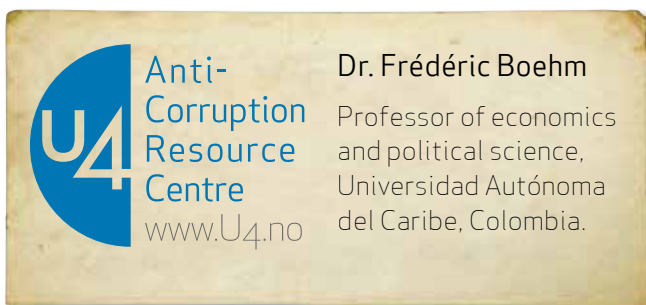# Mainstreaming anti-corruption into sectors
Practices in U4 partner agencies

Integrating anti-corruption measures into sector work – known as mainstreaming – receives increased attention from the development community. The benefits of mainstreaming are to consider sector characteristics, produce concrete results, and overcoming political resistance. The challenges include sustainability, staff time and capacities, and the risk of losing sight of broader governance problems. Interviews and an exploratory survey show that U4 partner agencies are integrating anti-corruption perspectives into sector work through different instruments. While they are investing in building internal capacities, further efforts are required to support complementary approaches and strengthen evidence of results.

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Mainstreaming anti-corruption means integrating an anti-corruption perspective into all activities and levels of an organisation, a sector, or government policies.[1] This brief focuses on anti-corruption efforts in sectors, defined in this case as areas of private or public activities that are of public interest. Sectors are guided and regulated by public policies and receive public funds from national or international sources. A sector may correspond to a specific government ministry or other public agency that has responsibility for it. Education, health, water, transport, energy, natural resources, and security are among the sectors of greatest interest to donors.

While mainstreaming gender is aimed at achieving gender equality society-wide, mainstreaming anti-corruption has more narrowly defined objectives. The idea is to reduce corruption within a given sector in order to achieve the sector's own policy goals, such as providing education, water, or health services to the population. Mainstreaming anti-corruption into sectors fits well with the emphasis on education, health, and water in the Millennium Development Goals, and with the focus on results that characterises development cooperation since the Paris Declaration. Furthermore, a sectoral approach offers a strategic option for donors to engage governments together with other stakeholders. Many governments are integrating measures to reduce vulnerability to corruption into their sector policies, with and without donor support. Examples are reported in the U4 theme pages on education, health (see also Hussmann and Fink 2013), REDD integrity, justice, and natural resource management.

From a donor's perspective, mainstreaming anti-corruption into sectors has two aspects. Internally, the donor needs to reduce corruption risks in its own operations – through codes of conduct, anti-corruption clauses in contracts, staff rotation, internal controls, and so on – and protect its own funds from corruption. When a donor is active in a given sector in the partner country, it has a responsibility not to contribute to corruption, at minimum.

Externally, the donor can take measures to strengthen the anti-corruption capacities of partner countries in a given sector. This is the sphere of activity on which the survey focused. The approach includes two basic steps: (1) investigate and understand the sector-specific corruption problems, and (2) figure out ways to tackle them to improve the sector's performance. Through their support for sector programmes, donors can help partner countries design and implement sectoral anti-corruption policies to strengthen sector governance and service delivery. Donors can also help strengthen the internal anti-corruption capacities of partner institutions, such as ministries.

While an organisation usually has a clear hierarchy that can design and lead an internal mainstreaming strategy, this is not true of a sector. The actors include the relevant government agency, but also other autonomous actors. A sector-level anti-corruption policy can be initiated by a sector ministry or by the central government as one aspect of a national anti-corruption policy. But to be effective, the policy also has to provide incentives to the different actors within the sector to pursue internal anti-corruption efforts in their respective organisations. For example, a policy could reward integrity-enhancing measures in ministries or private firms, or sanction noncompliance with internal audit and control standards.

While analytical perspectives on corruption in sectors emerged during the early 2000s in academia,[2] the first donor agency to focus on the topic was the German Technical Cooperation Agency (GTZ, now part of GIZ), with a series of papers published in 2004. This work came in response to pervasive corruption and its negative effects on development interventions. The US Agency for International

Development (USAID), in its anti-corruption strategy, called for development of "sector-specific strategies to reduce corruption and improve governance." These strategies must go "beyond attempts to ensure that USAID funds in a specific programme are protected from corruption" and imply "a proactive commitment to finding ways to reduce the impact of corruption throughout the sector" (USAID 2005).

In 2007, the World Bank published *The Many Faces of Corruption: Tracking Vulnerabilities at the Sector Level* (Campos and Pradhan 2007). The Bank also launched its Governance and Anticorruption (GAC) Implementation Plan, which aimed "to mainstream GAC at the country, sector, project, and global levels" (World Bank 2013). The pioneering work by GIZ and USAID, along with leadership by the World Bank, triggered an interest in mainstreaming anti-corruption throughout the donor community. In 2011, the United Nations Development Programme (UNDP) issued a series of guidelines on integrating anti-corruption into sectors (UNDP 2011a, 2011b, 2011c). It is currently implementing pilot projects to validate these ideas and translate them into practice.[3]

Since 2009, the U4 Anti-Corruption Resource Centre has provided online training for development practitioners from U4 partner agencies with a sector focus, especially in health and education. In 2012, U4 developed an online course on introducing anti-corruption approaches into sector work.

Mainstreaming anti-corruption into sectors: Pros and cons

Mainstreaming anti-corruption into sectors has three important advantages. To begin with, broad, one-size-fits-all prescriptions for reducing corruption do not take into account the specificities of different sectors. A thorough understanding of how a given sector works – its processes and actors – is required to pinpoint where and how corruption may arise in the sector. Both sector expertise and an understanding of the country context are essential in designing effective anti-corruption measures.

Second, reducing corruption in sectors can translate into concrete results that affect people's well-being directly. In many countries, citizens confront petty corruption when dealing with schools, hospitals, water providers, energy services, transport, and security. Corruption in procurement may lead to higher prices and lower quality of services. Tackling corrupt practices in a sector can make service provision more effective and efficient. But the potential effects go further: curbing corruption in one sector can create positive spillover to other sectors and can enhance state legitimacy more broadly, as citizens recover trust in their government and ask for more reforms. Banerjee and Duflo (2012) point out,

> *"It is not always necessary to fundamentally change institutions to improve accountability and reduce corruption. . . . Good policies can . . . help break the vicious cycle of low expectations: If the government starts to deliver, people will start taking politics more seriously and put pressure on the government to deliver more."*

Finally, there is a pragmatic argument related to political will. Introducing reforms at sector level may be more feasible than attempting to apply them across government,

as political resistance will be lower (Matsheza 2012). A particular sector may offer a window of opportunity – for example, the appointment of a strong minister – or there may be external pressure on the government to reform a particular sector. This happened in the Zambian health sector in 2009, for instance, when donors temporarily froze their support after a whistleblower uncovered embezzlement by top officials in the health ministry (see Norad 2011).

At the same time, there are also arguments challenging the sector approach. First, focusing on sectors may lead reformers to lose sight of broader corruption and governance problems, especially political corruption. One such issue is corruption and vote buying in elections, with favours such as public employment for individuals or government contracts for private firms that support a candidate's campaign. The role of money in politics outside a given sector may be key to understanding corruption within that sector, but if it does not have a visible link with sector policies, it may be overlooked in a sectoral anti-corruption strategy.

Second, sectoral anti-corruption successes may be less sustainable than broad approaches. Instead of unleashing positive spillover effects, a sectoral "island of integrity" can be flooded by the ocean of corruption surrounding it. For instance, high-level public officials could be removed, endangering the sector reform. However, a sector includes various actors outside the scope of direct governmental intervention. If sufficiently empowered, they can continue exerting pressure for reform and demanding accountability.

Third, corruption can migrate or adapt; this is especially true of corruption that is managed by organized crime structures. A sectoral anti-corruption approach may end up displacing corrupt practices from one sector to another. Alternatively, corruption may shift from visible to less visible practices within the same sector. For instance, when visible practices of petty corruption, such as bribery, are contained, other forms of corruption may continue or increase, such as corruption in procurement. This critique, however, can be brought against any type of anti-corruption intervention.

A final concern relates to managerial issues on the donor side. Donor staff can suffer fatigue when pressed to integrate an array of different approaches and priorities into their daily work. The term "mainstreaming" often meets with a lukewarm reception. It requires practitioners to redouble their efforts, acquire new knowledge, go beyond the daily routine, and confront national partners with a difficult topic. The fight against corruption is perceived as an arduous undertaking in which progress is difficult to achieve and to measure. It may therefore be quite rational for sector programme staff to avoid committing themselves to anti-corruption objectives.

Overall, however, the advantages outweigh the disadvantages, and mainstreaming of anti-corruption in sectors is a valuable tool. Practitioners should keep the following in mind:

- Don't forget broader governance issues outside the sector, especially political corruption.

- To promote sustainability, strengthen the demand for good governance in the sector, working with actors from civil society, the private sector, and control institutions outside the sector (such as a supreme audit institution or anti-corruption agency).

- Acknowledge that there are different practices of corruption and that corrupt actors may be quick to adapt to new situations.
- Communicate to staff and partners that mainstreaming anti-corruption into a sector is feasible and is aimed at improving sector performance.

U4 survey results

While strong arguments can be made for mainstreaming anti-corruption into sector work, questions remain as to how donors are implementing this approach in practice. A small exploratory survey of seven U4 partner agencies was carried out in August–September 2013, supplemented by expert interviews.[4] The eight-question survey sought to find out whether partner agencies have developed practices for mainstreaming anti-corruption into sectors, how they operationalise their approaches, and what obstacles to sector mainstreaming they perceive.

The survey and interviews show that all surveyed U4 partner agencies consider corruption to be a cross-cutting issue. Six of the seven have an anti-corruption policy in place that explicitly calls for mainstreaming anti-corruption perspectives into sector programmes. All seven agencies support specific anti-corruption efforts in certain sectors. For example, all have integrated anti-corruption to some extent into their education programmes; six have done so in their health programmes, five in renewable natural resources (mostly forestry), and three in water. This confirms that donors perceive the need to take account of corruption in sectors in order to improve development results.

Question 3: In which sectors does your agency have experience in integrating an anti-corruption perspective?
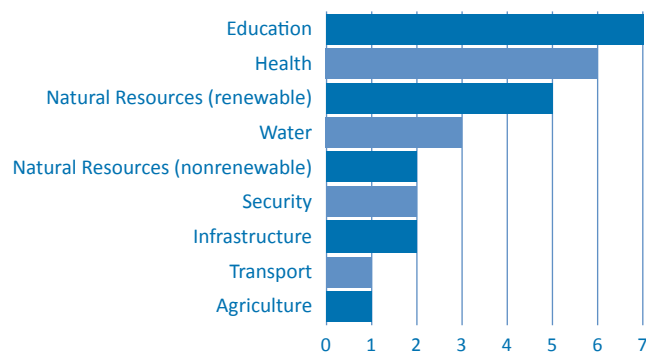
Source: U4 Exploratory Survey on Mainstreaming Anti-Corruption into Sectors, 2013.

With respect to instruments used to promote sectoral approaches, survey results show that flexible, noncompulsory implementation methods prevail. None of the partner agencies reported using mandatory anti-corruption indicators that have to be incorporated into the design of every sector programme or policy. One interviewee commented that internal resistance to yet another compulsory indicator would have been too high, so the choice was made to promote demand and interest in a more subtle way. The preferred instruments are anti-corruption training and policy documents. Some agencies provide a checklist or offer support by anti-corruption experts to sector colleagues during programme design. Germany's GIZ developed a planning instrument,

Anticorruption WORKS, that helps sector programmes analyze corruption and design anti-corruption measures to support partner institutions (Boehm and Teggemann 2011; Hechler 2011; GIZ 2012). Finally, all agencies report including the topic of corruption in their bilateral negotiations with partner countries.

The survey also reveals important challenges. 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.

The survey asked respondents to rate what they considered to be the most important "hurdles" or obstacles to mainstreaming anti-corruption at sector level. In addition to time constraints, they identified the lack of internal capacity for designing and evaluating anti-corruption approaches as most important. Sector programme staff are not usually trained to identify how governance problems or corruption may cause failure to achieve results. Also, though they may be quite aware that corruption is a problem, they often lack expertise on ways to tackle this issue. Or they may be reluctant to raise corruption problems with partners, as the topic is often perceived to be taboo. On the other hand, the survey does suggest that sector staff are interested in integrating anti-corruption perspectives and that it is not difficult to communicate its benefits.

Question 6: What would you consider to be the biggest hurdles to mainstreaming anti-corruption at sector level? (0 – not important; 5 – very important)
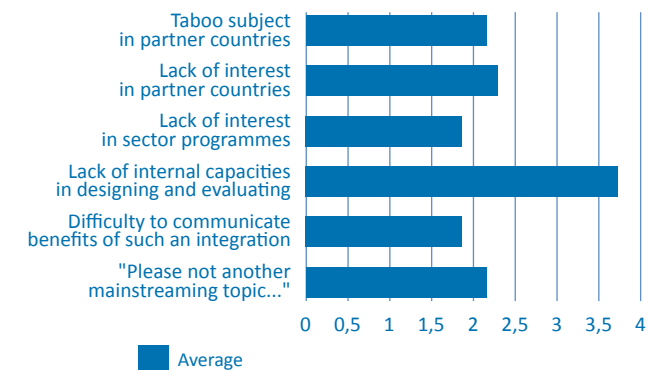
Source: U4 Exploratory Survey on Mainstreaming Anti-Corruption into Sectors, 2013.

Overall, the survey results seem to reflect positive, although still limited, experience of donors with sectoral anti-corruption measures. They challenge the argument that sector staff are resistant or disinterested. Therefore, instruments that aim at building anti-corruption capacities among sector staff or providing direct support by governance experts to sector colleagues may yield the best results.

Donors should support complementary approaches

The growing emphasis on sectoral anti-corruption work reflects advances in understanding of the complex phenomenon of corruption and an evolution in donor thinking about how to combat it. Results of the U4 survey suggest that donors consider corruption to be a

cross-cutting issue and are starting to mainstream an anti-corruption perspective into key sectors. The benefits of this approach seem clear to practitioners, and sector specialists are interested in it. The principal obstacles to sustainable adoption of a sector anti-corruption approach are lack of internal capacities and time constraints. The survey suggests that some donors are already investing in building personnel capacities internally.

The arguments raised against a sector approach remind us that it is not a panacea. Mainstreaming anti-corruption into sectors needs to be complemented by efforts at other levels – for example, support for anti-corruption laws or agencies, or broad procurement reforms. It is not a matter of choosing between sector and nonsector approaches to corruption, but of providing support for complementary approaches.

Finally, rigorous impact evaluation is required to determine whether or not the effort to integrate an anti-corruption perspective into a given sector has been successful. Beyond the anecdotal evidence available, there is a need for consistent evidence of results to confirm that mainstreaming anti-corruption improves sector outcomes and service delivery. Such evidence would provide even stronger incentives to systematically mainstream anti-corruption approaches into sectors.

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Notes

1. The "mainstream" refers to typical activities and work areas of an organization. "Mainstreaming" an issue means to integrate it into all or some of these activities or areas. There is no convention on how to use "mainstreaming" and "integrating." "Mainstreaming" could describe a more systematic and mandatory way of integration. However, the survey shows that donor agencies do not use mandatory indicators to integrate anti-corruption, yet they still try to systematically bring anti-corruption issues into activities or programmes that are not primarily related to anti-corruption through less compulsory measures (e.g., training, guidelines). Therefore, we use them interchangeably.

2. In education, Hallak and Poisson (2003) and Heyneman (2004); in water, Davis (2004); and in health, Di Tella and Savedoff (2001).

3. Interview with Gerardo Berthin, UNDP.

4. The online survey was sent to the contact persons in all U4 partner agencies, with enough time to allow them to ask for internal feedback within their agencies. U4 currently has eight partner agencies in Australia, Belgium, Canada, Finland, Germany, Norway, Sweden, and the United Kingdom (http://www.u4.no/info/contact-us/partner-agencies/). Australia did not participate in the survey because of a restructuring process. The information from Sweden was obtained through a personal interview.

Further reading

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