criteria • Inflation of costs and activities • Embezzlement
Allocation of specific allowances (fellowships, subsidies, etc.)	<ul style="list-style-type: none"> • Favoritism/nepotism • Bribes • Bypass of criteria • Discrimination (political, social, ethnic, etc.) • Illegal fees

United Kingdom: embezzlement of school budget by a head teacher amounting to £ 500 000 in one LEA in 2003

Hallak & Poisson © IIEP-UNESCO 2014

2. CONSTRUCTION AND EQUIPMENT

Areas	Corrupt practices
Construction, maintenance and school repair	<ul style="list-style-type: none"> • Fraud in public tendering (payoffs, gifts, favoritism) • Collusion among suppliers • Siphoning of school supplies • Purchase of unnecessary equipment
Distribution of equipment, furniture and materials (transport, boarding, textbooks, canteens and school meals)	<ul style="list-style-type: none"> • Manipulating data • Bypass of allocation criteria • Ghost deliveries

Payoffs eat up 20 to 65% of textbook funds in the Philippines

Hallak & Poisson © IIEP-UNESCO 2014

3. TEACHER MANAGEMENT AND BEHAVIOUR

9

Areas	Corrupt practices
Teacher appointment, transfer, promotion, payment and training	<ul style="list-style-type: none"> • Fraud in the appointment and deployment of teachers • Bypass of criteria • Discrimination (political, social, ethnic) • Falsification of credentials/use of fake diplomas
Teacher behavior (professional misconduct)	<ul style="list-style-type: none"> • Ghost teachers • Absenteeism • Illegal fees • Favoritism, nepotism, gifts • Private tutoring • Sexual harassment or exploitation

In Brazil, teachers pay bribes to be recruited

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4. ACADEMIC AND ACCREDITATION FRAUD

10

Areas	Corrupt practices
Academic fraud, examinations and diplomas, access to universities	<ul style="list-style-type: none"> • Examination fraud (impersonation, cheating, favoritism, gifts) • Bribes (for high marks, grades, selection to specialized programs, diplomas, admission to universities)
Institution and program accreditation	<ul style="list-style-type: none"> • Diploma mills and false credentials • Fraudulent research, plagiarism • Bypassing quality assurance criteria

Selling exam questions in advance in Italy

In Tajikistan, prevalence of corruption in universities 60% of respondents, use of informal reward prior to the admission to universities

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5. INFORMATION SYSTEMS

Areas	Corrupt practices
Information systems (enrolment statistics, staff list, school list, flows of funds, etc.)	<ul style="list-style-type: none"> • Manipulating data (inflating or deflating figures) • Selecting/suppressing information • Irregularity in producing and publishing information • Payment for information that should be provided free

In Indonesia, 30% of allocation for school rehabilitation lost due to distorted application of criteria

IN SUMMARY...

Areas of planning/management	Major opportunities for corrupt practices	Impact on education
Finance	<ul style="list-style-type: none"> • Transgressing rules and procedures • Inflation of costs and activities • Embezzlement 	<ul style="list-style-type: none"> • Access • Quality • Equity • Ethics • Policy priorities
Allocation of specific allowances (fellowships, subsidies, etc.)	<ul style="list-style-type: none"> • Favoritism / nepotism • Bribes • Bypass of criteria • Discrimination 	
Construction, maintenance and school repairs	<ul style="list-style-type: none"> • Fraud in public tendering • Embezzlement • Manipulating data • Bypass of school mapping 	
Distribution of equipment, furniture and materials (transport, boarding, textbooks, school meals)	<ul style="list-style-type: none"> • Fraud in public tendering • Manipulating data • Bypass of allocation criteria 	
Teacher management	<ul style="list-style-type: none"> • Fraud in the appointment and deployment of teachers • Falsification of credentials/use of fake diplomas 	
Personnel behavior (professional misconduct)	<ul style="list-style-type: none"> • Ghost teachers • Absenteeism • Illegal fees • Favoritism/nepotism/acceptance of gifts • Private tutoring 	
Examinations and diplomas	<ul style="list-style-type: none"> • Selling of information • Examination fraud • Diploma mills and false credentials 	
Access to universities	<ul style="list-style-type: none"> • Fraud in the accreditation process 	
Institution accreditation	<ul style="list-style-type: none"> • Fraud in the accreditation process 	
Information systems	<ul style="list-style-type: none"> • Manipulating data • Selecting/suppressing information • Irregularity in producing and publishing information 	

Transparency and Public Engagement in the Health Sector

Taryn Vian

Boston University – School of Public Health

U4 Workshop, **Strengthening integrity and transparency in the Education and Health Sectors**

Why engage the public?

- *Better decisions* if we ask people what they want, provide information so they can support or criticize and improve public policy.
- *More accountability* if citizens (in groups or alone) act as watchdogs, complain when they don't get what they deserve, help monitor performance of government or agencies acting on behalf of public good

Types of engagement

- **Communication**
 - Inform the public through campaigns (posters, videos, social media) to raise awareness, explain rights and entitlements, describe policies & programs
- **Consultation**
 - Public meetings
 - opinion polls, satisfaction surveys, hotlines to find out what citizens/beneficiaries think
- **Participation**
 - Social audit, citizen report cards, planning councils
 - Mobilize citizens for advocacy

3

- Posters and videos
- Media role, including investigative journalism
- Indonesia grassroots budget education
- Kenya social audit program
- Zero rupee note

Communication

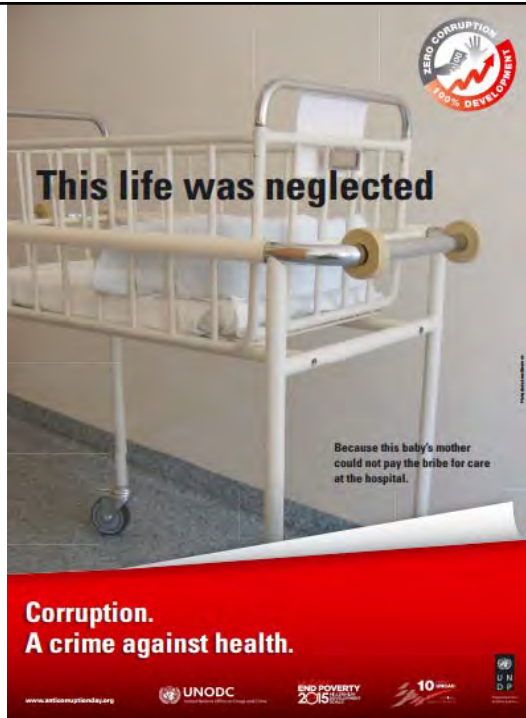


Participation

4

UNODC
campaign,
Say No to
Corruption

Goal:
increase
awareness
of how
corruption
hinders
achievement
of MDGs



5



'Clean Hands' anti-
corruption
campaign,
Cambodia



6



Awareness Videos

- [Public Awareness Video India](#) 2 min
- [Zero Rupee Note Video](#) 6 ½ min.
- [Corruption, You Have Made it a Lifestyle](#) 2 min.
- [Anti-Corruption Campaign – Doctor](#) 1 min.
- [Log Roll in India](#) 3 ½ min.

Videos: Public Education and Social Audit

These videos describe projects to provide education to citizens about the budget process, and to engage citizens in holding their government accountable for social spending.

- Budget education in Indonesia. [Your Voice Your Opportunity](#) 6 min.
- Social Audit in Kenya [Its Our Money Where's it Gone](#) 18 min.

9

Investigative Journalism

- **Center for Public Integrity**

<http://www.publicintegrity.org>

“Breathless and Burdened” Study of how doctors and lawyers working for coal industry have defeated benefits claims of miners dying of black lung disease <http://www.publicintegrity.org/environment/breathless-and-burdened>

- **International Consortium of Investigative Journalists (ICIJ)** <http://www.icij.org/>

Sasha Chavkin. “Industry-Funded Study of Mystery Kidney Ailment.” Examines possible bias in research in Latin America due to funding by industries implicated in pesticide use.

<http://www.icij.org/blog/2014/02/cdc-launches-industry-funded-study-mystery-kidney-ailment>

10

Need to adhere to high standards of journalism

Polish newspaper headlines

“Polish Paramedics Jailed for Murdering Patients in a ‘cash-for-corpse’ scandal.”

“Doctor asks woman for sex in order to treat her sick mother.”

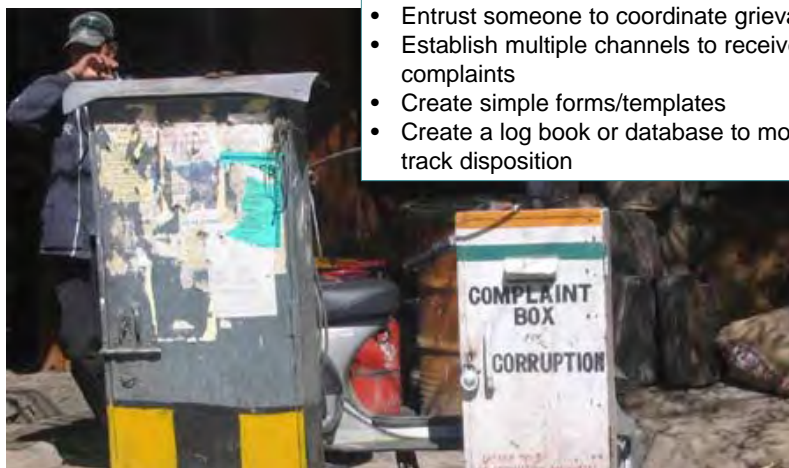
“Woman thrown out in the cold in a hospital gown to make room for a patient who could pay for care.”

“ Polish hospital treats gangsters with mafia money.”

Source: <http://www.dziennik.pl/Default.aspx?TabId=275>

11

Complaint Mechanisms



- Entrust someone to coordinate grievances
- Establish multiple channels to receive complaints
- Create simple forms/templates
- Create a log book or database to monitor & track disposition

12

Integrity Pledge (IP) in Bangladesh

- Hospital authority pledges to:
 - Ensure attendance of staff
 - Provide access to patients who require it
 - Be transparent (available services, fees, etc)
 - Provide receipts and prohibit informal payments
 - Not allow “brokers” or transfer to private sector to increase financial gain
- Citizens pledge to:
 - Build positive relationship between caregiver & receivers
 - Assist in proper use of hospital resources, maintain communication, resolve problems
- Concerned Citizens Committee pledges to:
 - Bridge between hospital and patient; provide advice & information
 - Help develop and implement complaint mechanisms, citizen charter

13

Social Audit in Uganda

- Community monitoring to increase quantity and quality of health care provision.
- Used CBOs as facilitators, collected perceptions of community members and staff; objective data on health outcomes & facility functioning (report card)
- 3 meetings, ending with shared action plan

14

Results

- Intervention communities had
 - 33% lower child death rates
 - 20% higher use of services
 - 13% lower absenteeism
 - 10% lower waiting time
 - Fewer stock outs

Compared to control communities

- Existing governance structures improved

15



U4 training workshop:
'Strengthening integrity and transparency in the education
and health sectors in Bangladesh'
Dakha, 31 March-02 April 2014

Transparency and methodologies for assessing corruption problems in education sector

Jacques Hallak & Muriel Poisson

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2

OBJECTIVES OF THE SESSION

- Highlight the importance of enforcing the Right To Information Act (RTI) in the education sector
- Provide an overview of the main methodologies for collecting relevant data in order to achieve the RTI
- Present the lessons learned from the international experience in implementing these methodologies
- Discuss how to apply these methodologies to the Bangladeshi education sector, considering the role of the media and civil society

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RIGHT TO INFORMATION ACT BANGLADESH ORDINANCE NO, 50 2008

3

4. Right to information. *Subject to the provisions of this Ordinance, every citizen shall have the right to information from the authority and on request from a citizen the concerned authority shall be obliged to provide him information.*

Every authority shall publish and publicise all decisions taken, programme or all information pertaining to all work done or proposed to be done by indexing them in such a manner as may easily accessible to the citizens.

(2) In publishing and publicising information under Sub-Section (1) no authority shall be able to conceal any information or limit easy access to it.

(1) Under this Ordinance a person may apply to the officer-in-charge requesting for information either in writing or through electronic media or email

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FORMAL TRANSPARENCY AND TRANSPARENCY IN ACTION

4

- ▀ Role of the Bangladesh Bureau of Educational Information and Statistics to provide information on the education system
- ▀ Resistance to provide an accurate, timely and relevant information system
- ▀ Limit of existing EMIS to provide comprehensive data:
 - for improving transparency
 - of direct use for the citizens
- ▀ Need for additional tools to document specific requests by citizens

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5

EXAMPLES OF REQUESTS TO BE DOCUMENTED

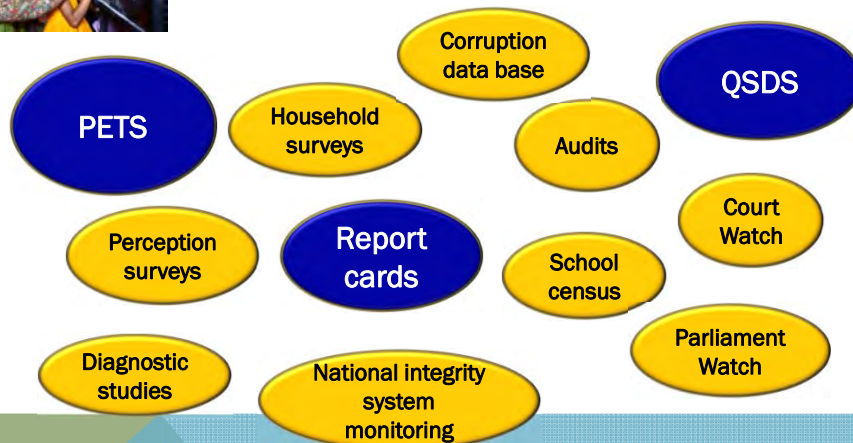
- ▶ How resources flow from the Ministry of Primary and Mass Education to the schools (in cash and in kind)?
- ▶ To what extent staff and physical facilities are being used according to the prevailing norms?
- ▶ To what extent beneficiaries of the resources are served according to the prevailing norms?
- ▶ To what extent are school children being admitted according to the prevailing norms?

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6

DIVERSITY OF METHODS: INSTITUTIONAL VS PARTICIPATORY APPROACHES



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7

THREE MAJOR TOOLS TO BE CONSIDERED

Report cards	PETS	QSDS
Schools Teachers Parent-teacher associations Pupils	MOE Regions/provinces Districts Schools Households	Schools Classroom Households
Evaluation by target group (beneficiaries) of service delivery	Audit of flow of funds (external entity)	Observation of service delivery (external entity)

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8

1. REPORT CARDS

Objectives:

- ▶ To provide quantitative feedback on user perceptions and knowledge on the quality, adequacy and efficiency of public services
- ▶ To exact public accountability through the extensive media coverage and civil society advocacy that accompanies the process
- ▶ Implemented in countries worldwide (*Latin America, USA, etc.*)

Bangladesh among the earliest users of report cards in education!

Hallak & Poisson ©IIEP-UNESCO 2014



CITIZEN REPORT VERSUS COMMUNITY SCORE CARD

Citizen Report Card	Community Score Card
<ul style="list-style-type: none"> ▶ Unit - household/individual ▶ Meant for macro level/election ▶ Main output is demand side data on performance and actual scores ▶ Implementation time longer (3-6 months) Feedback later, through media ▶ Information collected through questionnaires 	<ul style="list-style-type: none"> ▶ Unit – Community ▶ Meant for the local level ▶ Emphasis on immediate feedback and accountability, less on actual data ▶ Implementation time short (3-6 weeks) ▶ Information collected through focus group discussions

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REPORT CARD IN BANGLADESH

Case study: The Alokdia Primary School Integrity Pledge

Corruption in education is a key challenge in Bangladesh and particularly affects the poor. It manifests in different ways, including the collection of unauthorised payments for admission to schools and skewed distribution of free text books, as well as the demand for bribes to disburse school stipends and grants. It can also take less obvious forms: teacher misconduct, absenteeism and neglect of duties (in order to conduct private tutoring), inactive school management committees and lack of accountability mechanisms.

To address these various forms of corruption, an Integrity Pledge was signed in 2010 at the Alokdia Primary School in Madhupur, a sub-district outside the capital Dhaka.²⁷ The Integrity Pledge followed a series of social interventions, including the use of citizen report cards and participatory budgeting. Within one year of adopting the pledge, some key changes have happened in the school and the community. The collection of unauthorised payments has stopped, the distribution of scholarships has become transparent and text books are now distributed freely (and free of charge). The use of private tutoring has also been reduced and teachers, school management committee officials and parents are now jointly engaged to ensure higher management performance. The dropout rate has fallen from 30 per cent to 7 per cent and in the most recent annual final examination, 100 per cent of students passed, with 80 per cent scoring first division marks. Due to these strong results, the state's grading of the school's performance has gone up from grade C to A. The success of Alokdia has encouraged the local education officials to replicate the Integrity Pledges elsewhere. The chapter has been asked to promote the adoption of pledges in seven more schools; work has already begun in two.

Source: TIB, 2011



REPORT CARD IN MASSACHUSETTS, USA

Enrollment (2012-13)

	School	District	State
Total Count	685	2,031	954,773
Race/Ethnicity (%)			
African American or Black	1.5	1.8	8.6
Asian	1.8	1.6	5.9
Hispanic or Latino	1.6	2.9	16.4
Multi-race, Non-Hispanic	0.0	0.2	2.7
Native American	0.1	0.2	0.2
Native Hawaiian or Pacific Islander	0.0	0.0	0.1
White	95.0	93.3	66.0
Gender (%)			
Male	50.7	51.1	51.2
Female	49.3	48.9	48.8
Selected Populations (%)			
English Language Learner	4.1	2.5	7.7
Low-Income	27.2	23.7	37.0
Students w/Disabilities	11.2	14.2	17.0
First Language Not English	4.5	3.6	17.3

Educator Data (2012-13)

	School	District	State
Total # of Teachers	36.4	123.5	70,635.8
Percentage of Teachers Licensed in Teaching Assignment	100.0	100.0	97.5
Total Number of Classes in Core Academic Areas	240	733	345,316
Percentage of Core Academic Classes Taught by Teachers Who are Highly Qualified	100.0	98.9	98.0
Percentage of Core Academic Classes Taught by Teachers Who are Not Highly Qualified	0.0	1.1	2.0
Student/Teacher Ratio	18.8 to 1	16.4 to 1	13.5 to 1
Percentage of Public Elementary and Secondary School Teachers Issued Waivers	-	0.0	0.3



2. PUBLIC EXPENDITURE TRACKING SURVEYS (PETS)

Objective:

- To locate and measure leakages and identify causes to propose remedies
- Initiated in Uganda in 1996
- Since then, several dozens of PETS have been implemented worldwide: Cambodia, Ghana, Kenya, Mongolia, Namibia, Papua New Guinea, Peru, Tanzania, Zambia, etc.



13

PETS: RESULTS IN FEW COUNTRIES

Country	Year	Fund	Sample	Leakage
Peru	2001	Utilities	100	30 %
Zambia	2001	Fixed grt	182	10 %
Zambia	2001	Discr. grt	182	76 %
Kenya	2004	Bursary	330	36%
Tanzania	2004	Textbooks	210	72%
Vietnam	2006	Unspec. exp	4 prov	19%
Burkina	2012	Materials	260	35%

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14

FLOWS OF FUND IN BANGLADESH

“

- ❖ Funds from the revenue and development budget flow from the Centre to *Upazila* accounting centres. From there, funds are forwarded to the school, and, in the case of salaries, on to individual teachers and for stipends, to individual students.
- ❖ Textbooks are provided directly to the District Education Office and then distributed to children via the *Upazila* and the school.
- ❖ The Social Sectors Tracking Study conducted in 2006 found that the system was robust with little leakage, countering perceptions of misuse of funds at the local level. The only areas where significant discrepancies were found were in the distribution of textbooks to Madrasahs (only about 80% effectively reached the schools) and in the allocation of stipends where a large percentage of children were found to be ineligible,

”

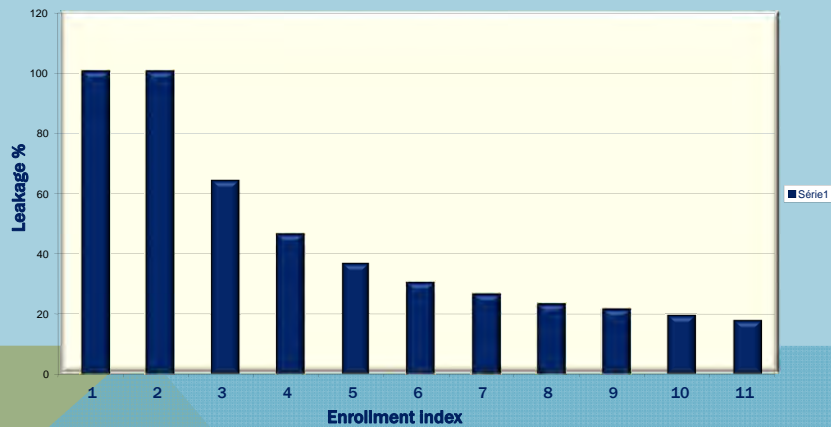
Source: Thornton, 2012

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15

CORRELATION ANALYSIS LEAKAGE AND ENROLMENT



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16

3. QUANTITATIVE SERVICE DELIVERY SURVEYS (QSIDS)

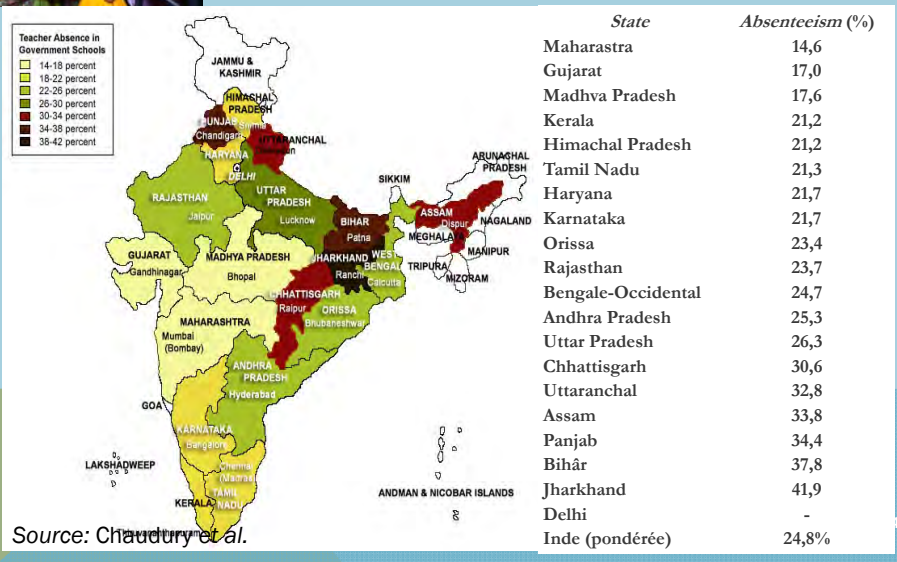
Objective:

- To examine the efficiency of public spending in education; e.g. availability of textbooks per pupil in the classroom
- To analyze the various dimensions of service delivery on the frontline (schools); e.g. number of teaching hours per week
- Implemented in Bangladesh, Ecuador, India, Indonesia, Peru, etc., often in combination with a PETS

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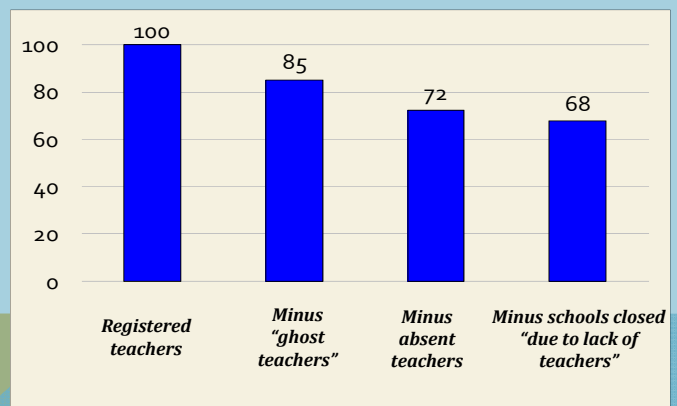


MAP OF TEACHER ABSENTEEISM IN INDIA



EFFICIENCY OF TEACHER SUPPLY

PNG : decrease of the real teacher supply



Source: Filmer

Hallak & Poisson ©IIEP-UNESCO 2014



TEACHER ABSENTEEISM IN BANGLADESH

	Primary	Secondary
<i>Head Master</i>		
Official teaching related duty	68.6	75.0
Official non-teaching related duty	0	0
Sick	0	6.3
Authorized leave	22.9	6.2
Left early	2.8	6.2
Arrive later	2.8	0
Off due to examinations	0	0
Unauthorized absence	2.9	6.3
<i>Teacher</i>		
Official teaching related duty	41.2	43.8
Official non-teaching related duty	5.9	0
Sick	12.8	3.1
Authorized leave	35.3	31.3
Left early	1.0	0
Arrive later	1.0	0
Off due to examinations	0	0
Unauthorized absence	2.9	21.9

Source: Chaudury et al.

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MAJOR IMPLEMENTATION CHALLENGES

- Costs
- Multi-disciplinary team
- Sampling specialist
- Capacity building
- Interpretation of results
 - Report cards: Perception vs facts
 - PETS: Reallocation of funds
 - QSDS: Justified/non-justified absenteeism

Who can do it?

- MOE officials
- National institute of stats
- Universities
- NGOs
- Consultants

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21

CONCLUSION

- ▶ To get a reliable diagnosis of supply, different types of surveys need to combine :
 - Report cards
 - PETS
 - QSDS
 - Perception surveys
 - Others
- ▶ Need to combine the results of various surveys (households, tests, etc.)

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22

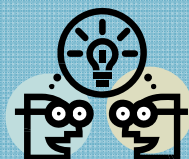
GROUP WORK

The Ministry of Education has established three survey teams to collect data on the following dimensions:

- Gr 1.** Illegal fees
- Gr 2.** Textbooks
- Gr 3.** Teacher incentives

In order to prepare the work of your survey team, reflect on the following issues:

- ▶ What items would you include in the survey questionnaire?
- ▶ Who can undertake the survey work?



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Informal payments

Taryn Vian

Boston University – School of Public Health

U4 Workshop, **Strengthening integrity and transparency in the Education and Health Sectors**

What are informal payments?

An additional direct contribution above what is stipulated by the terms of entitlement.

Gaal and McKee, Informal payment for health care and the theory of INXIT” Int J Health Plann Mgmt. 2004; 19:163-178.

Unreported or unregistered illegal payments that have been received, in cash or in kind, in exchange for the provision of a service (or of a faster or better service) that is officially free.

Stringhini et al. Human Resources for Health. 2009; 7:53.

Why informal payments are a problem

- Shifts types of care toward clinician-mediated services, over-diagnosis, more complex Rx
- Incentives to perform “off-the-books” services
- Payments extorted
- Even if payments not extorted, patients fear if they do not pay, they will not get quality care
- Rural patients seeking referral services in urban areas likely to be charged more



3

Reasons why people pay

- Contribution to care
- Want additional or extra services
- Staff or clinician misuse of power
- Gifts

Ensor T. 2004. Informal payments for health care in transition economies. *Social Science & Medicine*, 58: 237-246



4

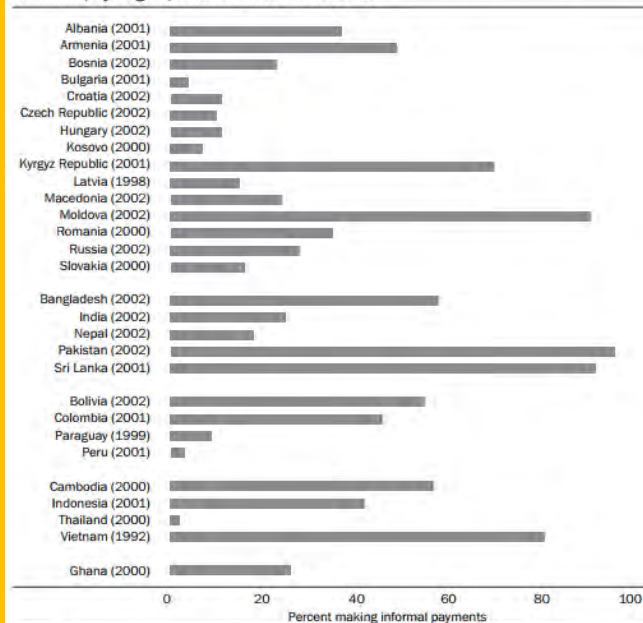
Measuring informal payments

- Household health expenditure surveys
 - formal vs. informal
 - prevalence
- Focus groups with citizens, nurses, doctors
 - meaning, why, how payments are made



5

Proportion Of Users Of Health Care Services Who Made Informal Payments, Various Countries, By Region, Selected Years 1992–2002



SOURCES: See Appendix I, online at <http://content.healthaffairs.org/content/full/26/4/984/DC1>.

6

Strategies to reduce informal payments

- Increase pay and/or benefits for workers
- Formalize user payments
- Enforce ban against informal payments
- Increase transparency, accountability, information
 - Education about coverage, patient rights
 - Means of reporting abuses
 - Community boards and citizen participation in facility management

Experience with reforms

Reducing informal payments: Hospitals in Cambodia

- Formalize user fees
- Increase salaries while establishing formal sanctions for accepting informal payments
- Increase transparency and information
- Introduced formal fees and an equity fund (for free care)
- Government subsidy increased over time
- Formal fee revenue shared among staff, as bonuses

Soeters R, Griffiths F. 2003.

Health Policy & Planning 18: 74–83;

Barber et al. 2004. *Health Policy & Planning* 19: 199-208.



Takeo Provincial Hospital, Cambodia: Results

- After implementation, inpatient utilization increased 50%
- Patients ended up paying less than the informal payments
- Outpatient utilization declined

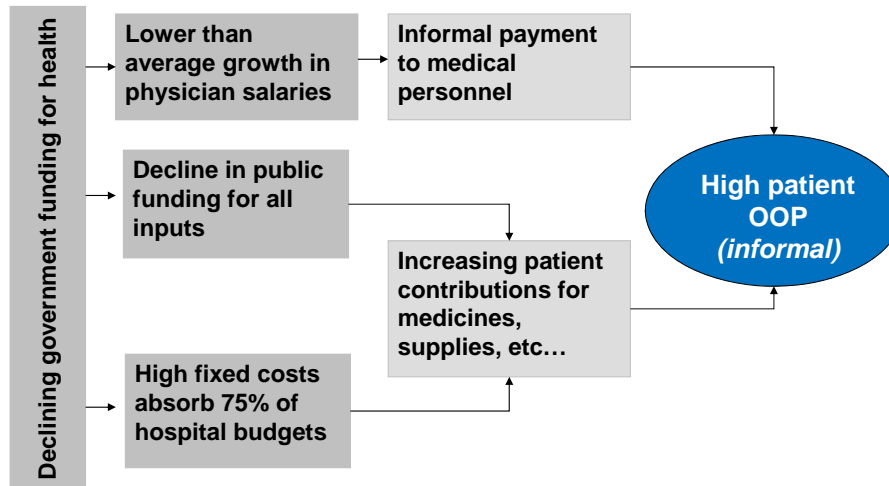


Source: J-M Thome, "Takeo Provincial Hospital Cambodia" Swiss Red Cross



10

Kyrgyz Hospitals: Combatting IPs



Source: Melitta Jakab, presentation May 2006, Boston University School of Public Health
11



Albania MOH Response to Assessment of Corruption Risks 2011

*“The report does not reflect new realities and objective facts which are very important . As an illustration: the increase of the number of insured people - their number has **doubled in less than two years**; the secondary income in the health system has **doubled due to the official tariffs** set. These examples clearly show the blow given to corruption and informality in public health and the boost of public’s confidence in the systemic measures taken.”*

12

Increase in insured

- Why important? MOH implemented new policy to decrease hospital crowding, a driver for informal payment. Only referred, insured patients get free care at hospital, others pay high fees. If working, enrollment should increase.

Table 1: Enrollment In Health Insurance Scheme

Year	Total no (persons)	% in the total population of country*	Growth in percentage enrolled
2008	870,148	18.9%	
2009	980,000	24.2%	7.30%
2010	1,380,725	34.8%	10.40%
2011 6-mo.	1,612,533	40.7%	6.10%

*Calculated using total individuals registered with GP as denominator

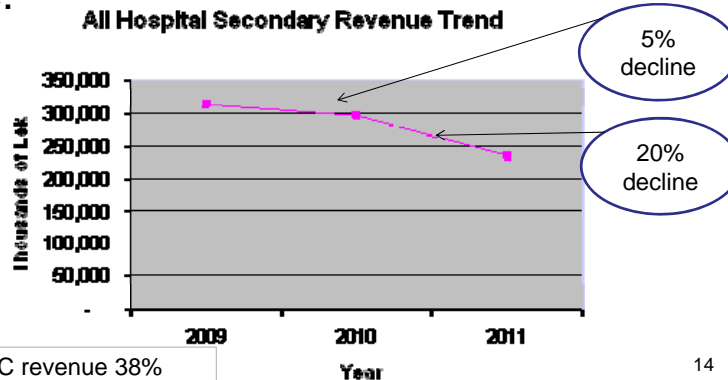
+70% since 2009

13

Increase in hospital revenue

- Higher revenues from official fees can be directed to assuring quality, paying staff more.

All Hospital Secondary Revenue Trend



14

Results and recommendations

- In 2010, 68-72% of patients paid for care that should be free. 36% had paid bribe (4% lower than 2009, but health sector still the worst of all sectors for bribes).
- Continue household surveys to monitor; encourage complaints
- Reward hospitals based on lower IP rates; better enforcement
- Continue surveillance of fee collection

15

Kyrgyz health sector reforms

- Centralization of health financing channels (pooling)
- Prospective purchasing methods
- Explicit definition of benefits with formal co-payments
- Downsizing hospital sector
- Phased implementation allowed evaluation (case/control)



16

Results

- Out-of-Pocket burden
 - Out of pocket payments rose less in reform oblasts (up \$5, vs. \$15 in controls)
- Likelihood of payment of IPs
 - Poor and non-poor were equally like to pay informal payment
- Level of informal payment
 - Conditional on making any payment, poor pay less than the middle group
 - No statistically significant difference between middle and rich

Informal payment and co-payment

- Early evaluations showed success
- Later data show increasing incorrect co-payments
 - Recorded co-payment revenues were less than what people reported paying, which was less than what they were expected to pay (price x utilization)

Albania / Senegal

- Studies to raise awareness of problems
- Decentralized hospitals with high political will enforced policies
 - posters with cell phone number of director “call me anytime if someone asks you for an informal payment”
 - mystery patients carried numbered bills, controlled clinicians’ cash on exit, fired staff caught with numbered bills
 - investigated citizen complaints on absenteeism, fired staff
 - investigative journalists used hand-held cameras, publicized on TV



19

Armenia Maternity Certificate Program

- Before
 - Antenatal and delivery care part of Basic Benefit Package
 - Formal & informal payments common, even among poor
- New Policy
 - Vouchers guarantee full coverage
 - Not allowed to charge patients
 - Reimbursement levels increased for facilities and practices, OB salaries increased
 - Public communications to inform
 - High profile enforcement of those caught taking IPs



20

Possible Roles for community or CSO monitoring

- Passive
 - Hotline (see <http://www.u4.no/publications/complaints-mechanisms-in-health-organizations/>)
 - NGO staff in hospitals as “ombudsmen”
- Active
 - Talk with women in antenatal care
 - Active outreach to women’s groups
 - Training/role-playing with women on how to respond to requests to pay



21

Is it working?

- Depends on...
 - Transparency of policy
 - Implemented as designed?
 - Process evaluation
 - Monitoring by Civil Society Organizations, MOH
 - Effectiveness evaluation – impact
 - Small qualitative study showed it is working in rural areas, but in cities people are still paying under the table



22



U4 training workshop:
'Strengthening integrity and transparency in the education
and health sectors in Bangladesh'
Dakha, 31 March-02 April 2014

Improving access to education by addressing illegal fees and informal payments

Jacques Hallak & Muriel Poisson

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OBJECTIVES OF THE SESSION

2

- Present the characteristics of petty corruption and types of informal payments at the school level
- Discuss the problem of petty corruption and informal payments on quality and access to education in Bangladesh
- Review good practices and lessons learned from the international perspective in implementing to reduce petty corruption and informal payments
- Discuss successful experiences already achieved to address the problem in Bangladesh and the remaining challenges

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3

CAUSES FOR IRREGULAR FEES

- Constraints on public financing
- Low salaries of teachers and staff
- Lack of physical and didactic facilities
- Pressure for more enrolment
- Teachers control student promotion
- Exams have a “gatekeeping function”
- Competition among schools (league tables)
- Changing rules and regulations
- No explicit rules

Corruption = Monopoly + Discretion – Accountability

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4

BACKGROUND

- School fee abolition initiative
- Significant achievement in enrolment expansion
- Large number of children still out of school, either because they did not enroll in school or dropped out very early, mostly due to poverty
- Still problems of quality of services (teachers and textbooks)
- Major factor to be considered in this context: petty corruption and illegal payments that affect the poorest of the population

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ILLEGAL FEES AND INFORMAL PAYMENTS: DEFINITIONS

5

- ▀ **Illegal fees:** recurrent payments from parents can be collected once or more per academic year by teachers, or school principals (examination fees, sport fees, school development fees, boarding fees)
- ▀ **Informal payments:** whenever official permission, assistance, or other documentation is required in schools, gatekeeping opportunities occur and parents may be asked to make informal payments



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PARENTS CONTRIBUTIONS TO SCHOOLS IN VIETNAM (IN VND)

6

Source: PETS 2008, NCG

Type	Level of contribution to school per student
Regulated fees	
Construction / Maintenance	Fees at schools in rural areas range between 5,000 to 50,000 Fees at schools in urban areas range between 28,000 to 70,000 There are no fees charged at the schools in mountainous areas
Full-day tuition fee	Main fee level ranges between 70,000 and 180,000 Schools in two provinces charge 270,000 - 600,000 per student
Non-regulated fees	
Health insurance	Fees range from 25,000 to 50,000
Life insurance	At most schools fee the level is 25,000 Maximum fee observed was 50,000
Parent Association Fund	Main fee level from 15,000 to 60,000 One province has level of 3,000-10,000 Urban fee level in one province: 60,000 – 100,000
Electricity	Only collected in two provinces where it ranges from 5,000-27,000
Hygiene/Cleaning fee	Fees charged by some schools from 2,000-15,000 in one province. In some of the others fees charged by some schools 3,000-10,000
Ho Chi Minh Teenager Union Fund	Fees charged by schools from 500 to 15,000
School guard fee	Fees charged by schools from 500 to 5 000, not charged in two provinces
Education Development/Supporting Fee	Fees charged by some schools in three provinces from 50,000 to 100,000 Fees charged by some schools in one rural area: 5,000-10,000 Fees not charged in two provinces
Lunch full day fee	Fees charged by some schools in two provinces with 3,500 per lunch, approximately 700,000 per year.

10,000 VND = 0,5 US\$



TYOLOGY OF FEES IN FOUR COUNTRIES

7

% of households reporting expenditures on different categories of fees in primary education in selected countries. (Source: SFAU, 2009)

Expenditure	Country (year of survey)			
	Malawi (2002)	Nigeria (2004)	Uganda (2001)	Zambia (2002)
Tuition	1	14	22	73
Books, supplies	83	99	97	98
Uniforms, clothing	69	88	78	81
PTA	—	70	18	67
Development fund	57	29	56	—
Exam fees	3	39	24	2
Transport	1	5	6	2
Food	34	62	24	24
Boarding fees	0.3	0.2	2	0.2
Private tutoring	4	23	6	12
School reports	15	—	—	—
Sports fund	—	—	—	24
Maintenance fees	—	18	—	10
Other	2	14	24	4

2014



FEES AND POVERTY IN BANGLADESH

8

- Poorer households, households with a less-educated household head, and households with girls studying in school are more likely to be victims of corruption
- The network variable is positively correlated with the household's social status (ed. exp.)
- Households with a network are able to bypass the red tape or pay a lesser amount of bribe

Establish a relationship with or take any help from a political leader, an elected local government rep., or other influential people (e.g. headmaster)

Source: Choe, Dzhumashev, Islam, Khan, 2011



9

ILLEGAL FEES AND ILLEGAL PAYMENTS IN BANGLADESH

- ▶ 40% of households reported having paid '**donations of bribes**' to enroll their children in primary schools
- ▶ Nearly half of poor students in rural areas are entitled to receive **stipends**, many do not receive the right amount or face problems in receiving them on time
- ▶ Although primary education is free for all, it becomes prohibitively expensive for poor families as reality requires them to pay for **private tuition** for their children
- ▶ **Examination papers** are sold in advance to students or to favor particular students

Source: TIB, 2010

Bangladesh: The largest share of education spending for slum children goes to private tutoring, both in primary (21%) and secondary (31%) education

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10

THE RISKS ATTACHED

- ▶ **Inequity in distribution:** more resources to 'rich schools'
- ▶ **Lower quality:** funds are not used to improve conditions of schooling; to add income to teachers
- ▶ **Inadequate coverage:** private institutions tend to locate where the contributive capacity is higher
- ▶ **Misuse of resources and corruption:** promotion/transition of pupils/students and bribes; private tutoring to cover a share in the curriculum

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11

ADVERSE EFFECTS OF ILLEGAL PAYMENTS ON EQUITY

“

A corrupt teacher (or school) creates multiple layers of red tape that obstruct a household's access to their child's education service which is otherwise free

(Choe, Dzhumashev, Islam and Khan, 2012)

The model shows that the bribe paid by the service demander increases with the level of red tape and income level, but it decreases with the improvement of the individual's social status

(Dzhumashev, Islam and Khan, 2010)

”

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12

GROUP WORK

Groups will deal with the following types of fees:

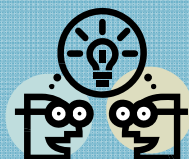
Group 1. Admission fees

Group 2. Stipend fees

Group 3. Private tuition fees

For each working group:

1. Describe how these illegal fees are imposed on parents or pupils
2. Assess to what extent illegal fees affect more rural than urban areas, and the poorest of the population, and why



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1. PUBLICIZE NORMS AND STANDARDS

Publicize norms and standards (by level of education) for raising fees to avoid corrupt practices (more transparency):

- By limiting the number of irregular fees
- By imposing the maximum rates
- By promoting self-regulation through professional association
- By disseminating accurate, regular, and timely information



REGULATING AND MONITORING PRIVATE TUTORING

USERS

- Organize public campaigns
- Explain the unethical use of private tutoring (teachers tutoring their own pupils)
- Explain state regulation on private tutoring
- Introduce state funded supplementary classes

TUTORS

- Collect data on the incomes of tutors for collecting taxes
- Introduce taxation on private tutoring
- Pass regulation on private tutoring to ensure quality
- Introduce system of licensing of tutors to provide private tutoring



THE EXPERIENCE OF HONG KONG

- ❖ **Establish and maintain:**
 - a list of recognized irregular fees
 - a list of schools with their system of fees
- ❖ **Campaign to educate parents on the choice of a tutorial school**
- ❖ **Warn operators and inform clients of their rights:**
 - information booklet, website
 - list of registered tutorial schools (specifications, premises, fees, offences)
 - list of unregistered schools (convictions)



2. COMPENSATORY MEASURES FOR THE POOR

Compensatory resources for the poor to address low contributive capacity

- ▀ Equalization grants (practiced in most highly decentralized systems, e.g. USA)
- ▀ Targeted grants to meet specific needs of underprivileged groups (as part of poverty reduction strategies)

Bangladesh

Targeted stipends to bring the poorest and girls into schools



17

TARGETING THE MOST VULNERABLE IN CHINA

Scholarship scheme of the Gansu Basic project, China:

- At least 70% of scholarship recipients should be girls and at least 60% from ethnic minorities
- In townships in which the enrolment rate is below 60%, half of the scholarship funds should be used to support children who never attended school
- Only children from families with an annual income of less than 300 yuan who have at their disposal less than 300 grams of grain per capita are eligible

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18

3. LINKING COSTS AND RESOURCES

Adequate service delivery, both in quantity and quality requires proper costing and corresponding resources

- Using cost norms as a basis for funding schools
- Considering the value of “student basket”
- Acting gradually to take into account budgetary constraints

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19

STUDENT BASKET IN LITHUANIA

- Annual amount of resources to be spent for teaching one student (teachers' salaries, teaching materials, management, pedagogical and social help)
- Application to all public, municipal and state general education schools
- 1/3 of resources provided through the student basket; three years later: full

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20

CONCLUSION

- Need to take into account budget constraints
- Irregular fees as a transitional mode of school financing?
- In any case, there is need for proper regulation, and concern for equity

Transparency is key!

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GROUP WORK

The task of each working group is to:

1. Discuss the application of the three following approaches in the context of Bangladesh:
 - Publicize norms and standards
 - Compensatory measures for the poor
 - Linking costs and resources
2. Reflect on possible obstacles to the generalization of integrity pledges and how they can be overcome



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ICTs for enhanced accountability and transparency

Nuzhat Jabin
Programme Manager
BRAC Institute of Governance and Development,
BRAC University

1

e-Purjee system

It address *key problems* such as

- Delay in receiving the 'purjee'
- Capture of 'purjee' by interest groups
- Mill staff selling paper 'purjee'

Solution

Sending purchase order to farmers through SMS and publishing through website

Online dashboard with real time update on issuance of e-purjee and feedback from farmers

2

I Paid a Bribe

Aims to quantify petty corruption through a portal which collates information on actual bribes paid by the citizens

Users register cases of paying bribe, not paying bribe, getting a service without having to pay bribe

Portal contains an advice column and a blog

3

Digitizing the Employment Guarantee Act

It address the *key problems* of

- Workers unaware of basic rights and provisions under the Act
- Corrupt practices of job allocation, calculations of work days for payments

Government initiates an 'ICT- ecosystem' consisting of Info-kiosk, community radio, bio-metric and GPS enabled attendance system and mobile based job card retrieval

4



Crowd mapping the world we want

SMS based poll to for crowdmapping the priorities for the post 2015 development agenda

Result

In two weeks almost 175,000 voices were represented and a map with identified priorities was developed

Mobile-based application for citizens feedback

A voice enabled mobile phone application that can be used to generate citizens feedback.

Application is deployed in individual mobiles and citizen feedback received via GPRS or SMS

Data analyzed and appropriate actions taken

7

Challenges

- Low level of awareness
- Financial sustainability
- Language barrier
- Difficulty in initiation

8

Important to remember

Context

- Institutional capacities
- Development levels
- Legal and policy environment
- Political will/ reform champions
- Social factors

Information and Communication Technologies for integrity, transparency and accountability

Aranzazu Guillan Montero
Program Advisor – U4

1

Objectives of the session

- I. To understand **the value of ICTs** for transparency and accountability in service delivery
- II. To provide an overview of the different **types of ICT-based tools**
- III. To discuss the **incentives** for the adoption and use of ICT innovation
- IV. To learn about the **enabling conditions** that make ICT effective for anti-corruption

2



“...seizing this moment to strengthen our commitments to promote transparency, fight corruption, empower citizens, and harness the power of new technologies to make government more effective and accountable”

(Open Government Partnership, 2011)

3

What are ICTs?

- **Information and Communication Technologies (ICTs)**
 - ✓ Technologies that provide access to information through telecommunications.
 - ✓ *Umbrella term:* any communication device or application, encompassing radio, television, cellular phones, computer and network hardware and software, satellite systems and so on, as well as the various services and applications associated with them (e.g., videoconferencing, distance learning).
- Often spoken of in a particular context (e.g., ICTs for education).



4

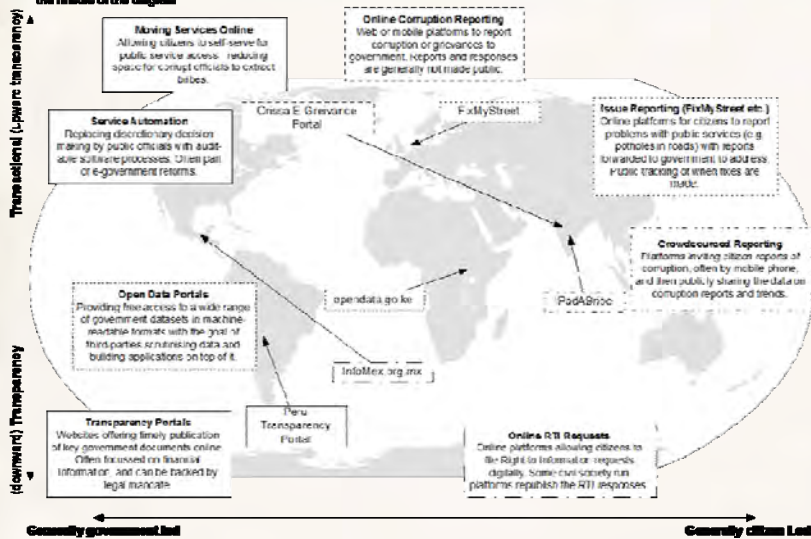
Types of ICTs



- **Agency** - Catalysed and implemented by:
 - Government
 - Civil society
 - **Focus** – how they reduce space for corruption:
 - **Transactional:** controlling and automating processes inside government, or increasing the flow of information into existing government oversight and accountability mechanisms
 - **Transparency:** increasing external control by making the actions of the state and its agents more visible to citizens, civil society and the private sector
- (*) not clear-cut categories / inter-relations

Types of ICTs

Examples of ICT innovations with an anti-corruption role. Outer boxes represent general classes of innovation; illustrative examples in the middle of the diagram



Source: Fumega and Davies 2014 forthcoming

Benefits of ICTs



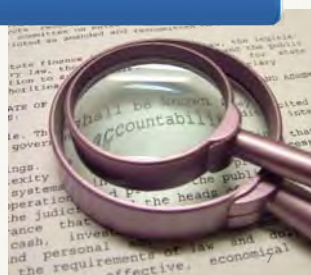
Transform public service delivery

- Facilitate citizens' access to services
- Increase the transparency of service delivery
- Limit the discretion of office holders



Provide collective action tools for citizens to

- Organize
- Monitor service delivery
- Report corruption
- Demand government accountability



Example of ICTs




Citizen reporting channels


- Flow of information from citizens to government
 - Citizens report instances of corruption or provide government agents with information they need to identify and address corrupt behaviour
 - Allow tracking citizen reports
 - **Under the right conditions (E.G., will to challenge corruption, investigations and sanctions backed through judicial processes or integrity agencies, media attention) citizen reports may lead to change**



- Created by:
 - Government (e.g., E-grievance portal Orissa)
 - Civil society (e.g., I paid a bribe)

Example of ICTs






www.janaagraha.org **I Paid a Bribe**

9

Realizing the potential of ICTs




Technology is only part of the picture

- Legal framework
- Organizational processes
- Leadership
- Change management strategies

Technology does not ensure effective service delivery

- Incentives and motivation for ICT adoption
- Incentives and motivation for ICT use
- Uptake of information
- Context in which ICTs are deployed
- Role of intermediaries



10

Incentives for adopting ICTs



Range of incentives /motives

- Government efficiency
- Economic growth and innovation
- Principal-agent problems
- Outside pressure
- Bottom up pressure



11

Incentives for using ICTs



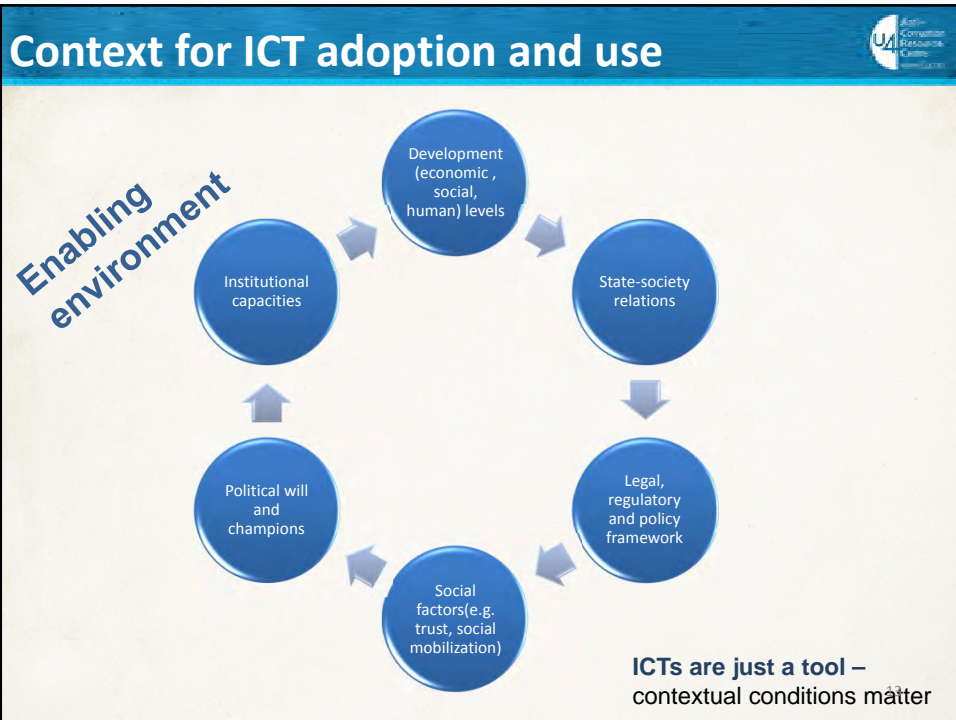
ICT reforms rely upon the engagement of citizens and are designed for citizens to act

- Individually or collectively
- Direct or mediated (*infomediaries*)
- Passive consumers or active watchdogs

Different “citizens” have different resources, capacities and motives



12



- ## Conclusion
-
- ✓ Whether ICTs can fulfill their AC potential depends on **the incentives** for adoption, use and **the implementation context**.
 - ✓ **Incentives for adoption are mixed** and interact.
 - ✓ For sustained engagement, citizen **expectations must be fulfilled**.
 - ✓ Need to consider different dimensions of the **enabling environment** of ICTs.
- 14



Strengthening integrity and transparency in the education and health sectors - Bangladesh

Recap Day 2

1

Risks of corruption

- Examples of relevant studies that show the effectiveness of relying on complementary AC measures (control, monitoring, sanctions)
- Distinction between:
 - Risk identification
 - Risk assessment
 - Risk mitigation
- Some tools for risk assessment
- Corruption risk management in the project cycle
 - Need to focus on implementation and monitoring and evaluation (not only on the first stages)
- Remedies depend on the diagnosis

2

Group work - Health



- Participants noted problems in all areas of the WHO Health Building Blocks
- 5 issues analysed through: identification of scope of the problem, identification of drivers, data, rationalization and possible solutions:
 - Informal payments; Selling Jobs; Absenteeism; Shortages of staff; Procurement of medicines
- Issues regarding enabling environment, information, infrastructure problems and financing & resource allocation were also discussed
- Video on social audits and discussion on:
 - The experience of Bangladesh with SAcc tools
 - Scaling up and sustainability
 - Follow up to citizen feedback and results of social audits
 - Role of NGOs as intermediaries/facilitators for social mobilisation

3

Group work - Health



- Informal payments
 - Concept
 - Why they are a problem
 - How can we measure informal payments
 - Strategies to reduce informal payments
- Examples of reforms
- Reflection on the results of these strategies

4

Group work –Education



- Mapping of distorted practices
 - Different areas or processes
 - Opportunities for corrupt practices in each area
 - Impact on education
- Transparency
 - RTI Act in Bangladesh
 - Information management systems
 - Three tools : Public Expenditure Tracking Surveys; Report Cards; Quantitative Service Delivery Surveys
 - What are these tools
 - Examples of application (including Bangladesh if applicable)
 - Implementation challenges
- Group exercise

5

Group work - Education



- Illegal fees and informal payments
 - Understanding the concepts
 - Analysis of causes
 - Different types of fees
 - Illegal fees and payments in Bangladesh
 - Impacts and risks attached: on distribution, quality, coverage, misuse of resources and corruption risks
 - Addressing illegal fees and informal payments
 - Examples from different approaches and cases
 - The value of transparency
 - Group work exercises

6

ICTs

- ICTs are just a tool -other factors influence their effective use for enhancing service delivery (yet also involve specific challenges):
 - Incentives for adoption and use (e.g. fig leaf effect, limited awareness)
 - Uptake of information (e.g., barriers to uptake)
 - Context (e.g., weak organisational capacity, no champions)
- Some experiences
 - E-purjee system
 - I paid a bribe
 - Digitizing the Employment Guarantee Act
 - Crowd mapping the world we want
 - Mobile based application for citizen feedback

7

ICTs – Group discussion

- Health: smart cards for health insurance; biometrics attendance system; e-procurement
- Education: e-procurement; online selection of schools; real time monitoring systems; ICT enabled monitoring of textbook distribution; disclosure of information on report card system ... And many other!
- Issues:
 - Common interest in adopting e-procurement. Many experiences on this area – some work some don't
 - Need of being realistic and prioritize to obtain results and maximise impact
 - Build synergies with existing initiatives
 - Invest in ICTs for prevention rather than for detection

8



Absenteeism

Taryn Vian
Boston University – School of Public Health

U4 Workshop, **Strengthening integrity and transparency in the
Education and Health Sectors**

Workshop Absenteeism: Attendance at 8:30 a.m.



The problem

Primary Health Center Absence rates (%)	
Bangladesh	35
India	40
Indonesia	40
Peru	25
Uganda	37
Unweighted average	35

Chaudhury, Hammer, Kremer, Muralidharan and Rogers. 2006. Missing in Action: Teacher and Health Worker Absence in Developing Countries. *J of Econ Perspectives*. 20(1), p. 91-116



3

Absence rates are higher ...

- In poor regions
- Among powerful providers (e.g. doctors), compared to other health staff
- Among men
- In public facilities and facilities with lower quality infrastructure



4

How to know what works?

- Experimentation with randomization
- Choose 100 representative facilities
- Randomize and implement improvement strategy in 50, do not implement in other facilities until trial is over.
- Measure and compare outcomes in the two groups.



5

How to measure absenteeism?

- Direct observations during unannounced visits.
- Examples:
 - Locally hired person monitors absence weekly for 1 year (unannounced visits on random days)
 - Monthly monitoring visits (unannounced, random days) by a monitor who is employed by research team.
- Monitors look for nurse in the center or in any of the villages where s/he is supposed to be working.



6

Strategies to curb absenteeism

1. Change incentives to providers through rewards and punishments implemented by monitors (hierarchical control)
2. Change incentives to providers through more active involvement of those who will benefit from services (beneficiary control)
3. Increase demand for services to put more pressure on providers



7

1. Hierarchical control

- Monitor intensively and base incentives (rewards & punishments) on measured performance
- Incentives may be monetary, or can use praise or shame
- Different methods of monitoring are possible (supervisor, time clock, etc.)
- Choice of what to monitor (e.g. absences or performance outputs)



8

2. Beneficiary control

- Two components
 - There has to be real demand for service, because monitoring takes work!
 - Must be a mechanism for affecting providers

“People accept what they can have. Let’s say you have a family planning service and it is not providing good quality service. I can change and go to another family planning clinic if I am in an urban area. But if I am in a village where there is only one clinic, where can I go? I will come to your place, even if the quality is not good.”

Rwandan doctor, explaining how lack of choice affects quality of care



9

2. Beneficiary control

- Options: put beneficiaries in charge of:
 - hiring and firing providers, or deciding pay
 - monitoring and reporting provider absences
- Advantages:
 - cheaper for beneficiaries to monitor; beneficiaries are better informed; social opprobrium
 - if demand really exists, beneficiaries should be willing to reward or punish agents; if not, this may indicate low demand for services
- Caveats:
 - social inequalities; power to retaliate



10

3. Demand side interventions

- Building facilities closer to where people live
- Incentives for children or parents of children who attend school (PROGRESA program in Mexico, school meals)
- Improving school or health center infrastructure, increasing inputs

Exercise

- Read the descriptions of experiments to reduce absenteeism
- Analyze the type of strategy used
- Predict the effect on absenteeism, and any other intended or unintended effects

Lessons learned

- Mechanically implemented incentive program can be very effective in reducing absenteeism.
 - Clearly defined task, simple incentives, systematic implementation
- When human judgment is involved in a system where rules are often bent, incentives may easily be perverted, either in an equitable direction or to favor specific individuals or groups.



13

Lessons learned

- Incentives must be tied **directly** to attendance. Incentives help staff get a better sense of what their objectives are, and will lead them to focus on best ways to achieve them.
- Community monitoring has **weak effect**. It does not work if community lacks formal authority to reward or punish provider.
 - people are not upset enough?



14

Low expectations—low results

- Community monitoring may not work because people have low expectations of public health facilities
 - “Did your last visit to a public health facility make you feel better?”* 75% yes
 - even with high absence rates, long waits, lack of drugs!
- If people have given up on public facilities, they may have little motivation to work to improve them.

*Data from a survey in Udaipur District, Rajasthan, India, Banerjee and Duflo



15

Lessons learned

- Working conditions faced by providers help explain why incentives don't work. Rationalizing job descriptions, providing transport allowances may help increase attendance
- Weak effect of community monitoring requires more analysis, focus on building stronger demand



16

Strategies to improve teacher management and behavior

Jacques Hallak & Muriel Poisson

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OBJECTIVES OF THE SESSION

2

Identify major risks of distorted practices in
teacher management and behavior

- ▀ Lessons drawn from international experiences to reduce risks in teacher management
- ▀ Discuss strategies to improve transparency in teacher management in Bangladesh
- ▀ Lessons drawn from international experiences to improve the integrity of teachers
- ▀ Discuss the use of integrity tools to improve teachers' accountability in the context of Bangladesh



3

CENTRALIZED VS DECENTRALIZED MANAGEMENT: HYBRID SYSTEMS

- ▶ Central authorities advertise teacher recruitment based on the requirements assessed by the local authorities
- ▶ Initial deployment remains a central function
- ▶ Local authorities can transfer teachers based on set criteria
- ▶ Lack of systematic information on teacher qualifications, needs and projections

Explicit definition of responsibilities of each layer of the administration

Strengthening capacities of management through training

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4

IN BANGLADESH: A HYBRID SYSTEM

- For government primary schools the Directorate of Primary Education advertises posts and invites application in daily newspapers
- Selection tests and interviews are used to determine candidates. Candidates pass a uniform written test and an oral test
- The DPEO is the appointing authority of GPS teachers. A large number of teachers are recruited at once and then posted to different schools (regardless of their home districts or towns)
- In community, non-government private and community schools, teacher recruitment is performed by the School Managing Committee on the basis of interviews
- Teachers in these schools are usually recruited from the local community
- The SMC chosen candidates are sent to the *Upazila* Education Committee, which recommends them and sends them to the District Education Committee
- The DEC forwards them to the RNGPS Project Implementation Unit, which approves the appointment

Source: Haq and Islam, 2005

In a hybrid setting, are there particular risks of distorted recruitment practices?

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THE PROS AND CONS OF DECENTRALIZED MANAGEMENT

5

Reduced risk of corruption

- ✔ Better knowledge of teachers and their skills
- ✔ Less risk of illicit exchanges and transfer of teachers
- ✔ Reduced number of ghost teachers

Increased risk of corruption

- ✔ Nepotism
- ✔ Greater pressure from local actors
- ✔ Non-compliance with national management criteria
- ✔ More discretion in the use of personnel evaluation and promotion criteria

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CORRUPTION IN TEACHER RECRUITMENT

6

- ✔ **Manipulation of information:** lack of accurate base line data on teachers, use of fake documents, inflation of posts
- ✔ **Favoritism and nepotism :**
 - unfair selection processes in appointment
 - the teacher is a friend or family-member to someone in the administration
 - the teacher is appointed because of his/her socio-political background, political party, union (Mexico), etc.
- ✔ **Bribes** for recruitment

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7

TEACHER DEPLOYMENT

- Pressure on the administration to assign staff
- Positions filled declared vacant to get more teachers
- Women faking marriage in order to get a transfer
- Teachers working at locations other than where posted)
- Teacher exchanges based on private agreements
- Teachers seconded from teaching to administrative duties without official clearance
- Illegal replacement of teachers

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8

TEACHER REMUNERATION

- Incorrect or double salary payments
- Teachers having to pay back part of their salaries to the person in charge of giving it to them (Brazil, Cambodia)
- Ghost teachers on the rosters and payroll
- Forging of documents and bribing of officials to secure larger retirement cheques and/or earlier retirement
- Embezzlement of pension funds by administrative staff

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SURVEY ON STAFF MANAGEMENT IN FRANCE

- About 1,000 posted teachers are unavailable
- About 2,500 substitute teachers are in excess of needs
- A large number of teachers are unemployed
- Nonetheless, there is recruitment of temporary teachers (2004 > 15,000 temporary teachers over and above substitute teachers)
- This results in both bad management and abuse

Source: Report of the Cour des comptes



AWARENESS INDICATORS (RED FLAGS)

Area	'Red flags'
Diploma	<ul style="list-style-type: none"> ➤ Degree from an unknown university ➤ Abnormal number of degrees/high level
Exams	<ul style="list-style-type: none"> ➤ Teachers do not get paid for conducting exams ➤ Very high % of students pass the exams or obtain very good scores
Salaries	<ul style="list-style-type: none"> ➤ Low salaries, extravagant lifestyles of teachers
Teacher appointment/transfer	<ul style="list-style-type: none"> ➤ Appointment of family/close friends ➤ Teachers close to the administration are getting the most attractive posts
'Ghost teachers'	<ul style="list-style-type: none"> ➤ Gap between payroll & actual number of working teachers



11

1. CLEANING THE LIST OF STAFF

- To organize a nation-wide 'headcount' exercise, during which teams physically verify that teachers listed on payroll sheets exist
- To check credentials and avoid the use of fake degrees
- To use a formal administrative act to validate the final list of teachers eligible to receive salaries
- To conduct 'spot audits' throughout the year
- To identify cases of double salaries or undeclared sick leave (longer than the norm of three days)

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12

2. ELIMINATING THE USE OF FAKE DIPLOMAS ?

- Verify the validity of degrees with the educational institutions listed as having granted them when a new teacher is employed
- The original diploma should be presented whenever the headmaster/administration claim so
- Prevent such behaviour by informing staff about the consequences of using fake degrees (fine or dismissal)
- Promotions or increase in salary should not be given before verification of qualifications

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3. SETTING CLEAR CRITERIA (IN CONSULTATION WITH THE UNIONS)

- Adoption of one recruitment per year
- Selection of common parameters
- Vacant posts publicized
- Selection process outsourced
- Transfer decided by the central office in consultation with LEAs
- Transfer requests considered only at the end of the school year, except in cases of proven illnesses, court orders
- Monthly records of school employees' daily attendance created by each school

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4. CREATING A COMPUTERIZED MANAGEMENT SYSTEM

- Detailed information on each teacher (teacher code, work history, changes affecting pay...)
- Update data bases:
 - Teachers receiving double salaries
 - Undeclared sick leave (more than 3 days)
 - Unjustified or excess payment of salaries
- *Result:* less time needed to deal with requests

PROCEDURE	2000	2010
Leave	15 days	5 days
Retirement	20 days	3 days
Filling vacant posts	25 days	6 days
Assignments	20 days	6 days
Technical bonuses	45 days	15 days
Vacation	20 days	5 days
Disability	25 days	8 days



15

5. SETTING-UP CONTROL MECHANISMS

Once an anomaly is detected (e.g. teacher absenteeism), the institutions in question (MOE, school, etc.) should :

- determine the status of each teacher (qualification, contract, etc.)
- inform the entities responsible for carrying out the disciplinary action
- review any potential need for revising the procedure

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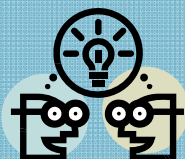
16

GROUP WORK

Discuss major risks attached to the recruitment and payment of salaries of the following 4 categories of teachers in Bangladesh:

1. Government primary school teachers
2. Non-government primary school teachers
3. Community primary school teachers
4. Private primary school teachers

If time permits, formulate one possible measure to address these challenges for community primary school teachers



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MAJOR SOURCES FOR UNETHICAL BEHAVIOUR AMONG TEACHERS

17

Source of unethical behaviour	Very serious	Serious	Less serious	Not at all a source
Abuses in human resource management	India, Bangladesh, Nepal	X ⁽⁹⁾	X	X
Abuses in supply and purchase of materials	X	India, Bangladesh, Nepal	X	X
Conduct of school inspection	X	Nepal	India, Bangladesh	X
School admissions	X	Nepal	Bangladesh	India
School examinations and qualifications	X	Nepal	India, Bangladesh	X
Embezzlement/mismanagement of school finance	Bangladesh, Nepal	India	X	X
Staff attendance/absenteeism	X	Bangladesh, Nepal	India	X
Poor human relations among staff in the school	X	Nepal	India, Bangladesh	X
Private tuition by teachers	India, Bangladesh	Nepal	X	X

Source: Khandelwal *et al.*

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UNETHICAL BEHAVIOUR AMONG TEACHERS IN BANGLADESH

18

- ▶ Some teachers in remote rural areas do not attend school regularly, and instead pay local unauthorised persons/teachers to work in their place during their absence
- ▶ Head teachers in registered private schools and *madrasahs* have also conspired with their SMCs to collect salaries for fictitious teachers
- ▶ Head teachers have collaborated with relevant officials to collect stipends allocated by the government for poor children in primary schools and all girls of rural secondary schools for fictitious children
- ▶ Local education offices are sometimes aware of these practices, but they rarely respond unless they have received a written report

Sexual assault on female students (Faruque Ahmed, 2011)

Source: Haq and Islam, 2005

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TEACHER INCENTIVES KEY TO REDUCE MISBEHAVIOURS IN BANGLADESH

19

- Teachers' salary determined by qualifications, training and experience
- Compensate better performing teachers
 - Clear and transparent criteria for rewarding
 - Efficient recruitment and deployment
- Rewarding teachers according to their attendance and performance (merit-based)

Reducing teacher absenteeism requires:

- motivation of teachers
- School autonomy
- involvement of parents in school management
- devolution of administrative and financial powers to communities

Source: Chaudhury, 2006

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TEACHER INCENTIVES PROS AND CONS OF DIFFERENT APPROACHES

20

	Pros	Challenges
In-kind	Needs-based	Long time to reach beneficiaries Definition of needs subjective
Cash-based	Fewer intermediaries. More standardized, making it easier to track amounts	In countries where bank facilities are not widespread, burden for teachers
Centralized		Decision-making carried out far from beneficiaries
Decentralized	Adaption to local needs and cultures Greater chance for communities to oversee programme operations and hold authorities accountable	Local financial and managerial capacity needed Increased length of time for money to reach final beneficiaries

Source: Poisson, 2014

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REDUCING TEACHER ABSENTEEISM

- Specification of the area's features in the publication of posts
- Inform staff about the rules and procedures to be followed in case of sick leave as well as the sanctions
- Make clear that the rules are the same for everybody
- Organize internal and external controls to make sure that the teacher is in the classroom
- Improve the infrastructure
- Build ownership: unions and PTAs



WHAT A CODE IS ALL ABOUT?

“

A code of conduct is a set of guidelines – a written document – produced by public authorities or by professional organizations, which details the set of recognized ethical norms (or values) and professional standards of conduct to which all members of a profession must adhere

”



INTERNATIONAL STANDARDS TO BE CONSIDERED

Towards pupils	Towards parents & the community	Towards colleagues	Towards employers	Towards the profession
Shall respect the learner's right and dignity without prejudice to gender, colour, age, place of origin, language, sexual orientation, socio-economic background, family status, religion	Shall conduct himself/herself in a manner that does not show disrespect to the values, beliefs and customs of the parents, and to the broader community	Shall refrain from undermining the status and authority of his/her colleagues	Shall be truthful when making statements about his/her qualifications and credentials	Shall act in a manner that upholds the honour and dignity of the profession

Source: Poisson, 2010

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THE GOVERNMENT SERVANTS (CONDUCT) RULES IN BANGLADESH

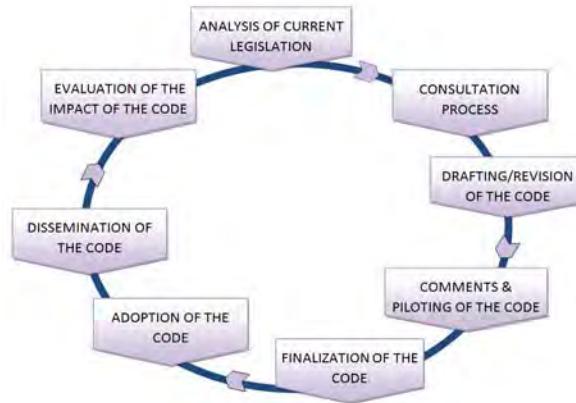
“ 5. Gifts. No Government servant shall, except with the previous sanction of the Government, accept, or permit any member of his family to accept, from any person any gift the receipt of which will place him under any form of official obligation to the donor. If the offer of a gift cannot be refused without giving undue offense, it may be accepted and delivered to the Government for decision as its disposal. ”

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MAIN STEPS INVOLVED IN CODE DEVELOPMENT

25



Source: Poisson, 2010

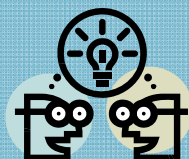
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GROUP WORK

26

1. Do teachers know about the existence of the Code for civil servants? To what extent has the code helped improve ethical behavior in schools?
2. Compare the code of ethics for civil servants in Bangladesh with the international standards of professional conduct for teachers and comment
3. List three measures to be taken to enforce the implementation of the Code (information, training, incentives, etc.)



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Pharmaceutical Systems

Taryn Vian

Acknowledging the assistance of Andy O'Connell, DFID

U4 Workshop, **Strengthening integrity and transparency in the
Education and Health Sectors**

Public Goals

- Safe, effective drugs available in private and public sectors
- Public sector spending to purchase safe, effective, low cost drugs in amounts the country needs, in a manner that is timely and reliable
- Systems which provide safe and efficient storage and delivery to assure uninterrupted availability of the right drugs to the right people at the right times
- Prescribing, dispensing, and use of drugs for the best therapeutic outcomes and least cost

Drug Sector Decision Points

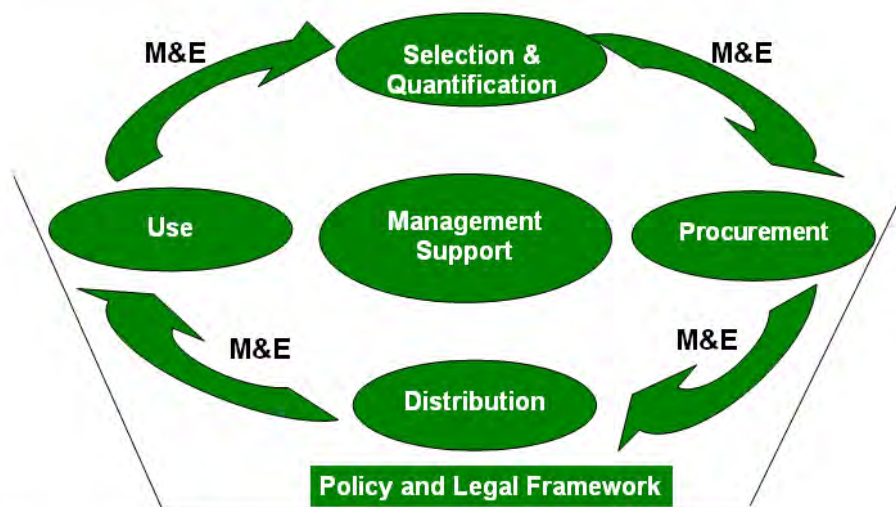
- Manufacturing
- Registration
- Selection
- Procurement
- Distribution
- Prescribing and dispensing

Source: Cohen, Mrazek, and Hawkins, pp. 29-62 in The Many Faces of Corruption (World Bank, 2007).



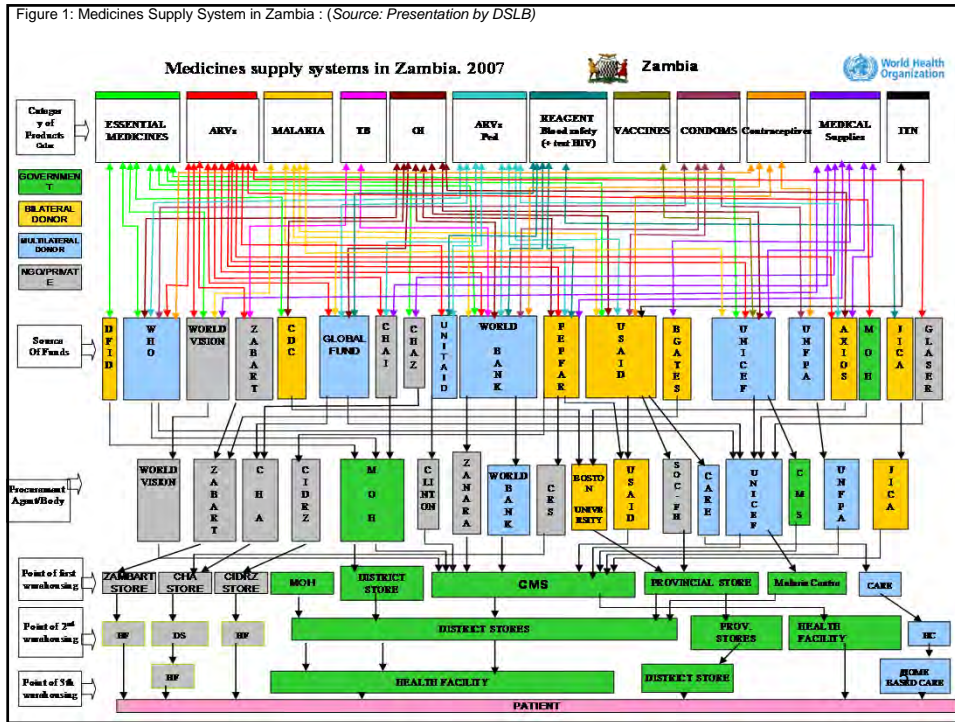
3

Drug Supply Management Cycle Approach



4

Figure 1: Medicines Supply System in Zambia : (Source: Presentation by DSLB)



Counterfeit Drugs

- FDA & WHO – up to 25% of medicines in some countries are counterfeit or substandard



Strategies against Counterfeits



- Legislation
- Regulation
- Enforcement
- Technology
- Communications

IMPACT:
International Medical
Product Anti-Counterfeiting
Taskforce

Resources:

<http://www.who.int/impact/en>

http://www.transparency.org/publications/gcr/gcr_2006



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7

Registration

- Vulnerability: Weak laws and regulations
- Deliberate delays by government in order to solicit bribes
- Strategies:
 - Create strong legal basis for registration
 - Screen staff for conflict of interest
 - Transparency - disclose all applications



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8

Selection

- Vulnerability: manufacturers have strong interest in seeing their drugs in public system
- Strategies:
 - Use of essential drug list
 - Explicit criteria for selection and deletion of drugs from list, diversity in selection of committee members, control on conflicts of interest
 - Clear procedures for decisions re: reimbursement



9

Analysis of Bulgaria's Drug Lists

- *Under-inclusion* of first line agents, in favor of newer, more expensive drugs
- *Over-inclusion* of drugs of questionable efficacy
- List includes clarithromycin (\$0.22/tab) & azithromycin (\$0.44/tab), but not erythromycin (\$0.03/tab)
- Has medium & high potency cortico-steroids, but not compounds for 1st level Rx
- Large #s of alternative compounds within a category: 5 statins, 7 ACE inhibitors, 8 brands of ibuprofen

Source: Meagher, Azfar, Rutherford, 2005, p.10. Drug prices from 2007 MSH International Price Guide, <http://erc.msh.org/>



10

Procurement

- Vulnerability: risk of bribes, kickbacks, bid rigging & collusion, over-ordering
- Strategies:
 - Competitive procurement with open bidding
 - Better models to estimate quantities needed
 - Price monitoring and transparency
 - Careful selection of drug committee members, and transparency of proceedings



Source: Cohen, Mrazek, and Hawkins, pp. 29-62 in The Many Faces of Corruption (World Bank, 2007)

Effect of AC in Procurement in Latin America*

- Lower prices paid, cost savings (Argentina, Colombia)
- More control meant higher perceived probability of detection for theft (Venezuela)
- Supervision deterred overpayment for drug purchases (Bolivia)



*DiTella and Savedoff, Diagnosis Corruption: Fraud in Latin America's Public Hospitals. IADB, 2001.

12

Distribution

- Vulnerabilities: Theft and diversion
- Strategies:
 - Physical protection & security
 - Locked and gated facilities
 - Divided areas with controlled access
 - Screen employees, surveillance
 - Segregation of workforce and duties
 - Revise plans for dispatch and transport
 - Technology



13

Example: Pharmaceutical Healthcare Distributors (PHD)

- Commercial service for drug stockholding & delivery, reaching 9,000 service delivery points; used by governments, NGOs, and private manufacturers
- Reduced losses from 15% to <0.1% through a set of actions including investment in physical protection, employee screening, segregation of workforce & duties, risk analysis of routes, and technology to track “leakage”



Source: U4 Brief 4:2006, Anti-Corruption in the Health Sector: Preventing Drug Diversion through Supply Chain Management. <http://www.u4.no/themes/health/main.htm>

Prescribing & Dispensing

- Vulnerabilities
 - Financial inducements to physicians, conflict of interest (dispensing physicians, pharmacy ownership)
- Strategies
 - Professional associations, promote adherence to codes of conduct, with penalties for breaches
 - Monitoring physician prescription patterns
 - Regulate physician-pharma interactions
 - License and inspect pharmacies



15

Transparency in Price Information

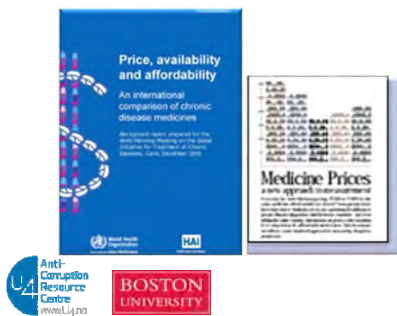
- Reduces vulnerabilities in many decision points
- Helps evaluate drug expenditure compared to other countries
- Purchasing agents can negotiate better deals
- Analysis makes it more likely that abuse will be detected



16

Price Monitoring Tools

- WHO and Health Action International, 2002
<http://haiweb.org>
- HEPS-Uganda
- Online catalogues of prices www.msh.org



International Drug Price Indicator Guide

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last access	List	Country, Date	Information	Price		
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	Lamivudine	29	11-Sep-02 01:46 PM	Summary	Compare	Budget
	NE Drugs	18	17-Sep-02 11:50 AM	Summary	Compare	Budget
	Pharma substitutes	24	13-Sep-02 11:13 AM	Summary	Compare	Budget

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17

Using the price guide at <http://erc.msh.org>

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The *International Drug Price Indicator Guide* contains a spectrum of prices from pharmaceutical suppliers, international development organizations, and government agencies. The *Guide* aims to make price information more widely available in order to improve procurement of medicines of assured quality for the lowest possible price. Comparative price information is important for getting the best price, and this is an essential reference for anyone involved in the procurement of pharmaceuticals.

Management Sciences for Health (MSH) has published the *International Drug Price Indicator Guide* since 1986 and updates it annually. To order a copy of the *Guide*, go to the [MSH eBookstore](#).


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Click here to search the International Drug Price Indicator Guide.

Data from the 1996 edition to the present edition are available online. Please note that the World Health Organization (WHO) revises its Model List of Essential Medicines (EML), on which our therapeutic categories are based, every two years. We are presently using the 2007 classification. If you have any questions about the data online, earlier editions, or anything related to the *Guide*, please email us: erc@msih.org.

18

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Drug Search:

The International Drug Price Indicator Guide provides information on drug prices for various drugs using several criteria: [Name](#) | [Letter](#) | [Therapeutic Class](#)

Specific Year
2007

Searches will use data from 2007, unless specified otherwise

Search by Name
Search for a drug by name

erythromycin [Search Now](#)

or

Search by Letter
For a complete list of drugs alphabetically, select a letter from this list:

A B C D E F G H I K L M N O P Q R S T V W Z

or

Search by WHO EML Therapeutic Class

Anaesthetics
Analgesics, antipyretics, NSAIDs, medicines used to treat gout and DMARDS
Antiallergics and medicines used in anaphylaxis
Antidotes and other substances used in poisonings
Anticonvulsants/antiepileptics

Can't Find a Drug?
[Tips for finding your drug.](#)

This database is optimized for web browsers that accept

19

International Drug Price Indicator Guide

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Search Year: 2007

Access your account [Log In](#)

Search Results By Name

For more information click on the name of the drug

Generic Name	Strength	Dosage Form	Route of Admin.	Therapeutic Categories
<input type="checkbox"/> Erythromycin (base)	125 mg/5 ml	Suspen	Po	(06.2.2.)Other antibacterials
<input type="checkbox"/> Erythromycin (base)	15 mg	Disc	N/a	(9UA)Items unclassified on WHO Essential Medicines List
<input type="checkbox"/> Erythromycin (base)	200 mg/5 ml	Suspen	Po	(06.2.2.)Other antibacterials
<input type="checkbox"/> Erythromycin (base)	250 mg	Tab-cap	Po	(06.2.2.)Other antibacterials
<input type="checkbox"/> Erythromycin (base)	500 mg	Tab-cap	Po	(06.2.2.)Other antibacterials
<input type="checkbox"/> Erythromycin (base)	250 mg/5 ml	Suspen	Po	(06.2.2.)Other antibacterials
<input type="checkbox"/> Erythromycin Lactobionate	500 mg	Vial	Inj	(06.2.2.)Other antibacterials

[Save](#) Selected Items

Search for a Drug by Name: [Search](#)

20

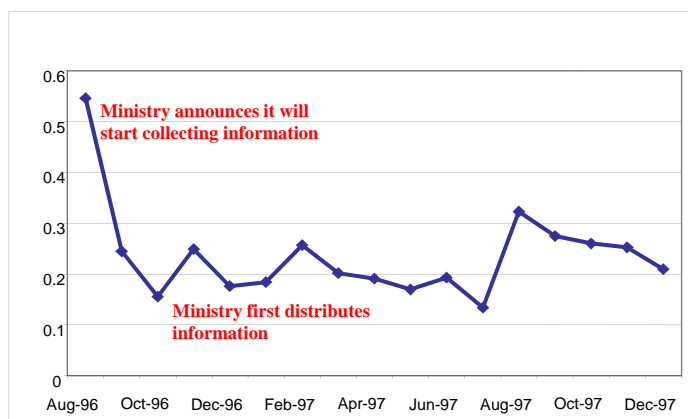
Generic Name	Erythromycin			
	Therapeutic Categories (06.2.2.) Other antibacterials			
Save this drug to my list Save	Strength	250 mg	Dosage Form	Tab-cap
	Route of Administration	Oral preparation	Defined Daily Dose	1 G
	WHO Status	E	Supplier Name	
	ATC Code	J01FA01		
Supplier Prices		Prices are		
Source	Package	Package Price		
UNFPA	1000 Tab-cap (Tablets)	\$ 21.00	0.0210/Tab-cap	
MISSION	1000 Tab-cap (Stearate tablets)	\$ 23.61	0.0236/Tab-cap	
MEDS	1000 Tab-cap (Stearate tablets)	\$ 24.00	0.0240/Tab-cap	
JMS	1000 Tab-cap (Tablets)	\$ 24.06	0.0241/Tab-cap	
MEG	1000 Tab-cap (Stearate, tablets)	\$ 24.52	0.0245/Tab-cap	
IMRES	1000 Tab-cap (Film-coated tablets, stearate)	\$ 25.44	0.0254/Tab-cap	
IDA	1000 Tab-cap (Stearate, tablets)	\$ 26.25	0.0263/Tab-cap	
ACTION/IIH	1000 Tab-cap (Tablets)	\$ 30.05	0.0301/Tab-cap	
MALAWI	1000 Tab-cap	\$ 30.64	0.0356/Tab-cap	
DURBIN	1000 Tab-cap (Tablets, as ethyl succinate or ethyl stearate)	\$ 38.07	0.0382/Tab-cap	
ORBI	1000 Tab-cap (Film-coated tablets)	\$ 46.25	0.0462/Tab-cap	
ACTION	1000 Tab-cap (As stearate tablets)	\$ 54.73	0.0547/Tab-cap	
	Median Price	0.0259/Tab-cap	Lowest Price	0.0210/Tab-cap

Median price for supplier (buyer price is below)

21

Impact of Information

Coefficient of Variation for Purchase Prices in Argentine Hospitals



Source: Schargrodsky, et al, 2000. 22

WHO Good Governance for Medicines (GGM) Program

- Vulnerability assessment
- Ethical frameworks to promote good governance, including training to **socialize** (consciousness raising, development of intrinsic motivation, etc.)

- Documents: WHO. *Measuring transparency to improve good governance in the public pharmaceutical sector. 2007*
- WHO. *Ethical infrastructure for good governance in the public pharmaceutical sector. 2006*



23

Resources

WHO Good Governance for Medicines

<http://www.who.int/medicines/ggm/>

Medicines Transparency Alliance

<http://www.medicinestransparency.org>

Work by Jillian Cohen, et al

The Many Faces of Corruption (World Bank, 2007, pp. 29-62); "Tackling corruption in pharmaceutical systems worldwide with courage and conviction." *Clinical Pharmacology & Therapeutics*. 2007; 81(3):445-449

Anti-Counterfeiting web sites and references

<http://www.who.int/impact/en>

http://www.transparency.org/publications/gcr/gcr_2006

Price Monitoring tools

<http://www.msh.org/resource-center/international-drug-price-indicator-guide-electronic.cfm>

<http://www.haiweb.org/medicineprices/>

24



U4 training workshop:
'Strengthening integrity and transparency in the education
and health sectors in Bangladesh'
Dakha, 31 March-02 April 2014

Focus on public procurement in the education sector

Jacques Hallak & Muriel Poisson

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2

OBJECTIVES OF THE SESSION

- Present an overview of the vulnerabilities to corruption of public procurement in education
- Provide illustrative examples from international experience to address such vulnerabilities, taking into account both government and civil society initiatives
- Discuss challenges and opportunities for strengthening procurement in school construction in Bangladesh

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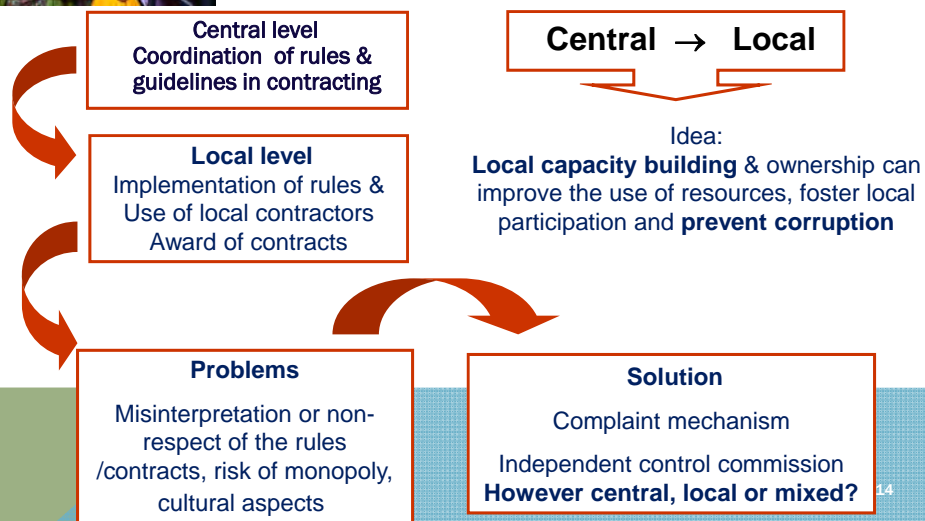


DEFINITIONS: PROCUREMENT / CONTRACTING

- ▀ **Procurement** refers to the acquisition of goods and services by any individual or organization (public, private, international)
 - ▀ **Contracts** are the means by which public money is spent and public policy is implemented
 - ▀ **Contracting** includes all activities that, in the shape of a contract, channel government expenditure
- Ex.: privatisations, licenses and other types of contracts



PROCUREMENT MANAGEMENT STRUCTURE





PROCUREMENT MANAGEMENT STRUCTURE IN BANGLADESH

5

- Until 2002, 200 agencies used their own procedures
- **Central Procurement Technical Unit** established in 2002
 - Regulations
 - Standard tender documents
 - Capacity building (200 persons)
 - Tender evaluation committee with external members
 - Awarding a process and complaint mechanism
 - Monitoring of compliance (online publishing)
- Adoption by Parliament of the Public Procurement Act 2006

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HOW TO ADDRESS RISKS IN EDUCATION CONTRACTING (STAGE 1)

6

Stage 1	Main risks	Strategies
Decision to contract/ definition of contract characteristics	<ul style="list-style-type: none"> ➤ Risk of channel benefits to an individual or an organization ➤ Over specification ➤ Vague or nonexistent specification 	<ul style="list-style-type: none"> ➤ Adequate legal and regulatory framework ➤ Preparation of written contracting procedures, fixing explicit selection criteria ➤ Contracting requirements and specifications made by outside consultants or external auditors ➤ Pre-qualification of bidders, through questionnaires or detailed reviews

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CORRUPTION IN SCHOOL MEALS CONTRACTING IN FRANCE

- Contracting of school meals: 4.5 billion euros every year, shared between 15 private enterprises
- *Sodexo* proposed to manage the construction of a kitchen to prepare the meals. Price calculated into price per meal, but kitchen over-dimensioned
- *Scolarest* signed a contract giving them the right to sell school meals for 14 years. According to the contract, the city had to pay for non-consumed meals, but the number of meals inflated



HOW TO ADDRESS RISKS IN EDUCATION CONTRACTING (STAGE 2)

Stage 2	Main risks	Strategies
Contracting process	<ul style="list-style-type: none"> ➤ Invitation to tender is not publicized ➤ Invitation to tender is publicized but little time is given to present offers ➤ Bidders or contractors collude to influence prices or to share the market 	<ul style="list-style-type: none"> ➤ Promotion of additional competition ➤ Bidding procedures and documents made publicly and timely available ➤ Use of electronic procurement systems ➤ Chance given for bidders from multiple countries to take part in the process



WEAKNESSES IN PUBLIC PROCUREMENT IN BANGLADESH

9

- ❑ Poor advertisement
 - ❑ Short bidding period
 - ❑ Poor specifications
 - ❑ Nondisclosure of selection criteria
 - ❑ Award of contract by lottery
 - ❑ One-sided contract documents
 - ❑ Negotiation with all bidders
 - ❑ Rebidding without adequate grounds
 - ❑ Corruption and outside influence
- Education project execution started without proper demand forecasting and a recurring revision of the project
- Starting the construction works just 10-45 days prior to the project deadline

Source: Actionaid 2013

Source: Ahmed Ibne Mahmood, 2010

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UK E-PROCUREMENT SYSTEM FOR NATIONAL COLLEGES

10

- ❑ central source of information and advice regarding all national college commercial activities
- ❑ accessible from any internet-enabled computer
- ❑ allows self-registration to access the system
- ❑ visibility of opportunities to engage with the college
- ❑ allow to download documents and submit tender responses electronically 24 hours a day, seven days a week
- ❑ automatic, electronic confirmation that your submissions have been received

Source: <http://www.education.gov.uk/nationalcollege/supplying-redimo>

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HOW TO ADDRESS RISKS IN EDUCATION CONTRACTING (STAGE 3)

Stage 3	Main risks	Strategies
Contract award	<ul style="list-style-type: none"> ➤ Evaluation criteria are not clearly stated in tender documents, leaving no grounds to justify the decision ➤ Bureaucratic corruption, bribes and kickbacks, political considerations ➤ Quality (or cost) is the single measure of merit for awarding the contract 	<ul style="list-style-type: none"> ➤ Selection by a central body in charge of comparing tenders and awarding contracts ➤ Setting up a series of successive filters based on technical, qualitative and financial criteria ➤ Reliance on written justifications, bid openings in public, outside reviews, etc. ➤ Involvement of civil society organizations ➤ Establishment of a committee dealing with objections and claims



PREQUALIFICATION OF BIDDERS IN NEW YORK CITY

- Experience
- Quality and timeliness of past performance
- Financial capability
- Reliability and responsibility
- Safety record
- Compliance with equal employment requirements
- Compliance with wage, hour and fair labour standards
- Integrity, key people, affiliates, current/past owners

Source: Thomas



HOW TO ADDRESS RISKS IN EDUCATION CONTRACTING (STAGE 4)

Stage 4	Main risks	Strategies
Contract implementation and supervision	<ul style="list-style-type: none"> ➤ Contract changes/ renegotiations after the award are of a nature that changes the substance of the contract itself ➤ Corruption at the sub-contractor level ➤ Cost overruns ➤ Supply of inferior materials or less equipment ➤ Award cancellation 	<ul style="list-style-type: none"> ➤ Internal and external supervisory and control systems of contract implementation ➤ Efficient rewards and penalties systems for contractors ➤ Role of 'watchdogs' played by communities ("report cards") ➤ Mechanisms to handle complaints



THE SCHOOL FEEDING PROGRAM (SFP) IN CHILE

- **Variables monitored:** quality of service/nutrition, size of portions, students' acceptance of food (info provided by teachers/students through random samples)
- Teacher in charge of the SFP must certify whether each day's meals were served completely, incompletely, or not served at all; voucher for the quality of the service
- Labo analysis to verify that the food fulfils requirements
- Other control mechanisms: "smart cards" to monitor access by beneficiaries to the food provided

Source: Latorre, IIEP



LEARNING BY EXPERIENCE: 'RED FLAGS'

Area:	'Red flags'	Main risks
School building & rehabilitation Library Equipment Textbooks Uniforms Food	• Over specification	Only one or very few contractors respond to the criteria
	• Lack of clear contracts/vague or no existing specification	Difficult to justify contract award
	• Inconclusive or restricted calls for tender	Suspicion of favouritism
	• Invitation to tender not publicized	Unfair concurrence, monopoly
	• Invitation publicized but too short contracting process	Unfair concurrence
	• Claim urgency as an excuse to award contract to one contractor	Difficult for inexperienced bidders to present bids
	• Bids not kept confidential	Only fair bidding if bids are secret until results are revealed
	• Many sub-contractors	Suspicion of collusion to influence prices
	• Supply of inferior materials or less equipment	Quality delivery not respected & resources are 'spent' elsewhere
	• Purely formal control of contract implementation	The results of the control are dependent from decision-makers



THE MERIT OF INTEGRITY PACTS

An Integrity Pact is a tool developed by Transparency International to prevent corruption in public contracting.

- ▀ It is a preventive tool
- ▀ It includes an agreement between the government (agency) and all bidders for a public contract, and establishes mutual contractual rights and obligations
- ▀ It allows for timely and expeditious action, thus complementing administrative and criminal law through an arbitration process



17

INTEGRITY PACT PARTICIPATORY DEBATES

- ▶ Participatory debate with publishers on criteria for textbook pre-selection
- ▶ Participatory debate with publishers on bidding documents: Issues relating to the eligibility of offers, contract duration, deadlines for the submission of offers, delivery of textbooks
- ▶ Publishing houses participating in the debates
- ▶ As a result of the debates, criteria are reformulated by the MEST, and bidding documents are finalized

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18

INTEGRITY PACT MANAGING CONFLICTS OF INTEREST

- ▶ Composition of the National Advisory Committee is reviewed by the Ministry of Education
- ▶ Identification of conflicts of interests among Committee members
- ▶ Committee members fill in public statements on their interests (public offices and positions held in the private sector, publications, relationship with publishing houses, royalties)
- ▶ Statements published on the ministry website

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INTEGRITY PACT IN ARGENTINA

- In the end, 48 publishing houses submitted a total of 631 textbooks
- Of these, the National Advisory Committee recommended more than half, 20% were not recommended, and 30% were found not to match the conditions.
- The maximum percentage of textbooks purchased from one company was 15.3%, the second most important got 14.7%.
- Overall, a large number of publishing houses benefited from the purchase.

Source: Meier, 2007



GROUP WORK

Read the case study on the construction and rehabilitation of schools for the East region and respond to the questions:

- Describe the procedures to be followed by the Commission step by step
- Identify relevant documentation to be collected for the work of the Commission
- Provide a tentative list of assumptions regarding the possible corrupt practices in the awarding of the contracts



Group work on mapping corruption risks in education

Identify areas of potential opportunities for misuse of education resources in Bangladesh, for example:

- leakages in the funds transferred from the Ministry of Education to schools,
- favouritism in the recruitment of teachers,
- teacher absenteeism,
- unauthorized fees charged to pupils/students,
- inflated prices for textbooks,
- exaggerated costs of classroom construction, or
- academic fraud – i.e. management of exams, misuse of exam results, etc.

The table below provides a framework for this. Please complete it according to your own setting.

Areas of planning/ management involved	Distorted practices
Funding	
Allocation of specific allowances	
Schools: building, repair and use	
Supply and distribution of equipment, food and textbooks	
Teacher management	
Conduct of teachers	
Examinations and diplomas	
Information systems	

Open budget monitoring in Bangladesh

Definition of an open budget: Analysis of budgets and monitoring spending conducted by civil society, allowing sustained participation in policy decisions to make them more transparent and accountable to the people they affect.

The table below summarizes the findings of an evaluation of the experiences of open budgets in five countries, including Bangladesh. You are invited to address the following questions:

1. Is there an evaluation of the impact of open-budgeting in Bangladesh on transparency and accountability in the management of school funds?
2. List a few areas for training to build capacity for budget monitoring in Bangladesh by local stakeholders, including civil society.
3. What areas in the school budget can be usefully monitored by local stakeholders? e.g. income from districts, private donation, fees, teacher salaries, maintenance of schools, equipment, furniture, textbooks, etc.

Budget work achievements		Bangla- desh	Ghana	India	Pakistan	Sri Lanka
Tracked, influenced education budget	National	/	X		X	X
	District	/	X	X	/	X
	Local	/	X	X	/	X
Exposed misuse of budget in media		/	X		X	
Public officials taken to court over misuse of funds					/	
Calculated costs of key policy reforms		X				
Worked with MP or parliamentary caucus		X	X	X	X	
Linked to campaigns on debt					X	
Challenged donors on their aid to education		/	/		/	
Questioned macroeconomic policies				X	/	

X - Achieved / - In progress

Source: Commonwealth Education Fund, 2007

GROUP WORK ON PROCUREMENT IN THE EDUCATION SECTOR

As part of a program to reduce the development gap between different regions, a Government from Central America has decided to launch an ambitious program of construction and rehabilitation of schools in the East region, which is far from the capital and suffers from chronic under-equipment.

But shortly after the completion of construction and opening of new schools, a typhoon and floods occurred in this region. As a consequence, most of the new schools were destroyed, and this resulted in casualties among schoolchildren.

This was perceived as a real scandal by the population. The mass media questioned the quality of the buildings and the conditions for the award and execution of construction contracts.

As a result, the Parliament decided to establish a commission of investigation composed of government officials, business leaders and representatives of civil society.

You are appointed as an expert to the commission. You are asked to :

1. Describe the procedures to be followed by the Commission step by step
2. Identify relevant documentation to be collected for the work of the Commission
3. Provide a tentative list of assumptions regarding possible corrupt practices in the awarding of the contracts

It is assumed that the Commission has extensive investigative powers (hearing, communication documents, etc.) both with public purchasers and companies who have contracted with the administration.

For official use



GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

CABINET SECRETARIAT

ESTABLISHMENT DIVISION

REGULATION WING

Section VI

The Government Servants
(Conduct) Rules, 1979

342.06
BAG

Officer-in-charge

Bangladesh Government Press, Dhaka

1979

Acc No. 11873

[Published in the Bangladesh Gazette, Extraordinary, dated the 18th May 1979.]

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

CABINET SECRETARIAT

Establishment Division

Regulation Wing

Section VI

NOTIFICATION

Dacca, the 18th May, 1979.

No. 133-L/79.—In exercise of the powers conferred by the proviso to article 133 of the Constitution of the People's Republic of Bangladesh, the Vice-President, exercising the powers of the President as delegated to him by the President under President's Secretariat, President's Division (Public) Notification No. PS/Admn/3(24)/78-1569, dated the 20th November, 1978, is pleased to make the following rules, namely:—

THE GOVERNMENT SERVANTS (CONDUCT) RULES, 1979

1. Short title and commencement.—(1) These rules may be called the Government Servants (Conduct) Rules, 1979.

(2) They shall come into force at once.

2. Application.—These rules shall apply to all Government servants, whether on duty or on leave, within or without Bangladesh; serving in a civil capacity in respect of the Government of Bangladesh or while on deputation with any other Government agency, institution or authority, except—

(a) persons to whom the Railway Establishment Code applies;

(b) subordinate officers of the Dacca Metropolitan Police and the Chittagong Metropolitan Police;

- (c) members of any other Police force below the rank of Inspector of Police,
- (d) subordinate officers, Riflemen and Signalmen of the Bangladesh Rifles;
- (e) subordinate Jail Officers below the rank of Deputy Jailor and Sergeant Instructor of Bangladesh Jails; and
- (f) members of such services and holders of such posts as may be specified by the Government by notification in the official Gazette.

3. **Definitions.**—(1) In these rules, unless there is anything repugnant in the subject or context,—

(a) "Government servant" means a person to whom these rules apply; and

(b) "member of a Government servant's family" includes—

(i) his wife, child or step child, whether residing with the Government servant or not; and

(ii) any other relative of the Government servant or his wife, when residing with, and wholly dependent upon the Government servant, but does not include a wife legally separated from the Government servant, or a child or step-child who is no longer in any way dependent upon him, or of whose custody the Government servant has been deprived by law.

(2) References to a wife in clause (b) of sub-rule (1) shall be construed as references to a husband where the Government servant is a woman.

4. **Repeal, etc.**—The Government Servants (Conduct) Rules, 1964, made under paragraph (a) of clause (2) of article 178 and clause (1) of article 179 of the Constitution of 1962, and the Government Servants' (Conduct) Rules, 1966, made under paragraph (b) of clause (2) of article 178 and clause (1) of article 179 of the Constitution of 1962, in so far as they applied to the persons to whom these rules apply, are hereby repealed, but such repeal shall not affect anything done or suffered under those rules.

5. **Gifts.**—(1) Save as otherwise provided in this rule, no Government servant shall, except with the previous sanction of the Government, accept, or permit any member of his family to accept, from any person any gift the receipt of which will place him under any form of official obligation to the donor. If the offer of a gift cannot be refused without giving undue offence, it may be accepted and delivered to the Government for decision as to its disposal.

(2) If any question arises whether receipt of a gift places a Government servant under any form of official obligation to the donor, the decision of the Government thereon shall be final.

(3) If any gift is offered by the head or representative of a foreign State, the Government servant concerned should attempt to avoid acceptance of such a gift, if he can do so without giving offence. If, however, he cannot do so, he shall accept the gift and shall report its receipt to the Establishment Division for orders as to its disposal.

(4) Secretaries to the Government or officers of equivalent status may accept gifts offered abroad or within Bangladesh by institutions or official dignitaries of foreign Government of comparable or higher-level provided that the value of the gift in each case does not exceed Taka 500 (Taka five hundred). If the gift is capable of being used in a Government office or department or at official residence, it should be used accordingly. If the gift cannot be so used, the Government servant may retain it for his own use.

6. Acceptance of foreign awards.—No Government servant shall, except with the approval of the President accept a foreign award, title or decoration.

Explanation.—For the purposes of this rule, the expression “approval of the President” means prior approval in ordinary cases and *ex post facto* approval in special cases where sufficient time is not available for obtaining prior approval.

7. Public demonstrations in honour of Government servants.—(1) No Government servant shall encourage meetings to be held in his honour or presentation of addresses of which the main purpose is to praise him or any entertainment to be held in his honour.

(2) Subject to the provisions of any general or special order of the Government, a Government servant may attend a fare-well entertainment of a substantially private and informal character held as a mark of regard to himself or to some other Government servant, or to a person who has recently quitted the service of Government, on the occasion of retirement from service or departure from a district or station of himself or such other Government servant or person.

8. Raising of funds by Government servants.—(1) Notwithstanding anything contained in rule 9, a Government servant may participate in the raising of funds in respect of approved development projects, a part of which is required to be met by local contribution, without any reference to the Government.

(2) Subject to sub-rule (1), a Government servant shall before participating in the raising of funds, obtain prior permission of the Government except as a member of a Relief Committee which is authorised to raise funds under the Famine Code and the Famine Manual.

(3) Participation in raising of funds with or without permission, as the case may be, as mentioned in sub-rules (1) and (2) shall be subject to the following conditions:—

(a) a Government servant, when associated in a committee set up for raising of funds for the purposes mentioned in sub-rules (1) and (2), shall not make any personal appeal to any individual which is likely to influence him in any way in the exercise of his public duties;

(b) a Government servant shall not involve himself personally in the collection of subscriptions;

(c) a Government servant found neglecting his official work for the sake of successful raising of funds shall render himself liable to disciplinary action;

(d) a Government servant shall not make payment of a subscription to any object, a condition of his exercising or refraining from exercising his powers in a particular manner;

- (e) a Government servant shall not deal with the question of funds within office hours and it should not interfere with, or the performance of, his official duties in any way;
- (f) a Government servant shall not use coercion or pressure in funds, subscriptions and donations which is always voluntary;
- (g) a Government servant taking part in the raising of funds in accordance with the provisions of sub-rules (1) and (2), shall be required to keep regular accounts and submit them to his next higher officer for approval who may pass it on to the Government, if necessary.

(4) Notwithstanding anything contained in this rule, no Government servant belonging to the Bangladesh Rifles, Police, Dacca Metropolitan Police, Chittagong Metropolitan Police, Income tax and Food Department shall be allowed to associate himself with the raising of funds for the purposes of sub-rules (1) and (2).

9. **Subscriptions.**—Subject to rule 8, no Government servant shall accept or take part in the raising of funds for any purpose, except with or under specific order of the Government and subject to any special instructions in the matter.

10. **Lending and borrowing.**—(1) No Government servant shall lend money to, or borrow money from, or place himself under any pecuniary obligation to, any person within the local limits of his authority or any person with whom he has any official dealings:

Provided that this sub-rule shall not apply to dealings in the course of business with a joint stock company, bank or a firm of standing.

(2) When a Government servant is appointed or transferred to a post of such a nature that a person from whom he has borrowed money or to whom he has otherwise placed himself under a pecuniary obligation will be subject to his official authority, or will reside, possess immovable property, or carry on business within the local limits of such authority, he shall forthwith declare the same to the Government through the usual channel.

(3) Non-gazetted Government servants shall make the declaration required in sub-rule (2) to the head of their office.

(4) This rule, in so far as it may be construed to relate to transactions given to, or taken from, co-operative societies registered under the Co-operative Societies Act, 1940 (Ben. Act XXI of 1940), or under any law for the time being in force relating to the registration of co-operative societies by the Government servants, shall be subject to any general or special provisions or relaxations made or permitted by the Government.

11. **Buying and selling of valuable property, movable and immovable.**
 (1) Save in the case of a transaction conducted in good faith with a dealer, a Government servant who intends to transact any purchase or disposal by other means of movable or immovable property exceeding in value of Taka 15,000 (Taka fifteen thousand) with a person residing, possessing or carrying on business within the station, district or other local limits for which such Government servant is appointed, shall declare the same in writing to the Head of the Department or the Secretary to the Government.

case may be. When the Government servant concerned is himself the Head of Department or Secretary to the Government, he shall declare his intention to the Government through the Secretary of the Ministry concerned or the Establishment Secretary, as the case may be. Any such declaration shall state the circumstances, the price offered or demanded and, in the case of disposal otherwise than by sale, the method of disposal. Thereafter such Government servant shall act in accordance with such orders as may be passed by the Government:

Provided that all transactions with a person who is an official subordinate of the Government servant, should be reported to the next higher authority.

(2) Notwithstanding anything contained in sub-rule (1), a Government servant who is about to quit the station, district or other local limits for which he has been appointed may, without reference to any authority, dispose of his movable property by circulating lists of it generally or by causing it to be sold by public auction.

12. **Construction of building etc.**—No Government servant shall construct a building, whether intended to be used for residential or commercial purposes, except with the previous sanction of the Government obtained upon an application made in this behalf disclosing the source from which the cost of its construction shall be met.

13. **Declaration of property.**—(1) Every Government servant shall, at the time of entering Government service, make a declaration to the Government through the usual channel, of all immovable and movable properties, including shares, certificates, securities, insurance policies and jewellery having a total value of Taka 10,000 (Taka ten thousand) or more belonging to, or held by, him or a member of his family and such declaration shall—

- (a) state the district within which the property is situated,
- (b) show separately individual items of jewellery exceeding Taka 10,000 (Taka ten thousand) in value, and
- (c) give such further information as the Government may, by general or special order, require.

(2) Every Government servant shall submit to the Government, through the usual channel, an annual return of assets in the month of December showing any increase or decrease of property as shown in the declaration under sub-rule (1) or, as the case may be, the last annual return.

14. **Disclosure of liquid assets.**—A Government servant shall disclose his liquid assets when required to do so by the Government.

15. **Speculation and investment.**—(1) No Government servant shall speculate in investments. For the purpose of this sub-rule, the habitual purchase and sale of securities of notoriously fluctuating value shall be deemed to be speculation in investments.

(2) No Government servant shall make, or permit any member of his family to make, any investment likely to embarrass or influence him in the discharge of his official duties.

(3) No Government servant shall make any investment the value is likely to be affected by some event of which information is available as a Government servant and is not equally available to the general public.

(4) If any question arises whether a security or an investment of a nature referred to in any of the foregoing sub-rules the decision of the Government thereon shall be final.

16. **Promotion and management of companies.**—(1) A Government servant shall not take part in the promotion, registration or management of any company or other company:

Provided that a Government servant may, subject to the provisions of the general order of the Government, take part in the registration or management of a co-operative society registered under the Co-operative Societies Act, 1940 (Ben. Act XXI of 1940).

17. **Private trade or employment.**—(1) Subject to the other provisions of this rule, no Government servant shall, except with the previous sanction of the Government, engage in any trade or undertake any employment or business other than his official duties:

✓ Provided that a non-gazetted Government servant may, with the previous sanction, undertake a small enterprise which absorbs family labour; and if he does so, he shall file details of the enterprise along with the details of assets.

(2) A Government servant may undertake honorary work of a social or charitable nature and occasional work of a literary or artistic nature which includes publication of one or a few literary or artistic works which do not suffer thereby; but the Government may, if in its opinion, forbid him to undertake or require him to abandon any employment in its opinion, is undesirable.

(3) A Government servant shall not, without the previous sanction of the Government, permit any member of his family to engage in any trade or business in any area over which such Government servant has jurisdiction.

(4) This rule shall not apply to sports activities and membership of recreation clubs.

18. **Insolvency and habitual indebtedness.**—A Government servant shall not be or become insolvent or habitually indebted. If a Government servant is adjudged or declared insolvent or if the whole or that portion of his salary which is liable to attachment in satisfaction of debt is frequently attached for debt, has been continuously so attached for a period of two years, or is attached for a sum which, in ordinary circumstances, he cannot repay within a period of two years, he shall be presumed to have contravened this rule unless he proves that the insolvency or indebtedness is the result of circumstances which, with the exercise of ordinary care, he could not have foreseen or over which he had no control and which proceeded from extravagant or dissipated habits. A Government servant who is or is adjudged or declared insolvent shall forthwith report his insolvency to the Head of the office or Department, or to the Secretary to the Ministry, as the case may be, in which he is employed.

19. **Communication of official documents or information.**—A Government servant shall not, unless generally or specially empowered by the Government in this behalf, disclose directly or indirectly to Government servants belong to other Ministries, Divisions or Departments, or to non-official persons or the Press, the contents of any official document or communicate any information which has come into his possession in the course of his official duties has been prepared or collected by him in the course of those duties, whether from official sources or otherwise.

20. **Approach to members of Parliament, etc.**—No Government servant shall, directly or indirectly, approach any member of Parliament or any non-official person to intervene on his behalf in any matter.

21. **Management, etc., of newspapers or periodicals.**—No Government servant shall, except with the previous sanction of the Government, own wholly or in part, or conduct or participate in editing or management of, any newspaper or other periodical publication.

22. **Radio broadcasts and communication to the press.**—No Government servant shall, except with the previous sanction of the Head of the Department or in the *bona fide* discharge of his duties, participate in a radio or television broadcast or contribute any article or write any letter, either anonymously or his own name or in the name of any person, to any newspaper or periodical.

Provided that such sanction shall generally be granted if such broadcast or such contribution or letter is not, or may not be considered likely to jeopardise the integrity of the Government servant, the security of Bangladesh or friendly relations with foreign States, or to offend public order, decency or morality, or to amount to contempt of Court, defamation or incitement to an offence.

Provided further that no such sanction shall be required if—

- (a) such broadcast or such contribution or letter is of a purely literary, artistic or scientific character or connected with sports;
- (b) such broadcast or such participation is required to project Government activities on development works to the people by the Commissioners, Divisions, Deputy Commissioners and Subdivisional Officers.

23. **Criticism of Government and publication of information or opinion upon matters relating to foreign countries.**—(1) No Government servant shall in any document published under his own name or in any public utterance, radio broadcast or television broadcast delivered by him, make any statement of fact or opinion which is capable of embarrassing—

- (a) the relations between the Government and the people or any section thereof, or
- (b) the relations between the Government and any foreign country.

(2) A Government servant, who intends to publish any document under his own name or deliver any public utterance or radio broadcast or television broadcast containing statements in respect of which any doubt as to the applicability of the restrictions imposed by sub-rule (1) may arise, shall submit to the Government a copy of draft of the document which he intends to publish or of the utterance or of the radio broadcast or television broadcast which he intends to deliver and shall not publish the document or deliver the utterance or radio broadcast or television broadcast save with the sanction of the Government with such alterations, if any, as the Government may direct.

24. Evidence before committees.—(1) A Government servant shall not give evidence before a public committee except with the previous sanction of the Government.

(2) No Government servant giving such evidence shall criticise the orders or decisions of the Government.

(3) This rule shall not apply to evidence given before statutory committees which have power to compel attendance and the giving of answers, nor to evidence given in judicial inquiries.

25. Taking part in politics and elections.—(1) No Government servant shall take part in, subscribe in aid of or assist in anyway, any political movement in Bangladesh or relating to the affairs of Bangladesh.

(2) No Government servant shall permit any person dependent on him for maintenance or under his care or control to take part in or in anyway assist any movement or activity which is, or tends directly or indirectly to be, subversive of the Government as by law established in Bangladesh.

(3) No Government servant shall canvass or otherwise interfere or use his influence in connection with or take part in any election to a legislative assembly whether in Bangladesh or elsewhere:

Provided that a Government servant who is qualified to vote at such election may exercise his right to vote; but if he does so, he shall give no indication of the manner in which he proposes to vote or has voted.

(4) No Government servant shall permit any member of his family dependent on him to act in a manner in which he himself is not permitted by sub-rule (3) to act.

(5) A Government servant who issues an address to electors or in any manner publicly announces himself or allows himself to be publicly announced as a candidate or prospective candidate for election to a legislative body shall be deemed for the purpose of sub-rule (3) to take part in an election to that body.

(6) The provisions of sub-rules (3) and (5) shall, so far as may be, apply to elections to local authorities or bodies, save in respect of Government servants required or permitted by or under any law, or order of the Government at the time being in force, to be candidates at such elections.

(7) If any question arises whether any movement or activity falls within the scope of this rule, the decision of the Government thereon shall be final.

26. Propagation of sectarian creeds, etc.—No Government servant shall propagate such sectarian creeds or take part in such sectarian controversies as are likely to induce in him indulgence in such sectarian partiality and favouritism as are likely to affect his integrity in the discharge of his duties or to embarrass the administration or create feelings of discontent or displeasure amongst the Government servants in particular and amongst the people in general.

27. Nepotism, favouritism and victimization, etc.—No Government servant shall indulge in parochialism, favouritism, victimization and wilful abuse of office.

28. Vindication by Government servants of their public acts or character.—

(1) A Government servant may not, without the previous sanction of the Government, have recourse to any court or to the press for the vindication of his public acts or character from defamatory attacks. In granting sanction, the Government will ordinarily bear the cost of the proceedings and in other cases leave the Government servant to institute them at his own expense. In the latter case, if he obtains a decision in his favour, the Government may reimburse him to the extent of the whole or any part of the cost.

Explanation.—The power of the Government to sanction permission to Government servants to have recourse to court or press referred to in this sub-rule may be exercised by the Secretaries to the Government in the administrative Ministries and Commissioners of Divisions, as the case may be:

(2) Nothing in this rule limits or otherwise affects the right of a Government servant to vindicate his private acts or character.

29. Membership of service associations.—No Government servant shall be a member, representative or officer of any association representing or purporting to represent, Government servants or any class of Government servants, unless such association satisfies the following conditions, namely:—

- (a) Membership of the association and its office bearers shall be confined to a distinct class of Government servants and shall be open to all Government servants of that class.
- (b) The association shall not be in anyway connected with, or affiliated to, any association which does not, or any federation of associations which do not, satisfy conditions (a).
- (c) The association shall not be in anyway connected with any political party or organisation, or engage in any political activity.
- (d) The association shall not—
 - (i) issue or maintain any periodical publication except in accordance with any general or special order of the Government;
 - (ii) except with the previous sanction of the Government, publish any representation on behalf of its members, whether in the press or otherwise.
- (e) The association shall not, in respect of any election to a legislative body or to a local authority or body, whether in Bangladesh or elsewhere—
 - (i) pay, or contribute towards, any expenses incurred in connection with his candidature for such election;
 - (ii) by any means support the candidature of any person for such election; or
 - (iii) undertake or assist in the registration of electors, or the selection of a candidate for such election.
- (f) The association shall not—
 - (i) maintain, or contribute towards the maintenance of, any member of a legislative body, or of any member of a local authority or body, whether in Bangladesh or elsewhere;

(ii) pay, or contribute towards, the expenses of any trade union registered under the Industrial Relations Ordinance, 1966 (Ordinance XXIII of 1969).

30. Use of political or other influence.—No Government servant shall bring, or attempt to bring, political or other outside influence, directly or indirectly, to bear on the Government or any Government servant in support of any claim arising in connection with his employment as such.

31. Approaching foreign Mission and aid-giving agencies.—No Government servant shall approach, directly or indirectly, a foreign Mission in Bangladesh or any foreign aid-giving agency to secure for himself invitations to visit a foreign country or to elicit offers of training facilities abroad.

32. Contravention of rules.—Contravention of any of these rules shall be construed as misconduct within the meaning of the Government Servants (Discipline and Appeal) Rules, 1976 and a Government servant found guilty of such contravention shall render himself liable to disciplinary action under the aforesaid rules.

33. Delegation of power.—The Government may, by general or special order, delegate to any officer or authority subordinate to it all or any of its powers under these rules and may, by such order, prescribe the channel through which reports shall be made to the Government and the officers, to whom of such reports shall be regarded as receipt of the reports by the Government within the meaning of these rules.

34. Rules not to be in derogation of any law, etc.—Nothing in these rules shall derogate from the provisions of any law, or of any order of any competent authority, for the time being in force, relating to the conduct of Government servants.

FAYEZUDDIN AHMED

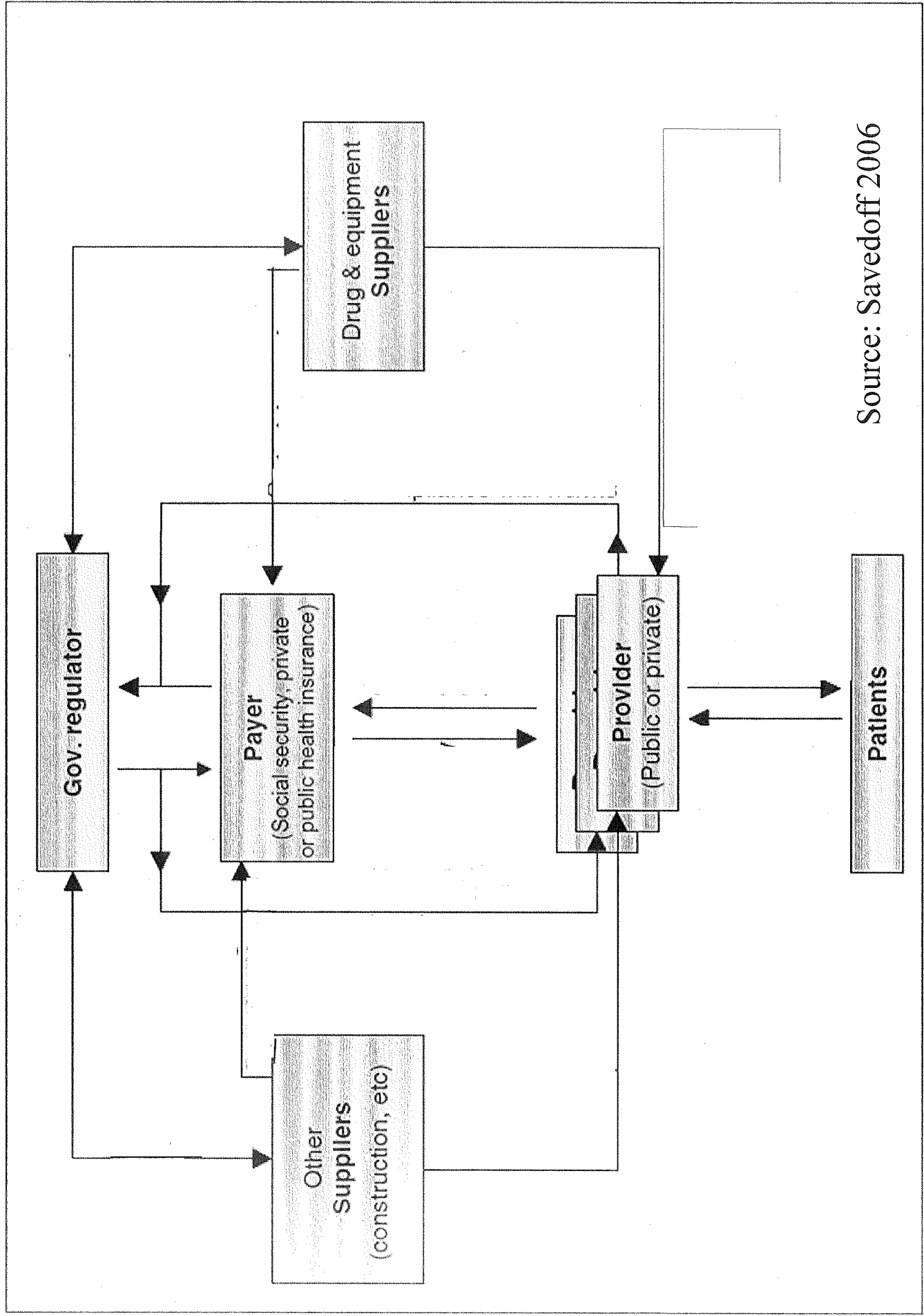
Secretary.

Group work on corruption in the health sector

Is it corruption?

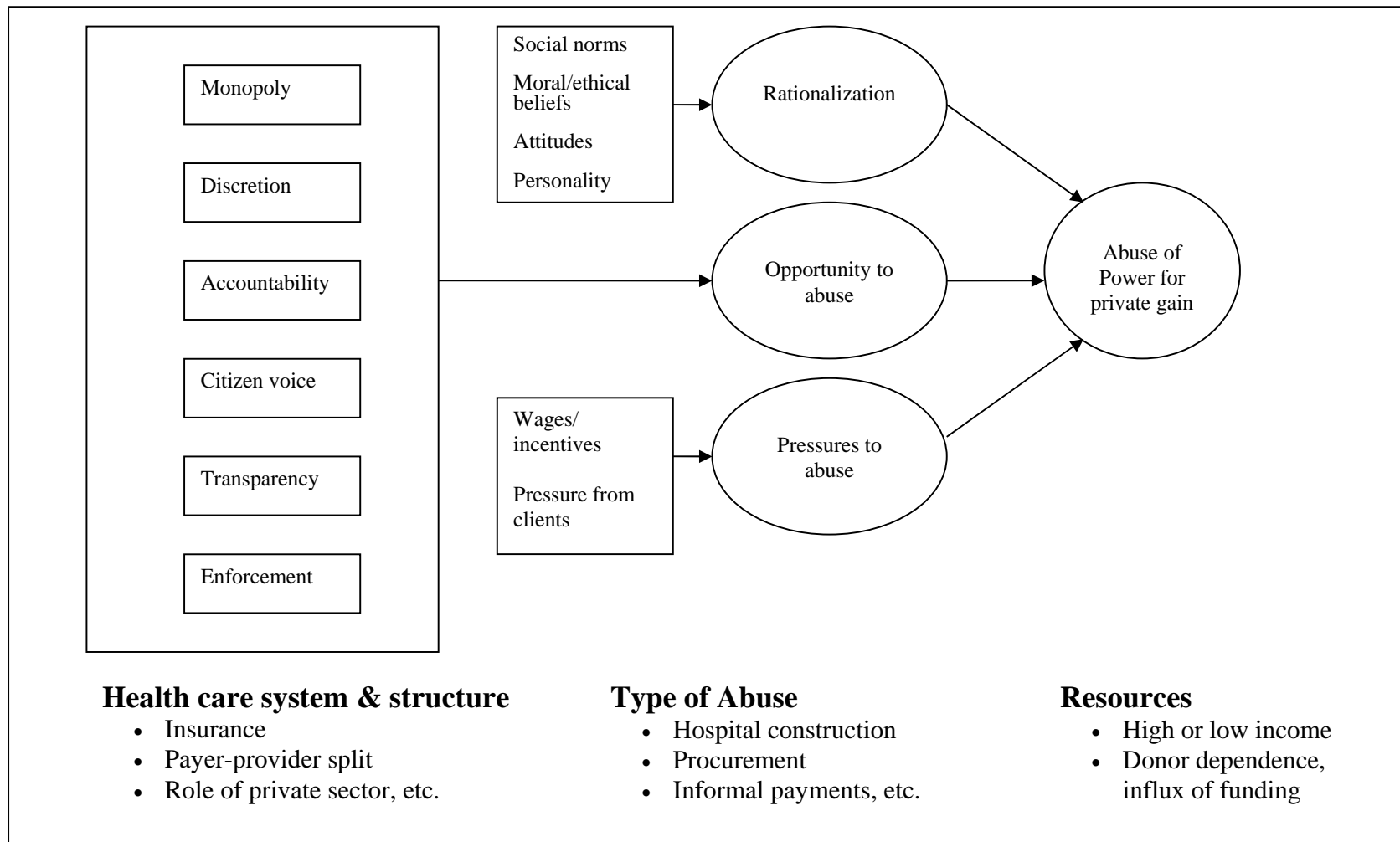
1. A health officer works in the WHO country office. WHO provides her with a cell phone and airtime for work-related telephone calls. She is also on a social action committee in her community. She sometimes will use her work cell phone to make calls to organize community events.
2. Country A has a problem with fake medicines in pharmacies. The medicines are produced by unlicensed drug manufacturers and disguised in packaging to pass as approved products.
3. A private pharmacy is located very close to the District Hospital. The pharmacy is owned by the Medical Superintendent in charge of the public hospital.
4. A nurse accepts a bag of mangos from a patient.
5. A private manufacturing company submits technical specifications of its medical equipment to an official drafting the tender for a government procurement. The official incorporates these specifications into the contract.
6. The administrator of the World Bank Project Implementation Unit is working on the budget for the next phase of the project when his mother falls ill. Realizing that informal payments are common in the medical college hospital, he offers a payment to the surgeon who is going to operate on his mother. The surgeon refuses the payment, stating that it is unnecessary. The mother has the surgery and recovers fully. A few months later, the surgeon appears in the World Bank Project offices and asks if the budget can provide him with a vehicle. The administrator adjusts the budget to add this request.
7. A workshop facilitator offers to give candy to participants if 100% of the class contributes to class discussion.

Types of corruption in the health sector



Source: Savedoff 2006

Framework of Corruption in the Health Sector



Source: Vian, T. Review of corruption in the health sector: Theory, methods, and interventions. *Health Policy and Planning*. 2008; 23: 83-94.

Handout #3

Polio Eradication

A government polio eradication campaign is being launched in Country B, with support from WHO. The campaign depends on campaign workers as local guides and vaccinators. Supervisors are hired and paid \$25/day to recruit the campaign workers, explain their tasks and train them, make sure the campaign workers have adequate supplies and know where to go, and keep records of work done.

The supervisor is responsible for reporting work completed and paying campaign workers. After carrying out a needs assessment and looking at population catchment areas, the campaign has divided districts into communities. In each community area, 10 campaign workers will need to be engaged, and each will need to work for 10 days at \$10/day to complete the immunization campaign.

Maya Santos was hired as a supervisor for Area A. She underwent a one-day supervisor training and learned the requirements of the campaign.

Maya thinks she should be paid better so she decides to hire fewer workers, send them to fewer villages, and keep more of the money for herself. She turns in forms stating that 10 campaign workers worked 10 days at \$10/day. The campaign gives her \$1,000 to pay the campaign workers but after paying them, she ends up keeping almost half of the money for herself.

Questions:

Analyze the vulnerabilities to corruption in the polio eradication campaign.

What is the cost of the corruption?

What strategies might be employed to prevent this type of corruption in the future?

Interventions to Reduce Absence Rates in Schools and Primary Health Centers

Intervention 1: Seva Mandir. Seva Mandir runs non-formal primary education centers in tribal villages in Udaipur District, Rajasthan, India,¹ a sparsely populated. It is difficult for Seva Mandir to regularly monitor the teachers, and absence rates are very high (44% in August 2003). When the teacher is absent, children go home and miss the whole day.

The intervention was conducted in 60 “treatment” and 60 “control” schools. In the treatment schools, Seva Mandir gave each teacher a camera. Teachers were instructed to take a picture of him/herself and the students every day at opening time and at closing time. The cameras had a tamper-proof date and time function. Seva Mandir received pictures twice a day for each school that was open on that day. Teachers received a bonus for the number of valid days they attended. A “valid” day was defined as a day when the opening and closing pictures were separated by five hours and a minimum number of children were present in both pictures. A teacher received a salary of Rs 1,000 if they were present at least 21 days/month. Each additional valid day carried a bonus of Rs 50 (\$6), up to a maximum of Rs 1,300 per month. Each day missed relative to the 21 days benchmark carried a penalty of Rs 50. A teacher’s monthly salary could range from Rs 500 to Rs 1,300. In the control schools, teachers were paid Rs 1,000 and were told (as usual) that they could be dismissed for poor performance. There was also one unannounced visit every month to measure teacher absences in the control schools.

Intervention 2: Rajasthan Health Clinics. In government health clinics in Rajasthan, India, a community member was paid to check once a week, on unannounced days, whether the auxiliary nurse-midwife was present in the clinic or in the village. Villagers were allowed to choose how they would use the monitoring information they were generating. It was thought that villagers might choose to put explicit pressure on the nurse-midwife or try to shame her by exposing her absences, or promise an explicit reward. The weekly local monitoring system was put in place in 143 randomly selected clinics for eight months. Then, for the next four months, attendance was measured by external monitors carrying out monthly checks in a randomly chosen sample of 80 comparison health centers in addition to the treatment centers. Local monitoring continued in treatment centers during the four additional months.

Intervention 3: ICS Africa IV “Incentives to Learn” ICS Africa worked with 127 schools, half of which were assigned to be “treatment” schools and half of which were control schools. In the “treatment” schools, students were eligible for an “Incentives to Learn” scholarship program. ICS paid for scholarships which were given to the highest-scoring 15% of grade 6 girls enrolled in program schools, based on official district tests. The scholarship paid school fees for next two years, a cash payment for school supplies, and offered public recognition at an awards ceremony.

¹ These descriptions are taken from Banerjee and Duflo, “Addressing Absence” (mimeo, MIT Poverty Action Lab, Cambridge MA), p. 6-10.

Interventions to Reduce Absence Rates : Worksheet

Handout 5

Strategy	Strategy 1 Seva Mandir (NGO in Udaipur District, Rajasthan, India)	Strategy 2 Rajasthan Health Clinics	Strategy 3 ICS Africa – Strategy IV “Learn Incentives”
What type of strategy? (Hierarchical control, beneficiary control, or demand-side)			
What incentive?			
What do you think happened to absence rates and other indicators targeted by program?			
What unintended effects might you expect or other concerns would you have about this program?			

Interventions to Reduce Absence Rates : Answer Sheet

Handout 6

Strategy	Strategy 1 Seva Mandir (NGO in Udaipur District, Rajasthan, India)	Strategy 2 Rajasthan Health Clinics	Strategy 3 ICS Africa – Strategy IV “Learn Incentives”
What type of strategy? (Hierarchical control, beneficiary control, or demand-side)	hierarchical control	beneficiary control	demand side intervention
What incentive?	Reward: salary based on minimum of 21 days attendance. Extra days paid Rs 50 (\$6/day). Punishment: each day below the min. of 21, pay is reduced by Rs 50.	None specified. The villagers could choose how to use the monitoring information, i.e. put explicit pressure on nurse-midwife, use shame	Scholarships for top 15% of students on standardized tests in Grade 6.
What do you think happened to absence rates and other indicators targeted by program?	Absence rates cut in half in treatment schools (from 36% to 18%). Eliminated extremely delinquent behavior (<50% attendance). Increased # teachers with perfect attendance. Treatment schools had 88 children-days more per mo. (1/3 increase)	Absence rates were almost exactly the same in treatment facilities (44%) and in control facilities (42%).	Absence rates were a third lower in Rx schools. Possibly teachers’ intrinsic motivation boosted by students eager to learn. Teachers had higher status if students won scholarships. Parents may have taken teacher absence more seriously.
What unintended effects might you expect or other concerns would you have about this program	Acceptability of cameras (in this case, was high) Willingness of administration to continue implementing, in face of resistance by teachers or health providers. Cost-effectiveness. Avg salary in treatment schools was same as in controls, yet 1/3 more child-days of education. Cost = \$6/child/year	Not cost-effective, because no measurable effect.	Cost effectiveness is not clear. Had some effect.
Lessons learned	A straightforward incentive program, mechanically implemented, is very effective in reducing absenteeism. Shows the power of a clearly defined task, simple incentives, and systematic implementation.	Community monitoring does not work if community lacks formal authority to reward or punish provider. Providers knew this, and so did not care.	Provides evidence that all children benefit from the pressure exerted by the families of children who were directly eligible for this program.

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Exercise on Informal Payments

Instructions: Read each quote and check the category that most closely fits. Use the “comments” box to note where you think there may be an additional motivation for informal payment.

Quote from community members / patients	Explanations or motivations for informal payments				Comments
	Contribution to care	Additional Services	Abuse of power	Gift	
The timing of the informal payment influences the quality and speeds up the service.					
The doctor needs to feed himself.					
You need to send food or other products to the doctor’s house because he says that this way you can receive better service.					
Nurses don’t clean your wound if you don’t pay them...					
The nurses do not ask for money but they work harder than the doctors. Why should one not give her something, too, when one gives to the doctor?					
At times, the sick persons make informal payments because they fear that the nurses instead of injecting medicine would inject water to them.					
There have been cases in which doctors say that a pregnant woman needs to be operated even though that is not true.					
We are really happy when the baby is a boy, and it is because of this feeling that we give money to the person who makes the announcement.					

Counterfeit Medicines in Nigeria

Questions to Consider while Reading This Case

Imagine that you are a friend of Dora Akunyili. What would you advise her about where to start and where to focus her efforts as the new director of NAFDAC? How can she make a difference in controlling counterfeit medicines in Nigeria? What strategies should she follow? What assets does she have, and how could she take advantage of them?

Case Study

Many low- and middle-income countries confront problems related to the quality of medicines. Key challenges include counterfeit, substandard, and illegal products:

- Counterfeit products are defined as those whose packaging deliberately misstates what the package contains. This category is commonly called “fake drugs,” which are produced to resemble existing products.
- Substandard medicines are products that do not meet quality standards because they contain the wrong amount of the active ingredient(s), as a result of poor manufacturing practices or deterioration after manufacturing.
- Illegal products are those sold contrary to laws and regulations. They include products imported without a license and ones sold by unlicensed sellers, at illegal prices, or contrary to prescription requirements.

These problems exist to different degrees, and they can intersect. The supply of counterfeit drugs often involves significant criminal activity. Some non-counterfeit supplies are substandard. And many transactions, particularly in the private market, do not conform to legal requirements.

In low-income countries, where many people are poor but are believers in the power of pharmaceuticals, an enormous demand exists for inexpensive medicines. In such situations, there are huge profits to be made from counterfeit medicines. Politicians and judges may be willing to protect violators for a price. Uncontrolled borders and widespread skepticism about the capacity of the state to implement policy and enforce laws complicate the issue.

Substandard or counterfeit medicines in the marketplace create many problems. Medicines with inappropriate or insufficient ingredients will not produce the desired health gains and can contribute to increasing antimicrobial resistance. Illegal retail transactions—especially sales by untrained and unlicensed sellers—can contribute to misuse and poor health outcomes. In addition, consumers who are defrauded (or who suspect that they are being defrauded) are likely to be dissatisfied and to blame the government. Ironically, they may decide to buy higher-priced products to avoid substandard quality, and end up with counterfeit branded products for their trouble.

Such was the situation that Professor Dora Akunyili confronted in Nigeria in 2001, when President Olusegun Obasanjo appointed her to head the Nigerian National Agency for Food and Drug Administration and Control.

Developments in Nigeria

With about 150 million people, Nigeria is diverse in cultures, languages, and religions. Since gaining independence from England in 1960, Nigeria has been dominated by a series of military governments, mainly controlled by conservative northern Islamic elements. In response, much authority has been delegated to the sub-national level, and the country now consists of more than 35 states, all with significant governing authority.

The military ruler from 1976 to 1979 was a British-trained general named Olusegun Obasanjo who took over when dictator General Murtala Mohammed was assassinated. Obasanjo kept a promise for transition to civilian control, however the civilian president who was subsequently elected was widely perceived as incompetent and corrupt and was ousted in a coup in 1985. Successive military administrations squandered, stole, and mismanaged the country's resources. Nigeria is widely viewed as deeply troubled by corruption, and it has continued to experience internal turmoil.

General Sani Abacha, a dictator who took power in 1993, imprisoned Obasanjo for speaking out against human rights violations. Obasanjo was released from prison on the death of Abacha in 1998. Abacha's successor held elections and Obasanjo won 63 percent of the vote, carrying the north and southeast but doing poorly in the southwest.

Obasanjo recognized that he needed to improve Nigeria's international image to restore the country's standing in the global community. Focusing on reforms in social and economic sectors, President Obasanjo recognized that it was critical to address the counterfeit medicines problem. Fake and substandard medicines, mainly imported from India and China but also locally produced, were flooding the Nigerian market.

To do that, Obasanjo had to deal with major challenges in the operation of the National Agency for Food and Drug Administration and Control (NAFDAC). NAFDAC was a relatively new, small agency that was widely considered corrupt. Its poorly motivated workforce functioned without adequate supervision or incentives. Obasanjo knew that he needed an honest and dynamic leader to head NAFDAC if he was to make any progress on this problem. According to some, he also preferred to appoint a woman.

Obasanjo Chooses Akunyili

In early 2001, President Obasanjo approached Akunyili about heading NAFDAC. She had been recommended as someone with a reputation for honesty who could clean up NAFDAC and the national pharmaceutical market. Akunyili was a pharmacy lecturer at the University of Nigeria, Nsukka, and had also worked for Nigeria's Petroleum Trust Fund which distributed government oil revenue for infrastructure projects. While serving in the latter position, Akunyili had received \$23,000 from her employer for surgery out of

the country. When she discovered that the surgery was not needed, she returned the funds (despite the willingness of her European doctor to write off the amount as spent). It was an act that many Nigerians viewed as extraordinary.

Akunyili's family had also directly experienced the damaging effects of counterfeit medicines: her younger sister, a diabetic, died in 1988 after receiving fake insulin. In early 2001, Akunyili received a phone call from President Obasanjo. She went to meet the president and was subsequently offered the job of director-general of NAFDAC. The president said he wanted her to clean up the counterfeit medicines in the Nigerian market, make the regulatory agency work effectively, and bring Nigeria's food and drug industries up to international standards.

The Problems Akunyili Faced

NAFDAC had been established by Decree No. 15 of 1993 to perform several functions:

- Regulate the import, export, manufacture, advertisement, distribution, sale, and use of food, drugs, cosmetics, medical devices, bottled water, and chemicals.
- Conduct appropriate tests and ensure compliance with quality standards for foods, drugs, and so forth, as well as their raw materials.
- Undertake investigations into premises producing foods and drugs and establish quality assurance systems, including certification of the production sites.

NAFDAC was empowered to compile standards, specifications, regulations, and guidelines; undertake the registration and inspection of food and drugs; and establish and maintain laboratories and other needed institutions.

In 2001, the agency confronted a very difficult situation. Because of unfair competition and rampant corruption, many multinational companies had left Nigeria despite the attractiveness of the large national market. Most genuine drugs were very expensive, driving people to cheaper options including counterfeits. High prices and high demand created incentives for criminal elements to produce and import counterfeit products. Studies estimated that 48-80% of medicines were counterfeit in Nigeria before 2001.

Nigeria's medicine production and distribution system made it particularly difficult for regulatory authorities to carry out their duties. The retail system included licensed pharmacies as well as non-pharmacists who held licenses as medicine vendors. Moreover, larger cities had thriving drug markets, chaotic collections of stalls and sellers often dependent on a small number of wholesalers some of whom had criminal connections. These drug markets were patronized by consumers but also by physicians, hospitals, and pharmacies to purchase their pharmaceutical and medical supplies.

Total product volume ran into tens of millions of dollars. Commonly prescribed medicines, such as analgesics and antibiotics, were openly hawked and sold by petty traders in kiosks, in motor parks, and by the roadside. Drugs were also sold by any number of private and public clinics and hospitals. Above the retail level were a variety

of importers, wholesalers, and local pharmaceutical manufacturers. Because of quality concerns, Nigerian drugs were often unwelcome in other African countries. Despite growth in the global pharmaceutical industry, no company had set up a plant to manufacture active pharmaceutical ingredients in Nigeria. All raw materials were imported from abroad (mainly from India and China), so that the production taking place in Nigeria was only formulation.

But although imports accounted for 70% of the country's medicines consumption, products imported into Nigeria were not necessarily reliable. Some products being imported were marked "For Export Only." Those labels raised questions about lower quality standards for exports in the exporting country. Moreover, import control was difficult because of Nigeria's long borders and many small ports. Creative concealment methods were routinely employed by the importers of counterfeit medicines.

The penalties for importing, producing, or distributing counterfeit medicines in Nigeria were too light to be much of a deterrent—imprisonment for between three months and five years or a fine of up to US\$3,600. Moreover, enforcement was lax. Government employees were poorly paid and supervised, and drug counterfeiters regularly resorted to bribery, intimidation, harassment, blackmail, threats, and physical attacks on regulators. Growing sophistication by counterfeiters in copying packaging made it increasingly difficult for everyone—customers, enforcers, and pharmacists—to tell the difference between real and counterfeit merchandise.

Original case study by Eric O. Moore, Michael R. Reich and Marc J. Roberts,
Pharmaceutical Reform: A Guide to Improving Performance and Equity, p. 267-272.
This version has been edited to shorten length.

Reflections on the Case of Counterfeit Medicines in Nigeria

Professor Akunyili's most important asset in taking on this difficult job was her support from and access to the President. He was a newly elected ex general trying to establish his credibility with the population. Making progress on an important issue such as fake drugs was one way for him to do that.

In addition, Akunyili's technical expertise and well-deserved reputation for integrity served her well when she approached reorganizing NAFDAC, enabling her to attract staff interested in working in a high-profile and non corrupt environment. She also had a talent for public relations and was comfortable using the media to advance her program (and herself).

NAFDAC needed to make many internal changes to meet its broad range of responsibilities: to simplify rules, develop better testing capacity, and strengthen inspection and enforcement efforts. Moreover, to complement increased enforcement activities, "Professor Dora," as she was widely known, needed to rally public support. The police, the judiciary, and local political elites were not reliable allies. An aroused public was a potentially critical source of pressure to get them to cooperate.

Legitimate drug manufacturers and sellers (such as firms whose products were being counterfeited) might also become a source of some support.

How might she go about engaging the private sector?

Engaging in high-profile actions that attracted media attention was one possible approach. But any grandstanding had to go hand-in-hand with real improvements if gains were to be sustained. Moreover, both the retail sellers of counterfeit medicines and the criminal gangs that controlled much of the business could be expected to use whatever resources they possessed (from political pressure to bribery to violence) to oppose NAFDAC's efforts. Because this case occurred some years ago, we are able to review what NAFDAC did under Akunyili's leadership.

NAFDAC Initiatives against Counterfeiting

While Professor Akunyili headed NAFDAC, the agency implemented a number of initiatives (Akunyili 2006):

- *A national public awareness campaign.* The agency explained the counterfeit medicines problem in numerous newspaper and radio advertisements. An intensive media campaign communicated the message that all legitimate products (domestic and imported) had to have a NAFDAC registration number on the packaging.
- *Seizure and destruction of counterfeit goods.* From 2001 to July 2005, over 1,000 raids were carried out on drug hawkers, distributors, and transporters. Efforts were made to trace the counterfeit supply chain by pressuring hawkers for information on suppliers and warehouse owners who were their sources. Every few weeks, NAFDAC made a widely publicized show of burning large stocks of confiscated fake medicines, destroying hundreds of millions of dollars in counterfeit supplies.

- *Closure of major drug markets.* The three largest retail drug markets—the source of much of the fake drug supply—were closed for periods of three to six months (including the nation’s largest, Onitsha drug market in Anambra state). Associated clinics that provided fraudulent treatment and warehouses used to store the material were also closed.
- *Import controls at the source.* NAFDAC employees inspected factories in India, China, and Egypt to ensure good manufacturing practice (GMP) compliance and to recertify drugs before they were exported to Nigeria. Nigerian banks cooperated by insisting on NAFDAC clearance before processing financial documents for medicine importers.
- *Increased surveillance at ports of entry.* The government restricted medicines imports to two designated airports and two seaports, facilitating increased surveillance of imports. To foster compliance, NAFDAC guidelines specified that aircraft carrying medicines into Nigeria without NAFDAC authorization could be impounded.
- *Streamlining and enforcing registration guidelines.* The requirement that medicines comply with laboratory standards and inspection requirements before being registered was more consistently enforced. Sanctions on noncompliant manufacturers and importers increased steadily, from 2,226 such actions in 2002, to 4,132 in 2005.
- *Increasing international awareness.* To help mobilize cooperation by foreign governments, including exporting countries, Akunyili spoke at many international conferences to promote awareness about Nigeria’s efforts to control counterfeit medicines.

Restructuring NAFDAC

- *Staff reorientation and motivation.* A major effort was made to identify and remove corrupt and ineffective staff. Promotion practices were changed and opportunities for foreign training were introduced to motivate workers and reward good performance.
- *Restructuring.* Two new directorates, Ports Inspection and Enforcement, were created to focus those efforts. Procedures and practices were changed to foster delegation and eliminate bureaucratic bottlenecks.
- *Increased capacity.* Ten new state offices were established, and the existing 27 offices were strengthened to cover Nigeria’s 36 states and Federal Capital Territory. Three special inspectorate offices were established in the three towns with the biggest medicine markets.
- *Laboratory modernization.* Laboratories were refurbished and two additional ones were built. Standard operating procedures and guidelines were developed, and processes were automated.

Challenges

Despite these changes and initiatives, many challenges remained for NAFDAC:

- *Staffing.* NAFDAC continued to have difficulty obtaining the money and manpower it needed to carry out its many responsibilities.
- *Bureaucratic rivalry.* Nigerian Customs was not receptive to the newly created Directorate of Ports Inspection, which it viewed as intruding into its sphere of operations.
- *Corruption.* Drug counterfeiters continued to bribe customs officials, police, and members of the judiciary to escape prosecution. As of 2010, only about 50 cases had been brought under the anti-counterfeit legislation that was passed in 1999.
- *Violent resistance.* NAFDAC's laboratory in Lagos was vandalized, and in March 2004, NAFDAC facilities across the country were burned. Several attempts were made on Akunyili's life.
- *Smuggling.* With NAFDAC unable to cover all the small ports and overland routes into Nigeria, smuggling became an ever-increasing problem.
- *Quality problems.* As of 2005, NAFDAC claimed that the incidence of counterfeit medicines had been reduced by over 80 percent compared to the situation in 2001. However, in a 2008 study of 144 samples of essential medicines purchased in Lagos-area private pharmacies 18 percent failed basic drug quality tests. Although the sample size is small (and biased toward more reliable sellers), the study suggests that quality problems remain in the Nigerian medicine market (Bate et al. 2009).
- *Consumer attitudes.* Nigerians continued to be concerned about medicines quality. Some questioned whether the highly public burning of fake drugs really solved the problem and whether the progress made by NAFDAC could be sustained.
- *Reopening of urban drug markets.* The major urban drug markets all reopened with only limited regulation and remained a focus for the supply of counterfeit medicines.

Recent Developments

- The sales ban on drugs made in Nigeria has been lifted by neighboring West African countries, and drugs made in or imported through Nigeria are now common throughout the region. Sixteen new drug manufacturing companies were established between 2002 and 2005.
- In 2008–09, contaminated medicine killed more than 84 children in Nigeria between the ages of four months and two years. A “teething mixture” called My Pikin (Oghenerhaboke 2008) was contaminated by diethylene glycol that was sold by an unlicensed chemical dealer in Lagos to the manufacturer.
- In late 2008, Akunyili completed her tenure as the director-general of NAFDAC and began serving as minister for information in the cabinet of President Umar Yar'Adua.
- Dr. Paul B. Orhii was appointed the new director-general of NAFDAC in January 2009. A United States–based lawyer, physician, and pharmacologist, Orhii was a specialist in pharmaceutical litigation. *How useful do you think his expertise in pharmaceutical lawsuits will be?*

- In May 2009, NAFDAC confiscated a large shipment of counterfeit antimalarials from China with “Made in India” labels. The packaging was very sophisticated, but laboratory analysis showed no active ingredients.
- In August 2009, NAFDAC announced that it would open offices in Indian cities that are prominent centers for pharmaceutical production to enhance surveillance and regulation of medicine imports.

Original case study by Eric O. Moore, Michael R. Reich and Marc J. Roberts, *Pharmaceutical Reform: A Guide to Improving Performance and Equity*, p. 267-272. This version has been edited to shorten length.

List of Participants

Strengthening integrity and transparency in the education and health sectors of Bangladesh

March 31 – April 2, 2014

	Ref#	Organization		Name	Designation
Invitees					
DONORS					
1	1	UKaid	Mr	David Grey	Governance Advisor
2	2	UKaid	Ms	Tayo Nwaubani	Senior programme management Human Development (health and education)
3	3	GIZ	Mr	Tim Pfannmueller	Senior Advisor, Corruption Prevention
4	4	GIZ	Mr	Vinay Kumar Jha	Field coordinator Corruption Prevention Project
5	5	FATD Canada	Ms	Meaghan Byers	First Secretary
6	6	FATD Canada	Mr	Deidre Yukich	Analyst
7	9	Embassy of Sweden	Mr	Reazul Islam	Controller
8	10	Embassy of Sweden	Mr	Franck Rasmussen	Programme Officer
9	11	Embassy of Sweden	Mr	Zahirul islam	Programme Officer
10	12	Embassy of Sweden	Ms	Monica Malakar	Senior Programme Officer
11	13	Embassy of Sweden	Ms	Ylva Sörman Nath	Counsellor
12	14	World Bank	Ms	Ayesha Vawda	Senior Education Specialist
13	15	World Bank	Mr	Hasib Ehsan Chowdhury	Operation Analyst
14	16	ADB	Mr	Rudi Van Dael	Senior Social Sector Specialist
GOB					
1	17	Anti-Corruption C	Mr	Dr Shamsul Arefin	Director Prevention
2	18	Anti-Corruption C	Mr	Golam Rabbani	Director (Legal)
3	20	C&AG	Ms	Rownak Taslima	Assistant Comptroller and Auditor General
4	21	FAPAD	Mr	MD. Khademul Karim Iqbal	Deputy Director
5	23	LGED	Mr	M Azizul Hoque	Superintend Engr
6	24	DPE	Mr	Md. Emamul Islam	Deputy Director (Procurement)

7	25	NAPE	Mr	AKM Monirul Hasan	Assistant Specialist
8	26	NCTB	Mr	Md. Murshid Aktar	Research Officer
9	27	MoHFW	Mr	Mohammad Al Amin	Deputy Chief
10	29	DGHS	Mr	Shekh Md. Nazim Uddin Linkon	IT Consultant, Management Information System (MIS)
11	30	MoHFW	Mr	Miah Faridy	Senior Assistant Chief, Planning wing, Health wing, Planning Commission
12	31	MoHFW	Mr	Dr. Farid Uddin Ahmed,	Asst. Director (Services) from MCH-S uni
Civil Society & Media Organization					
1	32	TIB	Mr	Shahzada M Akram	Senior Program Manager, Research & Policy
2	33	TIB	Ms	Fojila Khanom	Senior Programme Manager, Civic Engagement
3	35	CAMPE	Mr	K M Enamul Hoque	Deputy Director
4	45	CAMPE	Mr	Sk. Azizur Rahman	Audit Officer
5	36	Manab Unnayan Kendra (MUK)	Mr	Asaduzzaman Selim	Chief Executive
6	37	Ashroy Foundation	Ms	Momotaz Khatun	Executive Director
7	38	BRAC	Ms	Riful Jannat	Senior Programme Manager, Education
8	41	icddr,b	Dr	Simba Mandizvidza	CFO
1	41	MMC	Mr	Arshad Hossain Siddiqui	Chief of Operations
2	42	MRDI	Mr	Md. Shahid Hossain	Adivser, Planning and Development
3	44	Manusher Jonno Foundation (MJF)	Mr	Md. Arif Hossen Khan	Program manager and Focal person for the program on Ensuring Responsive public Institutions
Trainers					
1		Boston University	Mr	Taryn Vian	Associate Professor of International Health, Boston University School of Public Health
2		IIEP-UNESCO	Ms	Muriel Poisson	Programme Specialist, International Institute for Education Planning
3		IIEP-UNESCO	Mr	Jacques Hallak	International consultant and Former Director, International Institute for Education Planning
4		U4	Ms	Aranzazu Guillan Montero	Program Advisor, U4 Anti-Corruption Resource Centre
5		U4	Mr	Jesper Johnsn	Senior Program Advisor, U4 Anti-Corruption Resource Centre
6		Sida	Ms	Maja Edfast	
Speakers					

1		Transparency International Bangladesh.	Mr	Mohammad Rafiqul Hassan	Director, Research and Policy
2		Transparency International Bangladesh.	Mr	S. M. Rezwana-ul-Alam	Director, Outreach and Communication
3		ANSA SAR	Ms	Nuzhat Jabin	Coordinator - Operations and Resource Mobilization
4				Speaker 1	
5				Speaker 2	
6		Embassy of Sweden	HE	Anneli Lindahl Kenny	Ambassador
Logistics					
1	45	Embassy of Sweden		Nafeesa Matin	Admin
50					Grand Total