

Financial Transparency and Accountability

Principles and Regulations
TrAcc



Ms Délali ADEJE ensuring transparency and accountability
in our Togolese programmes (photo HR&S 2016).

Introduction

About the document

The purpose with this document is to support Human Rights and Science and Action10 and its partners to benefit from high quality Transparency and Accountability procedures.

Acknowledgement

Transparency International is acknowledged for all the good documents they share at their website¹. Transparency International (TI) is the global civil society organisation leading the fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, Germany, TI raises awareness of the damaging effects of corruption and works with partners in government, business and civil society to develop and implement effective measures to tackle it.

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¹ <http://www.transparency.org>

Terminology

Accountability

Accountability is about being responsible to someone for actions taken; about being able to explain, clarify and justify actions. It implies that someone has a right to know and hold an institution or person to account; and that the institution or person has a duty to explain and account for its actions.

Transparency

Transparency is about being easy to understand, and being open, frank and honest in all communications, transactions and operations. Accountability and transparency go hand-in-hand, and involve being aware of who to be accountable to, what the important pieces of information are, and how they can be communicated most effectively.

Corruption

Corruption is the abuse of entrusted power for private gain. It is a form of dishonest and/or unethical conduct by an organisation, institution or person entrusted with a position of authority or power, to acquire personal benefit.

Corruption hurts everyone whose life, livelihood or happiness depends on the integrity of people in a position of authority. It can manifest itself as embezzlement, bribery and fraud, favoritism and nepotism.

Corruption is a serious problem and dealing with it, extremely difficult. When corruption becomes systematic, it is very difficult to undo, it is a many-sided problem and it takes global efforts to fight against it. Sometimes people may not be fully aware they are acting corruptly. In offices infested with corruption a system of 'reverse ethics' develops. People may hold on to certain codes of loyalty to their colleagues, superiors or ethnic communities. One problem is impunity (exemption from punishment) and in places where impunity prevails, it is rational to protect one's own interest.

Bribery

Bribery is the offering, promising, giving, accepting or soliciting of money, gifts or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out an organisation's activities.

Countering corruption

It is generally agreed that the degree of corruption increases with monopoly (exclusive control), low penalties, discretion, and low probability of being caught, why these are areas that must be addressed while countering corruption. HR&S claims further that causes for corruption includes lack of social security and a family responsibility to ensure that the family members overcome financial constraints. The family responsibilities can hit harder the eldest son, those traveling abroad and those with increased salary.

Monopoly is reduced by increasing involvement and information to involved stakeholders such as institutions local staff.

The **penalty** associated with corruption must out weight the gain received. To only ask the culpable to return funds is not a penalty.

An anti-corruption policy with clear responsibilities and an action plan is necessary to reduce **discretion**.

Strict **transparency principles and regulations** promotes visibility in each step and from the beginning of a new partnership.

Emergency loans and saving systems can bring about local **social security systems**.

Integrity Pacts are a tool for preventing corruption in public contracting and constitutes agreement between the government agency offering a contract and the companies bidding for it that they will abstain from bribery, collusion and other corrupt practices. Integrity Pacts also include a monitoring system to ensure transparency, typically led by civil society groups, often chapters of Transparency International.

Transparency Principles

The aims of our Transparency Principles are to help us to ensure we use good transparency practices.

HR&S / Action10 commits the below Transparency principles:

1. We carry out our business fairly, honestly and openly.
Thus, we ensure transparent payment terms and clear records.
2. We have set out processes for avoiding direct or indirect corruption and have developed a programme to implement and support these Principles (see below).
3. We will keep to these Principles even when it becomes difficult.
Thus we do not make facilitation payments.
4. We keep clear and updated records.
Thus we keep records of decisions on giving donations or how a demand for a bribe or conflict of interest was handled.
5. We do not make bribes, nor will we condone the offering of bribes on our behalf, so as to gain a business advantage.
We do not accept bribes, nor will we agree to them being accepted on our behalf in order to influence business.
Thus, we ensure careful management of commission payments and a process for dealing with gifts and entertainment.
6. We make sure that our staff and our partners know our Principles.
Thus we ensure good communication and training and there is no excuse for not knowing.
7. We avoid collaborating with others who do not accept our values.
Thus, we carefully select our partners carefully.
8. We regularly review and update our Programme and processes as needed.
Thus, we learn from experience and networking with others.

Rules on gifts and entertainment

HR&S / Action10 has committed to not giving or receiving bribes. As gifts and entertainment could sometimes disguise bribes, or be misinterpreted as bribes, we have set out these rules which clearly define what we consider to be genuine and acceptable and what is not.

Gifts

We may accept gifts of small items of limited value. We may not accept valuable items. The limit on the value is € \$30 and the gift can be promotional items, country symbols chocolates. Examples of valuable items are gold jewelry, expensive watches or airline tickets.

Although we may accept a gift now and then, we may not accept gifts, which are given regularly or often. Our business rule is that gifts we give must be of moderate value, legal under local law, and agreed by management. There are usually laws or regulations on what government officials may accept. It will help you to discuss and decide what gifts to offer customers, rather than to leave it to one individual. Our customers may also have a gifts policy.

Valuable items received as gifts will be returned, or disposed of as agreed by management. Sometimes it would be rude to refuse a gift, e.g. at a public event. It helps to have thought about this in advance and to have guidance prepared. In such cases the gift could be accepted, but returned later with a letter of explanation. Alternatively, its value might be donated to charity. The giver

should be told what you have done and why, to avoid gifts of value being presented on other occasions.

Entertainment

We may give and accept reasonable, hosted entertainment which is in the legitimate interests of the programme. We will not give or accept lavish or frequent entertainment, or entertainment which is not hosted.

Where no-one from the business offering the event attends to host guests, e.g. at a sporting event, this is then a gift, not entertainment, and falls under the rules on gifts. There ought to be an element of business involved, e.g. promoting good relations or following a business meeting. Lavish entertainment goes beyond what is appropriate, e.g. weekend accommodation at expensive hotels, and including spouses. It is fine to do this, but each business should pay its own travel and accommodation expenses.

Transparency & Accountability Regulations

Country laws and regulations

Understand the laws and regulations in each country of operation. Corruption and bribery is illegal in most countries.

Management

Management team

- Each partner must have a management team of minimum three, but preferably five members.
- The management team must hold a CEO/Director (or any other title), a Vice CEO/Director, and a Head of Finance.
- The name and contact details of who will be in operation the coming full calendar year, is submitted to HR&S Country no later than 31 December.
- The presentation of the management must include a clear description of the title of each member as well as their assignments, authorities and responsibilities.

Head of Finance

- The Head of Finance is responsible for the bookkeeping, compiling supporting documents, and annual financial reporting.

Meetings

- The full management team meets regularly, monthly or more often.

Staff relation

- Staff handling finances cannot belong to the same family; this include CEO, Vice CEO, Accountant, petty cash responsible and project managers.

Budget

Budget preparation

- Each partner develop a detailed annual budget.
The budget is signed by the full Partner Management team.

Procurement

- Procurement using larger volumes of funds must follow national tender practices and takes Swedish tender practices into consideration.
(Swedish practices have been compiled in the appendices.)
- Items agree to be procure can be paid for directly by HR&S Sweden/Action10.

Stipends

- Stipends can only be agreed to be awarded genuine beneficiaries. Relevant documentation must be provided to prove the legality.

Field trips

- The number of field trips and the exact calculations estimating costs must be presented.

Budget revisions

Any budget revision must be discussed within the Partner management.

Agreements must be in writing, signed by all management members and submitted to HR&S Country. The revisions can then only be implemented after the approval by HR&S Country/Action10.

Financial reporting

- The annual financial report must be submitted no later than 28 February and follow international standards. It shall cover 1 January to 31 December and include all funds transferred to the partner.
- The financial report is to be based on the budget and on information from the accounting system and be consistent with information in progress reports, work plans and similar agreed documents governing the programme.
Contents of financial reports: A complete financial report must include reporting on revenue and expenditure, budget follow-up, statement of financial position and notes to the financial reporting. Interest earned must be reported if it is registered in the system. The annual financial report must include opening balance, budget for the year, funds received during the year, expenditures during the year and the closing balance.
- The report shall present i) the balance brought forward from the previous year, ii) transfers received from ISP during the year, iii) local expenditures, iv) the balance carried forward. The information must be possible to verify through the accounting system.
- The financial report shall be expressed in €, unless otherwise agreed.
- The report must be signed by the two highest authorities with financial responsibilities.
- The financial report must be audited.

Audit

Financial auditor

- The audit shall be carried out by an external, independent and qualified auditor and be carried out in accordance with international audit standards issued by IAASB².
- Each partner must assign a financial auditor prior to 31 December each year, who will be in charge of the auditing during the full following calendar year.
The name, contact detail and qualifications of the auditor is submitted to HR&S Country/Actipon10 within one week of the assignment.
- The cost for the audit is paid by the Partner and is presented as an item in the budget. The Research team/Network is expected to manage the bookkeeping and reporting in a professional manner so that the auditing is made as simple as possible.

² The International Auditing and Assurances Standards Board (IAASB).

- Expected cost. The expected auditing cost is expected to be less than 2 % of the turn-over. In case the turn-over is less than € 20,000 per auditing period, then an independent consultant, who can be proven to have no links with the Partner, can be appointed, otherwise a registered auditing firm has to be assigned.

Audit report

- The objective is to audit the finance administration and accounting and to express an audit opinion, according to ISA 800/805, on whether the financial report is in accordance with the signed programme agreement and international standards.
- Measures taken by the organisation to address weaknesses identified in previous audits shall be presented in a Management Letter.
- The Financial auditor submits the audit report no later than 28 February.
- The auditor is held responsible for the liability of the audit report.
Any suspicion of corruption will be investigated and legal action taken if corruption is proved.

Procurement

When procuring equipment, the below applies (Sida regulations).

- Procurement worth € 300,000 and above must be accomplished by means of an internationally open tender.
- Procurement worth € 100,000 – € 300,000 are accomplished by means of national open tender
- Procurement worth € 10,000 – € 100,000 must be accomplished by means of Direct award, in which at least three suppliers are consulted and the selection of supplier should be documented.

Please find further details in a separate chapter.

Sustainable economy

One aim with the partnership is that the programme shall be financially sustainable after a period of collaboration. Thus, sustainable economy planning starts at the same time as the start of the collaboration. This is supported by, but not dependent of, HR&S Research management coaching.

Business idea / plan

- Each partner drafts a business idea/plan. The business idea/plan is revised annually.

Addressing outcome challenges

Research management

- Outcome challenges can be addressed within ROPE exercises.

Pay salary

- Ensure salary for the work linked to the programme, in order ensure that the implementer is paid for time working, and is not forced to find additional sources of income.

Grow slowly

- Start small scale and take time to build transparent and accountable procedures, while scaling-up.

Coaching

- Assign an independent stakeholder, f. ex Head of institution, whose task is to ensure that finances are handled in a proper manner, and as agreed.
- Visits on a regular basis and performs a light auditing.
- Ensure / coach on quality bookkeeping and other finance accounting and administration, including professional auditing.

Be active and aware

- Act immediately, firmly and professionally on any sign of corruption.

Share costs

- Prior to transferring start-up funds, ensure the habit of saving by all partners.
- Start-up cost shall be shared.
- In case HR&S gives out a loan, then an agreement is developed with a firm time-plan for the paying back of the loan with interest, and sign the agreement. Address what will happen if the pay-back is delayed.

Share responsibility and benefits

- State in the agreement what the input, the responsibility, the benefit and the profit are for all partners.

Training

- The Staff undergoes bi-annual training of TAct in general and QV, FAA, Transparency and accountability, and time-management specifically. The training is provided by HR&S Country.

Social security fund

- In order to oppose the drive for corruption HR&S offer a social security fund. All partners save monthly to generate the fund and in case of emergency a loan can be taken. The Social security fund does not demand interest, but a monthly saving. The loan is collateral and a guarantee is required to safe guard pay-back.

Back-up

- An independent stakeholder, f. ex Head of institution, is appointed by HR&S, whose task is to ensure that finances are handled in a proper manner, and as agreed.
- HR&S Country/ Action10 performs a light but regular auditing addressing bookkeeping, procurement, staff and assets.
- Appoint a stakeholder in the country, maybe lawyer if relevant, who has reference of being honest, to share about the regulations in the country and to represent you when you are not around.
- Connect with the notary in the country, if any and if relevant.

Appendices

Appendix1 Terms of Reference with auditor

The Terms of Reference with the auditor shall include but not be limited to:

- Additional areas to be examined, e.g. following up on weaknesses identified in previous audits or reviews of internal management and control
- Follow up whether salary costs debited to the project/programme are recorded throughout the duration of the year in a systemized way and examine whether the salary costs can be verified by sufficient supporting documentation.
- Examine whether the financial report includes a comparison, for every budget item, between the actual costs/expenditures of activities and the budgeted costs/expenditures.
- Whether there is supporting documentation related to costs.
- Examine whether foreign exchange gains and losses are disclosed in accordance with what is stipulated in the agreement including appendices.
- Compliance with the applicable tax legislation in regard to taxes and social security fees.
- Follow up whether procurement guidelines has been respected.
- Review if outgoing balance for previous period is the same as incoming balance for the current period.
- Follow up of funds that are channelled to implementing partners.
- Whether appropriate and signed agreements have been established with partner organisations.
- Review whether there is an unbroken chain of audited financial reports.
- The scope of the audit shall be stated in the report and the methodology used shall be presented.
- The reporting shall be signed by the responsible auditor (not just the audit firm) and title.
- The reporting from the auditor shall include an independent auditor's report in accordance with the format in standard ISA 800/805 and the auditor's opinion shall be clearly stated, as well as a Management letter with audit findings and weaknesses identified during the audit process. The auditor shall regardless of materiality, quantify the amount for costs lacking sufficient supporting documentation. The auditor shall make recommendations to address the weaknesses identified and the recommendations shall be presented in priority order. If the auditor assesses that no findings or weaknesses have been identified during the audit that would result in a Management Letter, an explanation of this assessment must be disclosed in the audit reporting.
- Measures taken by the organisation to address weaknesses identified in previous audits shall also be presented in the Management Letter.

Appendix 2

The procurement process

Purchase of goods and services made by Swedish Government Authorities is regulated by the Public Procurement Act (SFS 2016 1145).

Direct award

In case the procurement amount exceed € 10,000 but is less than € 100,000, then a Direct award procedure is applied as described as below.

When making a Direct Award you should contact several suppliers in the relevant market, and follow the below structure.

1. Market Research
2. Specification
3. Evaluation bid
4. Control of supplier
5. Agreement
6. Delivery and payment

Market Research

Find information about the product / service you require to be able to the relevant available suppliers. This is important in order to be able to take advantage of the market competition with regards to making a good deal.

Choose the way you want to send your specification and contract template, which the supplier will accept and approve. You can send it by e-mail or through regular mail.

Specifications

Select template for requirements specification and agreement based on what is being procured (product or service). If it is a direct award of low value, you may send a regular email specifying your requirements.

Edit templates and delete comments in the right margin (enable the review function in Word). Specify how you intend to evaluate (lowest price, best performance, etc.). For requirements specifications and contract template, you may, if necessary, attach applicable standard agreements, such as ALOS05 for goods. Enter a final response date.

Evaluate bid

Check that the tenders meet the required requirements and that the supplier has:

- Set a total price
- Accepted the agreement template
- Taxes and fees paid and Swedish suppliers have F-tax slip
- If something is unclear, send questions and request replies by email.

Evaluate the tenders based on the evaluation criteria you specified in your request. Write a brief explanation of the final tender.

Control of the supplier

Only engage with suppliers that have paid prescribed taxes and social security fees in the countries where they are registered.

Before signing a contract with a supplier ask them to send documentation verifying that the company is registered and that it has paid tax and social security contributions in the country where it is registered.

- Submit a copy of your company registration certificate issued by a competent authority or equivalent in the country where your company is established to verify that your company fulfils existing demands of company registration.
- Submit a certificate from a competent authority or equivalent in the country where your company is established showing that your company has paid prescribed social insurances, taxes and other fees. The document must not be older than two (2) months before the day you receive this request.

Writing Agreement

- Develop an agreement for both goods and services.
- Print two copies of the agreement that the head of department/ or equivalent must sign.
- Submit the agreement to the supplier for signature. Request a copy to be returned.
- Scientific instruments purchased outside the EU can be exempt from customs (3-4% of the value). You can read more about this under Duty-free import.

Delivery and payment

- **Goods.** Make sure the delivery is complete and undamaged. If installation is not included, assemble and test the product as soon as possible.
- If installation is included, the supplier must perform a performance check. Do not accept the product until it meets the requirements and the supplier's commitments. Make sure that any training is completed.
- **Service.** Verify that the assignment has been performed according to the stipulated requirements and that any documentation has been delivered.
- **Payment.** Do not pay in advance. Pay after approved delivery or performance check or when the performed service is approved.

Public Tender

In case the procurement amount exceed € 100,000, then a public tender is required, which has the below structure:

1. Market survey
2. Request for tender documentation
3. Public notice
4. Evaluation of tenders
5. Award notification and Review procedure
6. Contract
7. Archiving
8. After a concluded procurement

Market survey

A market survey is to be carried out by the department (or other corresponding organisation) to ascertain which suppliers offer the goods/services to be purchased, which functions, competencies, etc., can reasonably be demanded and an approximate price level. A number of suppliers, including newcomers to the market, should be contacted to ensure adequate competition.

Discussions with suppliers, visits to trade fairs, presentations, demonstrations and practical testing of goods and services, etc., may normally only be undertaken in connection with the market survey (in specific cases, demonstrations and testing can also form a part of tender evaluation). This can be done, for example, to assess new methods, instruments and services that have been developed.

Request for tender documentation

Request for tender documentation serves to inform tenderers of the requirements that they and the goods/services in question are to meet and the criteria according to which tenders are to be evaluated. Please note that only the criteria (no more and no less) specified in the request for tender documentation may be applied in connection with tender evaluation.

Request for tender documentation consists of several documents, including a **specification of requirements** that the desired goods/services are to meet and requirements with regard to tenderers and commercial matters (e.g., **delivery conditions** and **payment terms**).

In the request for tender documentation, “**shall-requirements**” are used to specify minimum requirements; tenders that fail to fulfil all shall-requirements are normally rejected. The point of shall-requirements is to highlight which factors are important from the standpoint of, for example, performance, capacity, availability, competence and design. Requirements that are set too high entail a risk that the advantages associated with competition will be lost.

“**Should-requirements**” are used to specify characteristics that are desirable and provide added value.

All requirements are to be characterized by clarity and easy evaluability. Doubt as to whether a requirement is met is to be avoided.

Public notice

Publish procurement notices on a publicly available database for 30 days. Once a procurement notice has been published, all communication with tenderers generally occurs via the database.

Evaluation of tenders

Tenders are evaluated on the basis of either the lowest price principle, according to which the tenderer who fulfils all of the shall-requirements and offers the lowest price wins, or the financially most advantageous tender principle. In the latter case, a weighted assessment involving both price and should-requirements, in accordance with the model specified in the invitation to tender documentation, is carried out. The tenderer who has submitted the financially most advantageous tender wins.

Award notification

All tenderers are to be informed about which tenderer(s) are awarded contracts. An evaluation report that summarizes the tender evaluation is to be attached to the award notification. There is a standstill period of ten days after the award decision is sent before the parties can enter into a

binding contract, to give other interested parties than the tenderer who was awarded the contract a timeframe for appealing the award decision.

Review procedure

Tenderers are entitled to apply to the Swedish administrative court for a reconsideration of any decision regarding winning tenderers. The court can decide:

- That the procurement process was carried out correctly
- That the procurement process may only be concluded after remedy is made
- That the procurement process must be undertaken again.

As a result, no contract may be signed before the 10-day standstill period has elapsed. In the event of a review procedure, no contract may be signed sooner than 10 days after the court's decision has entered into effect.

Contracts

Once the standstill period has elapsed, contracts with winning tenderers may be signed and thereby enter into effect.

Archiving

Once a procurement process has been concluded, all associated documentation is registered and archived by the Procurement and Purchase Office. The archived documentation shall include records of any conversations with tenderers in the course of the invitation to tender and tender evaluation processes.

After a concluded procurement

Once a procurement has been completed, it is important that the department in question (or other corresponding organisation) follows up whether the contractual terms are in fact adhered to. This entails, among other things, that the following should be monitored:

- That agreed delivery times are followed
- The delivery conforms to what has been ordered and that any delivered goods arrive in undamaged condition
- That any agreed controls are carried out
- That payment is made in accordance with the contractually stipulated payment terms.

Duty-free import

Scientific instruments purchased may be exempted from import duty. Submit the application as quickly as possible. The application must be approved when the instrument arrive to the target country.

Appendix 3

More about corruption and countering tools

It is generally agreed that corruption lowers the rate of economic growth, reduces the output of planned activities and has a devastating impact on women, men and children around the world.

Corruption hurts everyone, and the poor the most

Corruption hurts everyone, and it harms the poor the most (TI³). Sometimes its devastating impact is obvious:

- A father who must do without shoes because his meagre wages are used to pay a bribe to get his child into a supposedly free school.
- The unsuspecting sick person who buys useless counterfeit drugs, putting their health in grave danger.
- A small shop owner whose weekly bribe to the local inspector cuts severely into his modest earnings.
- The family trapped for generations in poverty because a corrupt and autocratic leadership has systematically siphoned off a nation's riches.

Other times corruption's impact is less visible:

- The prosperous multinational corporation that secured a contract by buying an unfair advantage in a competitive market through illegal kickbacks to corrupt government officials, at the expense of the honest companies who didn't.
- Post-disaster donations provided by compassionate people, directly or through their governments, that never reach the victims, callously diverted instead into the bank accounts of criminals.
- The faulty buildings, built to lower safety standards because a bribe passed under the table in the construction process that collapse in an earthquake or hurricane.

TI continues that corruption has dire global consequences, trapping millions in poverty and misery and breeding social, economic and political unrest. Corruption is both a cause of poverty, and a barrier to overcoming it. It is one of the most serious obstacles to reducing poverty. Corruption denies poor people the basic means of survival, forcing them to spend more of their income on bribes. Human rights are denied where corruption is rife, because a fair trial comes with a hefty price tag where courts are corrupted. Corruption undermines democracy and the rule of law. Corruption distorts national and international trade. Corruption jeopardises sound governance and ethics in the private sector. Corruption threatens domestic and international security and the sustainability of natural resources. Those with less power are particularly disadvantaged in corrupt systems, which typically reinforce gender discrimination. Corruption compounds political exclusion: if votes can be bought, there is little incentive to change the system that sustains poverty. The conclusion - Corruption hurts everyone.

Reason for corruption

It is generally agreed that amongst the causes for corruption one can find low levels of

³ <https://www.transparency.org/>

democracy, higher levels of bureaucracy and inefficient administrative structures, gender inequality, low degree of integration in the world economy, low levels of government decentralization, poverty, political instability and low levels of education.

HR&S claims that causes for corruption includes lack of social security and a family responsibility to ensure that the family members overcome financial constraints. The family responsibility can hit harder the eldest son, those traveling abroad and those with increased salary.

Countering corruption tools

Business Principles

The Business Principles for Countering Bribery developed by TI is a useful tool for companies dealing with the challenge and risks posed by bribery⁴. Countering Bribery tailored to small- and medium-sized enterprises (SMEs)⁵.

Public procurement

Each year, governments spend huge sums of money on public procurement – funding roads, bridges, schools, housing, water and power supply, other community improvement. With these vast expenditures, opportunities for corruption are rife. Integrity Pacts are a tool for preventing corruption in public contracting⁶. They are essentially an agreement between the government agency offering a contract and the companies bidding for it that they will abstain from bribery, collusion and other corrupt practices for the extent of the contract. To ensure accountability, Integrity Pacts also include a monitoring system typically led by civil society groups (often chapters of Transparency International). Integrity Pacts have been around since the 1990s, and have been applied in more than 15 countries and 300 separate situations.

While Integrity Pacts help ensure clean operations on the part of contractors and public officials during the execution of a project, they also provide enhanced access to information, increasing the level of transparency in public contracts. This, in turn, leads to greater confidence and trust in public decision-making, less litigation over procurement processes and more bidders competing for contracts. Integrity pacts can also encourage institutional changes, such as the increased use of e-procurement systems, simplified administrative procedures and improved regulatory action. Resources are available from the TI website⁷.

Local Governance

The toolkit 'Tools to Promote Transparency in Local Governance'⁸ argues that the quality of urban governance can mean the difference between cities characterised by prosperity and inclusiveness and cities characterised by decline and social exclusion. It describes how increased transparency at the local level can help in combating urban poverty and enhancing civic engagement.

Transparency usually means sharing information, acting in an open manner and allowing stakeholders to gather information that may be critical to uncovering abuses and defending their interests. Governance transparency has clear procedures for public decision-making and open channels of communication between stakeholders and officials, and make a wide range of information available. The free access to information plays an important role in promoting

⁴ http://www.transparency.org/whatwedo/tools/business_principles_for_countering_bribery/1/.

⁵

http://www.transparency.org/whatwedo/pub/business_principles_for_countering_bribery_small_and_medium_enterprise_sme

⁶ http://www.transparency.org/whatwedo/tools/integrity_pacts/3/

⁷ http://www.transparency.org/whatwedo/tools/resources_about_integrity_pacts/3/

⁸ http://www.transparency.org/whatwedo/tools/tools_to_support_transparency_in_local_governance/2/

transparency. Information, however, must be timely, relevant, accurate and complete for it to be used effectively. The tool kit presents five strategic entry points as a framework for improving transparency:

1. **Assessment and Monitoring:** Understanding the types and scale of corruption and the degree of transparency in local governance, while creating a base-line against which progress in improving transparency can be measured. This strategy is also valuable for increasing public awareness and mobilising a constituency committed to tackling corruption.
2. **Access to information:** Measures to improve stakeholders' access to information so that they may participate in decision-making more effectively.
3. **Ethics and integrity:** Tools for clarifying what is expected from professionals and including monitoring mechanisms to ensure they adhere to their commitments and are sanctioned if they break public trust.
4. **Institutional reforms:** Including both the streamlining and simplification of administrative procedures and structural innovations to promote participation and accountability.
5. **Targeting specific issues:** Using specific issues as entry-points for improving transparency. These issues must be important in terms of local development and have the potential to serve as rallying points for positive changes in local governance. These same issues can also be vulnerable to corruption.

Corruption Fighters' Tool Kit

In the early 2000s, Transparency International produced a series of toolkits aimed at conveying cutting edge tactics and strategies from the global anti-corruption movement⁹. The Corruption Fighters' Tool Kit presents innovative anti-corruption tools developed and implemented by TI National Chapters (NCs) and other civil society organisations (CSOs) from around the world. Every single tool is testament to the creativity and commitment of the diverse groups engaged in the fight against corruption. The tools also confirm coalition building as the hallmark of effective work combating corruption and addresses in a wide range of settings – everything from improving access to information and strengthening public institutions, to enhancing business ethics and establishing good anti-corruption research practices.

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