Strengthening integrity - crucial in advancing water security and resilience in Asia Pacific

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About the Water Integrity Network

WIN Water Integrity Network
Fighting corruption in water worldwide

Mission
- Strengthening integrity and improving performance, reducing corruption in the water and sanitation sector
- Linking with Human Rights to Water and Sanitation and the SDGs

Structure
- NGO based in Berlin, centre of a global network of partners
- Focus countries- Benin, Kenya, Bangladesh and Mexico

Approach
- Advocacy, research, capacity development, tools,
- Focused on potential for improvement and prevention rather than punishment
- Work with government, NGOs, water services providers and utilities

How can WIN support?

✓ WIN works with local, national regional and global partners

✓ WIN's support can be introduced into existing projects

✓ WIN provides support for improving water integrity.

Advocacy **Networking Building** **Capacity** **Research** **Tools**

What is integrity?

Integrity is the use of vested powers and resources ethically and honestly for the provision of sustainable and equitable water and sanitation services in the public interest

Integrity is

- implicit in human rights obligations,

- explicit in administrative justice laws of many countries, and

- operationalised through the principles of transparency, accountability, participation and anticorruption
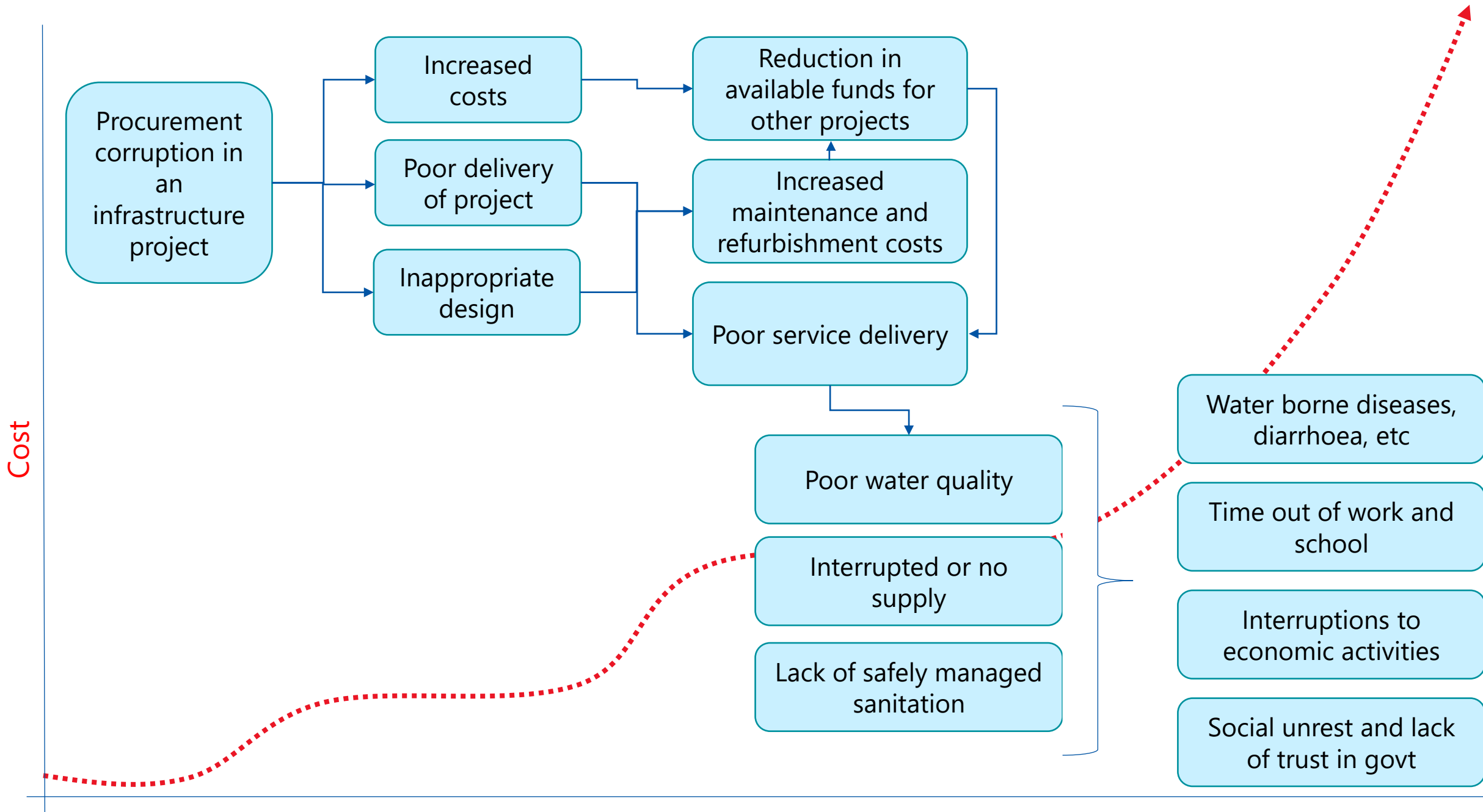
Integrity = Transparency + Accountabilty + Participation + Anti-corruption

Why does integrity matter?

Mainstreaming integrity and transparency practices across water policies, water institutions, and water governance frameworks are key for greater accountability and trust in decision-making, and effective implementation of water policies (AWDO).

Lack of integrity contributes to, amongst other things

- Waste of financial resources (capital and maintenance) (5 – 30%)

- Poor infrastructure quality

- Poor service delivery

- Over-priced and over-designed systems

- Poor performance

- Significant social and economic challenges

Financial costs

US$53 billion per year to be invested in Asia by 2030 (ADB)

A 2020 Intra American Development Bank study shows that reducing corruption can lead to financial savings of 7 – 16% in the water sector

US$53 billion per year x 10% = US$5,3 billion per year

Why integrity matters

Weak integrity threatens water security in Asia

Social and economic costs of corruption including impacts on public health and environment are larger than financial costs

Integrity is key to building water sector institutions which are effective and credit-worthy, politically, financially, and socially.

Integrity in water and sanitation is central to COVID recovery, increasing resilience to natural disasters, and achieving all the SDGs

Findings from AWDO 2020

Data and information

Integrity

Stakeholder engagement

Monitoring and evaluation

Figure 25: Regional Results Survey on Water Governance Principles of the OECD

	Principles	Central and West Asia	East Asia	Pacific	South Asia	Southeast Asia	Advanced Economies
Effectiveness	1. Roles and responsibilities	🟩	🟩	🟩	🟩	🟩	🟩
	2. Appropriate scales	🟩	🟩	🟩	🟩	🟩	🟩
	3. Policy coherence	🟧	🟧	🟧	🟧	🟧	🟨
	4. Capacity authorities	🟨	🟨	⬜	🟩	🟨	🟩
Efficiency	5. Data and information	⬜	🟩	🟨	⬜	⬜	🟩
	6. Financial resources	🟨	🟩	🟥	🟧	🟥	🟩
	7. Regulatory frameworks	🟩	🟩	🟩	🟩	🟨	🟩
	8. Innovative practices	⬜	⬜	⬜	⬜	⬜	⬜
Trust and engagement	9. Integrity	🟥	🟧	🟥	🟥	🟥	🟨
	10. Stakeholder engagement	🟥	🟧	🟥	🟧	🟥	🟨
	11. Trade-offs	🟥	🟧	🟥	🟧	🟧	🟩
	12. Monitoring and evaluation	🟥	🟨	🟥	🟥	🟧	🟩

Legend:
🟩 in place and functioning
🟨 in place but only partly implemented, partly not in place
🟥 not in place
⬜ not sufficient data to justify average for the region

Sources: Asian Development Bank and Organisation for Economic Co-operation and Development. 2015. *OECD Principles on Water Governance.*

OECD Governance Principles – survey results

Principle 9: Integrity: Less than 20% of ADB members have implemented relevant international conventions, institutional anti-corruption plans or tools to track budget transparency
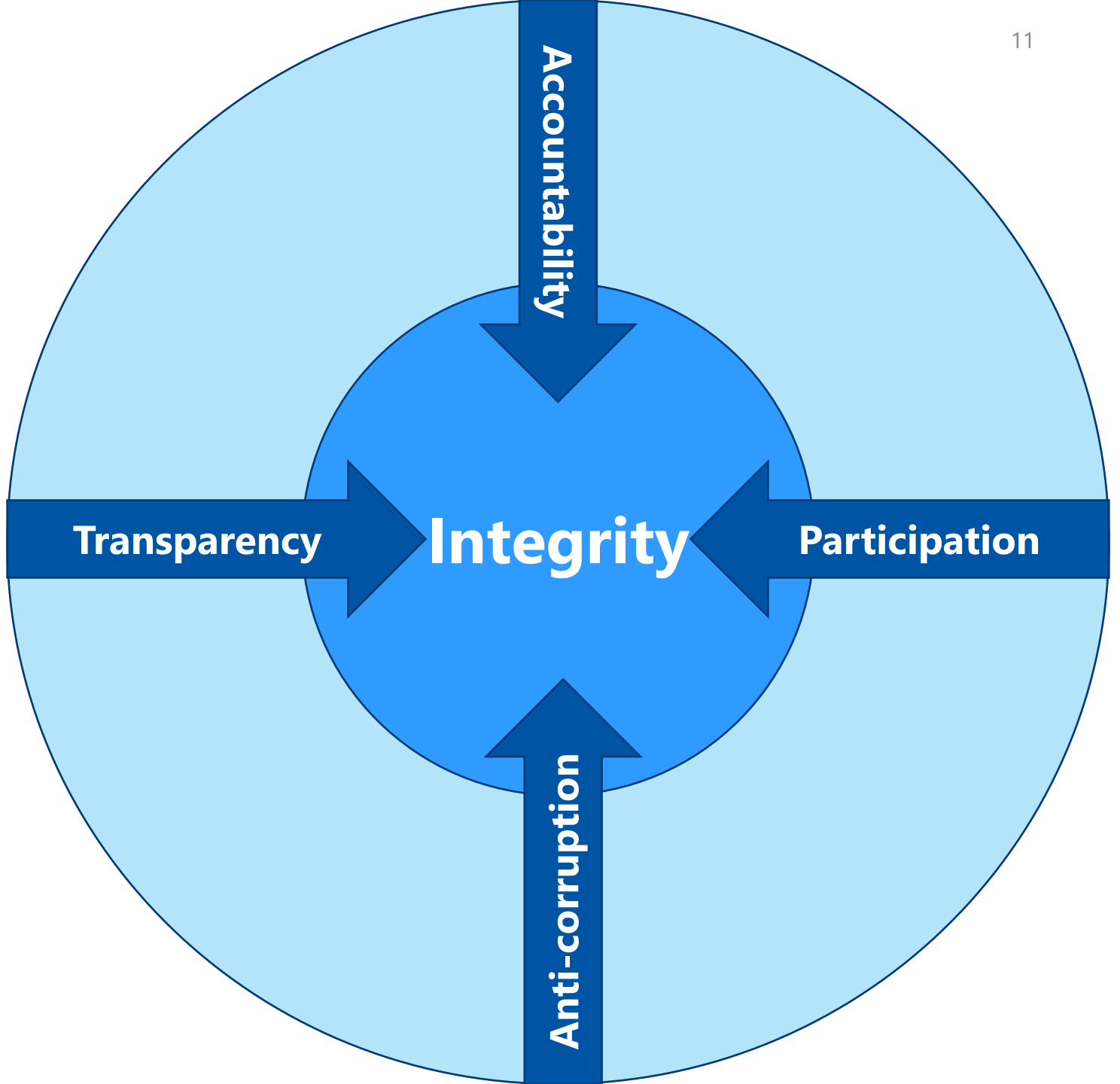
Principle 10: Stakeholder engagement: Only one-third of the surveyed ADB members have implemented formal or informal mechanisms to engage in water-related topics with stakeholders

Principle 12: Monitoring and evaluation: There are generally no formal requirements for evaluation and monitoring in two-thirds of ADB members

4 pillars of integrity in water and sanitation

Achieving integrity requires
- Transparency
- Accountability
- Participation and
- Anti-corruption

South Cotaboto Provincial Government, Phillipines

- 2015 - provincial government launched the South Cotabato Integrity Circle (SCIC)
  - multi-stakeholder forum to prevent corruption and promote good governance as a strategy towards poverty reduction
  - SCIC is mandated to develop and monitor effective implementation of South Cotabato's 24 mechanisms for institutional integrity,
    - apply to all public services in the province
- South Cotabato joined OGP Local in 2018
  - currently implementing five commitments on open government to make public procurement more transparent
  - introducing open contract mechanisms to increase access to information, strengthen participation and transparency in the project monitoring, etc.
- Province is consistently ranked among the most competitive provinces in the country, and has steadily reduced poverty since the launch of the initiative.

Gender and anti-corruption initiatives - SPAK

- 2014 - Indonesian Corruption Eradication Commission (KPK) launched a programme called Saya Perempuan Anti-Korupsi (SPAK) ("I am a Woman against Corruption")

- SPAK
  - recognises the diverse experiences of women in relation to corruption
  - offers three day training to groups of women
    - training aims to be fun, and to appeal to different kinds of women
    - clarifies issues such as what constitutes petty corruption, inappropriate use of public resources, and the fight against corruption
  - has developed seven games, one of which relates to village budgets and how to participate in monitoring local use of funds.

- SPAK reveals how women can be active agents of anti-corruption in their communities.

(UNODC (2020). The Time Is Now - Addressing the Gender Dimensions of Corruption. United Nations, 2020)

E-procurement

- Despite the importance of procurement contracts, information is often not easily available

- E-procurement supports improvements in this regard

- <u>Open Contracting Partnership</u> (OCP) promotes e-procurement and a format for data sharing: Open Contracting Data Standard (OCDS)
    - OCDS uses simple data structure, open data publication patterns, gives guidance on improving data collection and quality

- Ukraine:
    - civil society, private sector and government reformers worked together to develop the Prozorro.org e-procurement system based on OCDS ("Prozorro" means "transparent")
    - Savings in first few years >USD 1 billion; thousands of new businesses competing for contracts; 80% of government contracts going to SMEs
    - Reduction in perception of corruption by 50%
    - Businesses appreciate that ProZorro simplifies the contracting process, reducing cost of participation.
    - Watchdog groups like Transparency International and Eidos Center it to monitor and detect suspicious activity.
    - Journalists are receiving training on how to use ProZorro.

(Open Contracting (2016) 'Everyone sees everything' Overhauling Ukraine's corrupt contracting sector. https://medium.com/open-contracting-stories/everyone-sees-everything-fa6df0d00335)

WIN Integrity Tools – utilities, regulators, policy makers

- WIN has developed and implemented an Integrity Management Toolbox (IMT) for use with utilities, regulators and policy makers
  - Aim is to identify key integrity risks in a participatory manner, develop and implement a road map
  - Implemented in Latin America, East Africa, Asia
- WIN is working with Aquarating team to include integrity indicators in the Aquarating tool

Regulators play a key role enabling integrity within the sector

- can strengthen service provision regulatory processes,
- supervise the levels of quality and efficiency, and control and
- verify the correct application of norms, obligations and sanctions in the regulatory framework
- can put in place specific requirements with regard to integrity, including in relation to transparency of information, stakeholder participation and anti-corruption activities

Lessons learned in improving integrity management

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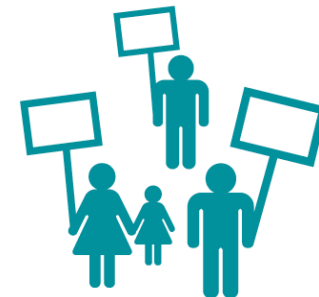Fighting corruption in water worldwide

- There is no magic bullet but with strong leadership, commitment, building coalitions, using available tools and processes, change can be brought about

- Even in contexts of systemic corruption

- Requires a change management process – cannot be a once-off event

- Combining top down and bottom up processes can be effective

- Civil society and the media have a critical role to play

- The voices of women and the youth can have strong input and mipact

- Any actions should be appropriate to the local context, and based on a risk assessment relevant to the local context

- Talking about corruption makes many people uncomfortable – approaching the topic as being about building integrity is a better entry point
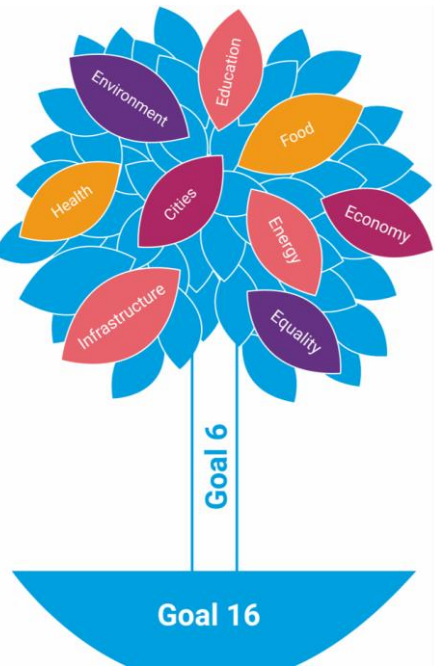
Recommendations-Governments

Integrity measures promote both good governance and financial efficiency, leading to "Quality Growth" (inclusive & participatory, sustainable and resilient").

Include integrity and Human Rights Approach to Water and Sanitation in the 4th APWS Declaration Document (Kumamoto Declaration) in 2022

Recommendations- Water sector organizations

Integrity plans at organizational level strengthen corporate governance, support a culture of integrity and improve organizational performance, credibility and credit-worthiness

Improved integrity serves to safeguard the most vulnerable from negative impacts of corruption

Recommendations – International donors and agencies

Support and align with local partners for integrity management, building the capacity of stakeholders, including the poor, to participate, monitor and hold service providers accountable, rather than focusing primarily on infrastructure construction (WIGO 2021)

Coordinate with other national anti-corruption governmental organizations (trainings and advocacy)

Source:
WIN(forthcoming, 2021) Water Integrity Global Outlook 2021. Integrity in urban water and sanitation