

WFEO CAC Brief on the RAEng GCRF Africa Catalyst Project

Sub-Saharan Africa (SSA) Infrastructure Anticorruption Survey: Towards a Feasibility Study for a Corruption Index in Construction and Engineering- The Case of Zambia and Zimbabwe.

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Presented by

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Outline of Presentation

- Introduction
- WFEO Anti-corruption Committee
- Introduction to the Research
- Methodology
- Findings
- Conclusions
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- Way forward

INTRODUCTION TO THE RESEARCH

- The World Federation of Engineering Organizations (WFEO) Committee on Anti-Corruption (CAC) conducted a baseline infrastructure anti-corruption survey in Zambia and Zimbabwe.
- The aim of this baseline survey was to create future periodic anti-corruption index reports as well give anti-corruption recommendations to Governments, Corporates, Civil Society and the Federation of African Engineering Organisations (FAEO), and their regional Professional Engineering Institutions (PEIs).
- Special credit is due to our Survey team at WFEO, the Global Infrastructure Anti-corruption Centre (UK), Engineers Against Poverty and the Engineering Council of Zimbabwe for carrying out this study.

INTRODUCTION

- Corruption has many different definitions globally. In Zambia, for instance, corruption is defined as the *“soliciting, accepting, obtaining, giving, promising or offering of gratification by way of a bribe or other personal temptation or inducement or the misuse or abuse of a public office or authority for private advantage or benefit through bribery, extortion, influence peddling, nepotism, fraud, rushed trials, and electoral malpractices”*.
- The Global Infrastructure Anti-Corruption Centre (GIACC), on the other hand, defines corruption generally to include all criminal activities involving bribery, extortion, fraud, cartelism, deception, collusion, abuse of power, embezzlement, trading in influence and money laundering. The UN’s Global Programme against Corruption (GPAC) defines it as *“the abuse of power for private gain”* and this includes both the public and private sectors.
- Anti-Corruption, therefore, mainly refers to the institutional and social interventions aimed at reducing opportunities for corrupt practices and making corruption a high risk undertaking through rules, regulations and practices governing public, private officials, and the general citizenry that will promote transparency and accountability.
- This entails the identification, detection and elimination of the causes of, and conditions conducive for, corruption and unethical behaviour; and deter any corruption-related activity and other unethical conduct that may lead to corruption.

INTRODUCTION

- *Corruption is one of the greatest obstacles to the development of safe and adequate infrastructure. Project funds are diverted to corrupt officials, funders, contractors, consultants, suppliers and agents.*
- *Corruption occurs in all nations, both developed and developing countries, in public and private sectors, as well as non-profit organisations (GIACC, 2010).*
- *The problem of corruption within or across nations is not a recent phenomenon, nor is it exclusively a Third World problem.*
- *However, corruption exists both in developed and developing countries in different forms, degrees and has differing consequences.*
- *There is also the supply and demand of corruption occurring in both the developed and developing countries.*



About WFEO Anti-corruption Committee

- Our vision is to promote zero tolerance to corruption. This will reduce corruption in engineering projects and practice through the enforcement of sound **management systems** and **ethical professional practice**.
- Our Mission Statement is to **execute** thematic, results-oriented programmes for 2016-2019 that **raises ethics and corruption prevention awareness and increases the understanding of the global, regional, engineering and policy issues** and solutions for the **combating of corruption** to induce transparency in infrastructure and other vital services.

BACKGROUND

Perception-based indicators of corruption such as the **Corruption Perceptions Indices** and **Worldwide Governance Indicators** have been roundly criticised because they focus on **people's attitudes towards the prevalence of corruption** and not on **the nature of the act or its exact magnitude**. (Evidence and experience based).

The model index proposed in this study is a game changer as it uses real life practical project experience rather than perceptions only.

OUR study derived its indicators from the **GIACC Infrastructure Scorecard, Theory of Change (ToC)** as adapted by CoST and the **Public Investment Management (PIM)** framework as underpinned in the theoretical and conceptual frameworks adopted.

BACKGROUND

- This was a pilot study of corruption in the construction industry which was structured as a baseline infrastructure survey targeting Zambia and Zimbabwe to establish a preliminary/scoping study that comes up with an Anti-Corruption Index in the construction and built environment sector.
- It was aimed at creating a model index to be used for periodic reporting and provides the basis for recommendations on anti-corruption action to government, corporates, civic society as well as Professional Engineering Institutions working with the RAEng, FAEO and WFEO as well as other stakeholders.

METHODOLOGY

OUR APPROACH AND METHOD

A mixed-methods approach

- Balance between qualitative methods and quantitative survey research in addition to secondary data
- Meant to triangulate the data
- **Qualitative methods**
 - interactive and empathetic methods,
 - reaching a nuanced understanding of the issues
 - in-depth interviews with key individuals
 - field observations.

The Method

- **The instruments**
- The instruments aligned with the research objectives, aim and title to ensure logical conclusions from the data.
 - The study used three instruments
 - Diagnostic and Structured Infrastructure Anti-corruption Index Survey Questionnaire
 - The Infrastructure Anti-corruption Index Survey questionnaire
 - Infrastructure Anti-corruption Index Structured Interview Guide

Instruments

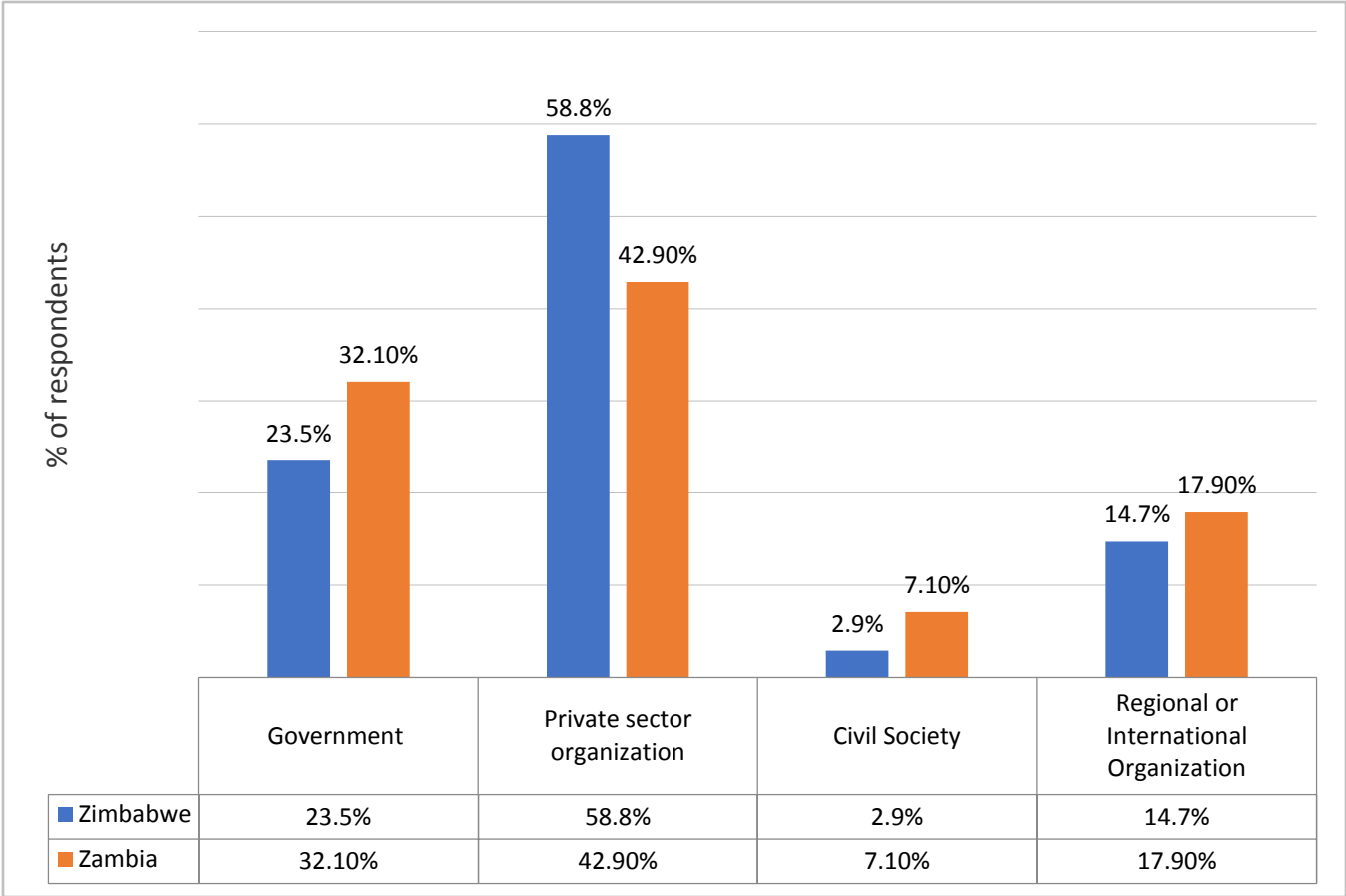
- *The qualitative Anti-corruption Index Structured Interview Guide*
 - ❖ conceptualization of corruption
 - ❖ causes,
 - ❖ costs
 - ❖ why it should be avoided
 - ❖ nature, extent and impact of corruption.
 - ❖ facilitators, barriers and possible solutions to corruption in the Construction and Engineering Sector.
- *Diagnostic and Structured Infrastructure Anti-corruption Index Survey Questionnaire*
 - ❖ questionnaire was partly self-administered and partly responded to through the Survey Monkey online links and had many sections that collected data as summarised in the report

The Sample

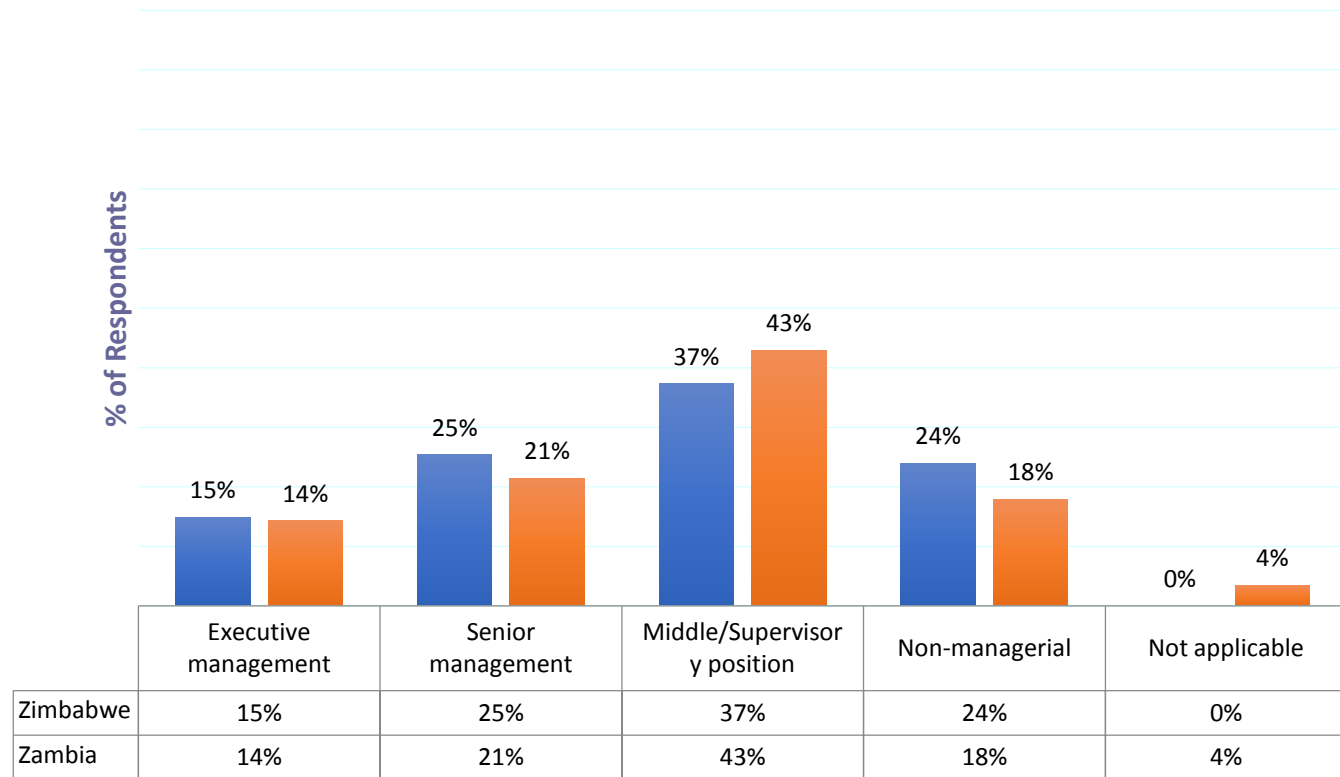
- The professional bodies of infrastructure sector in both Zambia and Zimbabwe provided the list of respondents from which a random selection of participants were drawn

INSTRUMENT		Sample (No of selected Respondents)	(No of Respondents)	Response Rate (%)
Diagnostic and Structured Infrastructure Anti-corruption Index Survey Questionnaire	Zambia	100	112	112.0
	Zimbabwe	100	185	181.0
The Infrastructure Anti-corruption Index Survey questionnaire	Zambia	60	28	46.7
	Zimbabwe	60	68	113.3
Infrastructure Anti-corruption Index Structured Interview Guide	Zambia	30	30	100.0
	Zimbabwe	30	36	86.7
TOTAL		380	459	120.8

Profiles of Survey Respondents



Distribution of Public Officials by level of Position in the Organization



Procedure

- Permits to conduct the survey in both Zambia and Zimbabwe were granted by the professional bodies of infrastructure sector in the respective countries
- Research assistants were trained
- Fifty-six structured in-depth key informant interviews were conducted with stakeholders (30 in Zambia and 26 in Zimbabwe)
- Two survey instruments (the survey monkey questionnaire and a self-administered questionnaire) were used to gather quantitative data

Data preparation and analysis

- **Quantitative data**

- The overall corruption index score for both countries, Zambia and Zimbabwe was computed using the Survey Monkey.
- The scale ranged from 0% to 100% with 0% indicating highest prevalence of corruption and 100% representing a corruption free environment.
- Data were electronically exported from the Survey Monkey to SPSS where the Chi-square-test for independence was used to test whether any significant differences existed between tenure and sector with regards to perception of corruption

Data preparation and analysis, ctnd

- **Qualitative data**
 - analysed primarily using the content and narrative analysis approaches
 - Memos and annotations helped to develop emergent themes that revealed thematic relatedness and links
 - Further refinement of emergent themes resulted in development of super-ordinate themes.
 - Responses from the open-ended questions of the structured questionnaire were exported from the Survey Monkey to SPSS

Validity and Reliability

- **Cognitive interviewing Approach**
 - used to evaluate sources of response error in the study instruments.
 - specifically tested for comprehension of questions, retrieval of relevant information from memory, decision processes, and response processes
- **Quantitative Instruments**
 - Cronbach Alpha was employed to test for the reliability of the two questionnaires

Validity and Reliability cont

- **Qualitative instrument (Trustworthiness)**
- **Credibility** is the extent to which the researcher captures and represents the reality of how things really are from participants' standpoints
- **Transferability** was achieved by vivid description of the methodology and the data analysis process

Validity and Reliability cont

- **Dependability:** Had it been a quantitative instrument, reliability would ensure repeatability, however in practice demonstration of credibility largely ensures dependability
- **Conformability** an accurate exposure of the perceptions of the participants found in memos, annotations, relationships and classifications of data providing an audit trail to the whole process of how themes were extracted also how the interpretations were made.

Ethical considerations

- Participation on a voluntary basis
- Participants were informed of the purpose of study
- Their names and organizations were anonymous
- Confidentiality ensured

Ethical considerations contd

- Respect for autonomy (recognising the rights of individuals to self-determination)
- Beneficence (having the welfare of individual as a goal)
- Non-maleficence (doing no harm to participants) and
- justice (moral rightness)
- Participants were free to decline to participate and to withdraw from the research at any stage

Methodological issues from the pilot (limitations)

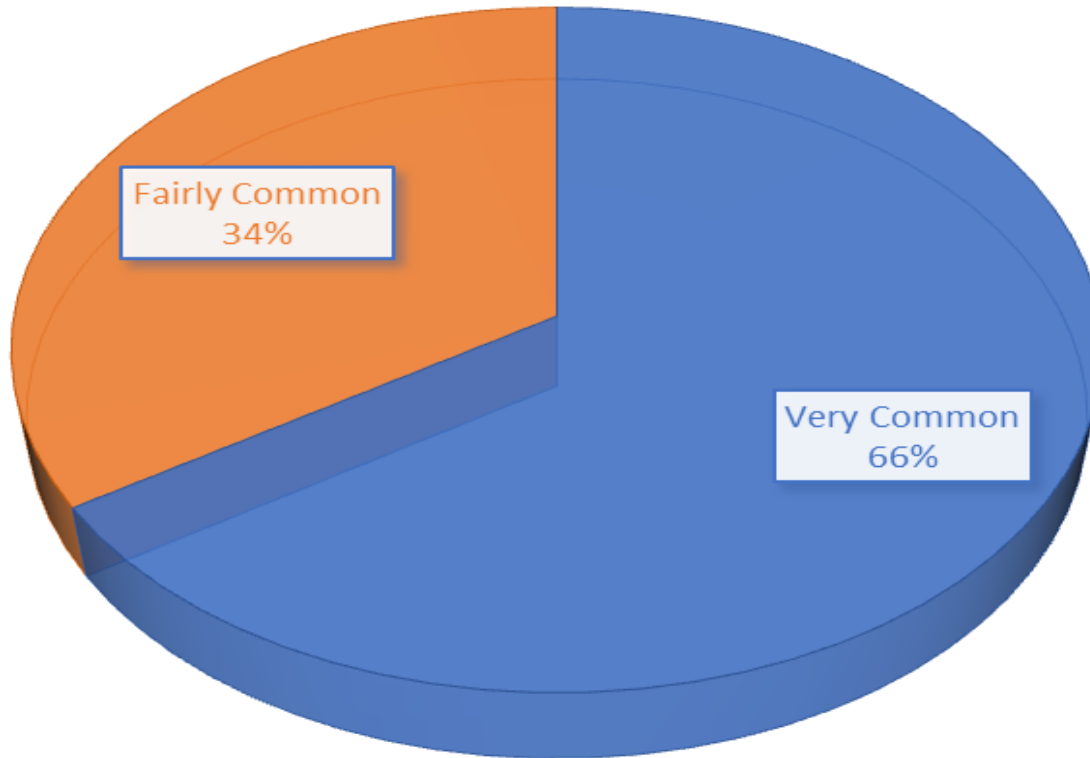
- Stakeholder consultations through workshops adding focus group discussions (FDGs).
- More information came from the online open-ended responses compared to the face to face interviews (de-individuation)
- The pilot revealed that the Survey Monkey is more effective and less expensive than manually distributing the questionnaires.
- Consider use of analytic tools like Nvivo for qualitative data analysis for more data interrogation and meaning.

Findings

- 459 respondents to the Pilot survey conducted by WFEO in 2017 in Zimbabwe and Zambia
- Results showed widespread corruption
- WFEO made several recommendations on basis of survey
- In the Index Zambia performed better with a score of 67% compared to Zimbabwe with 53%.
- The most interesting findings lay in the **respondent's actual experience of corruption**, this to us was the starting point in recommending working policies, standards and regulations to ensure zero tolerance to corruption in the infrastructure sector and indeed to the other areas.

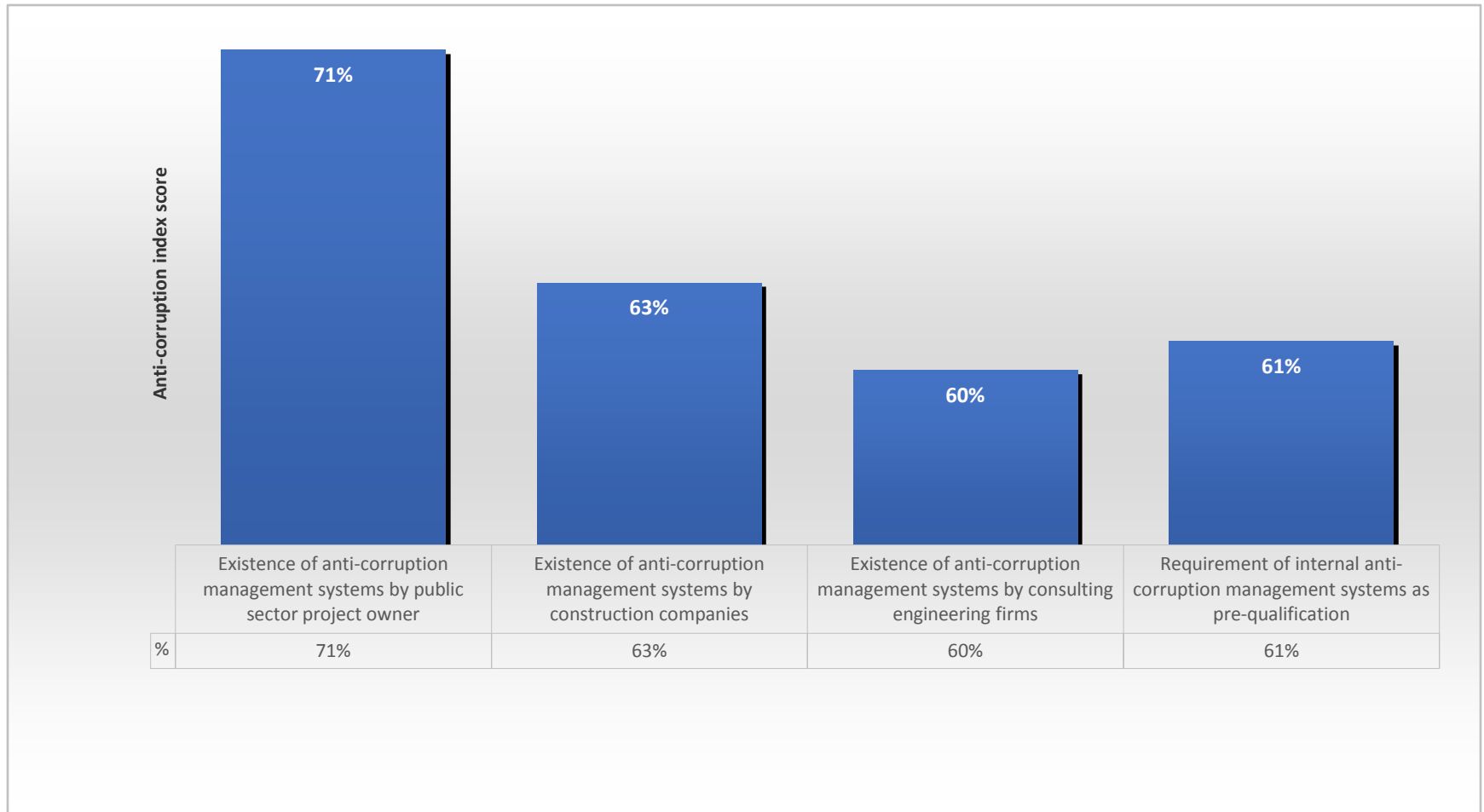
Findings - Zambia

Corruption perception in the **Zambian Construction Industry in general**



Findings - Zambia

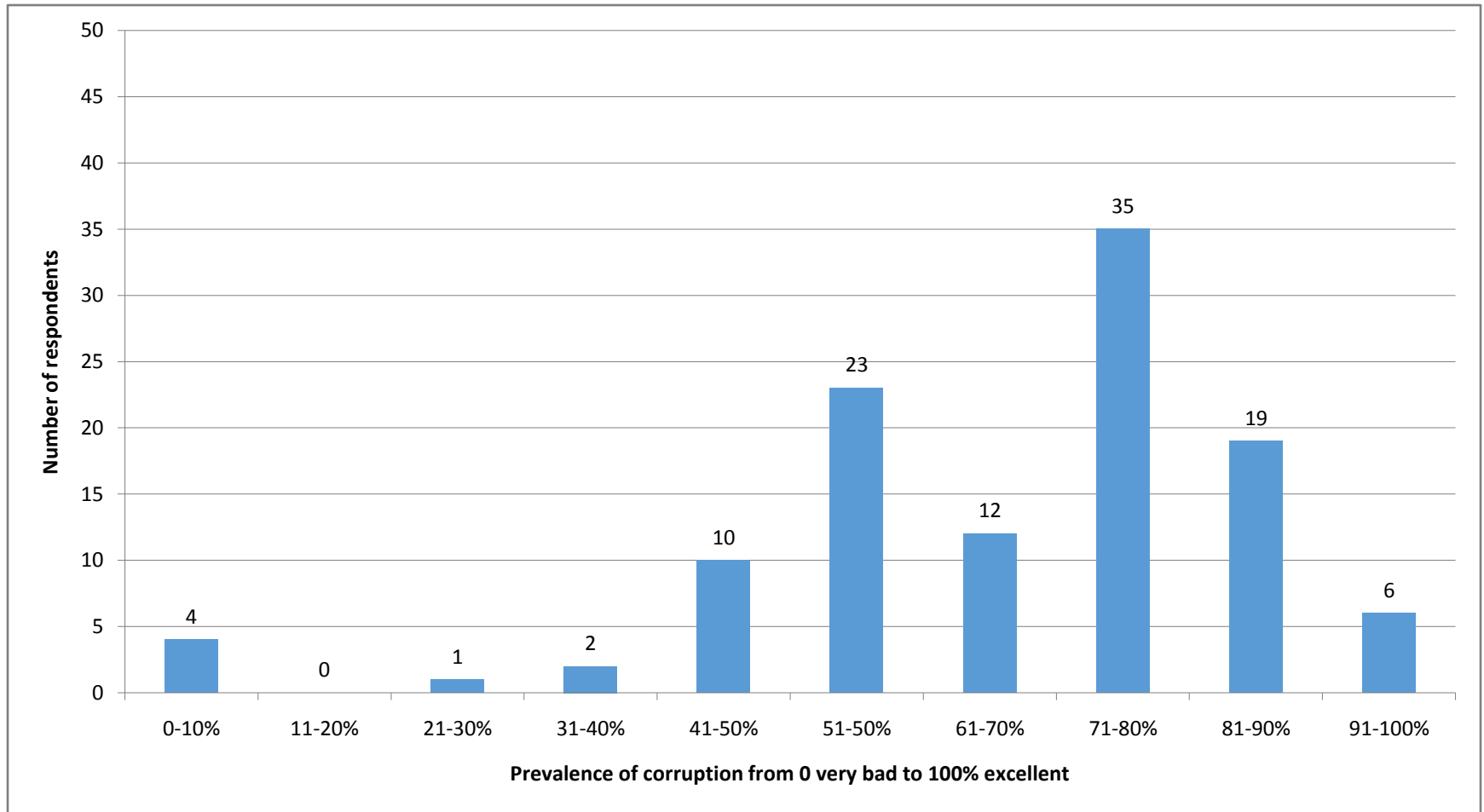
Anti-corruption Management Systems in Zambia's Public Sector Construction Projects (n=112)



Findings - Zambia

Corruption Index of Zambia's Construction Sector (n=112) –

Score = 67%

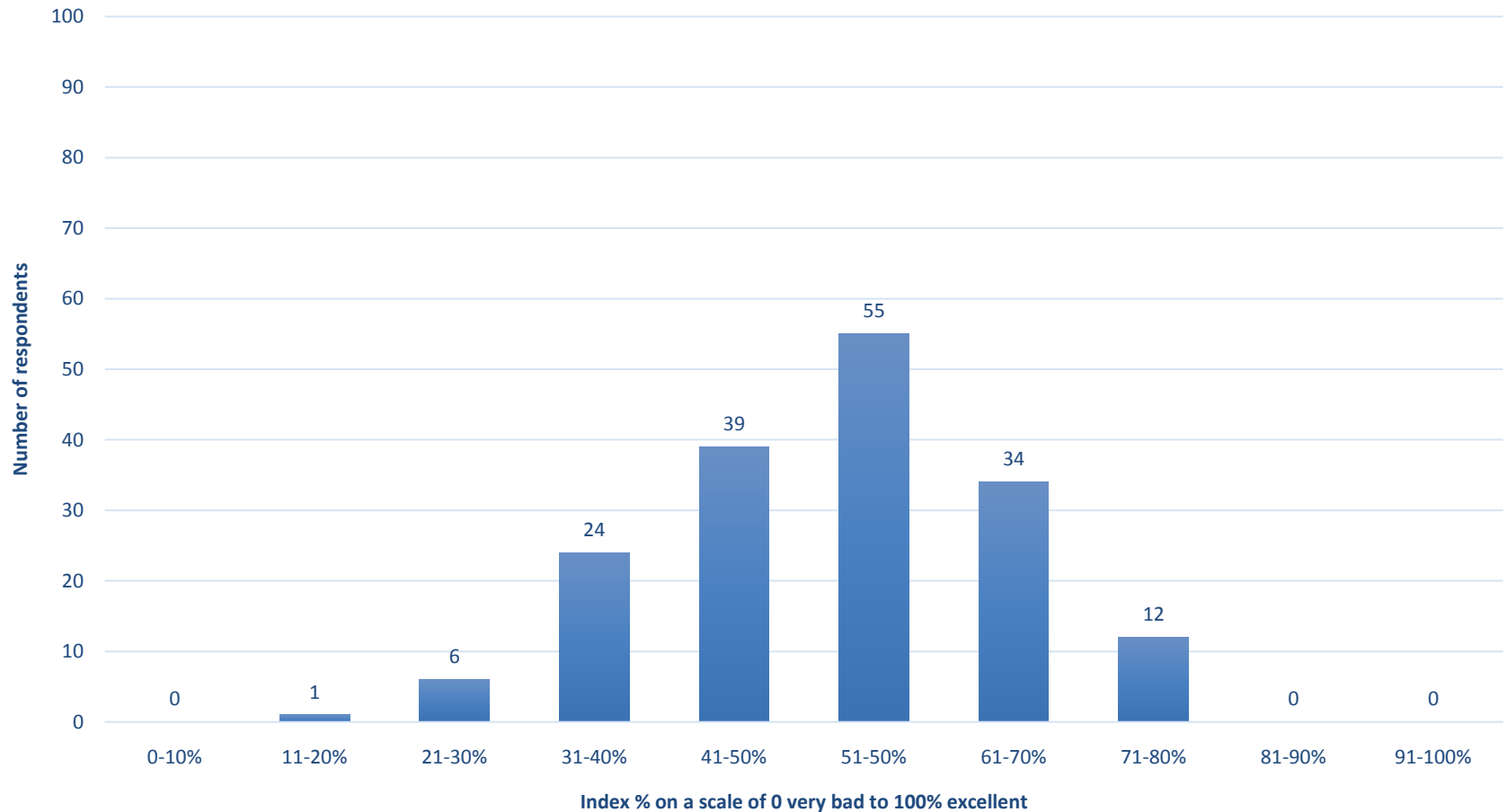


Minimum	Maximum	Median	Mean	Standard Deviation
0%	97%	73%	67%	20%

Findings - Zimbabwe

Corruption Index of Zimbabwe's Construction Sector (n=184)

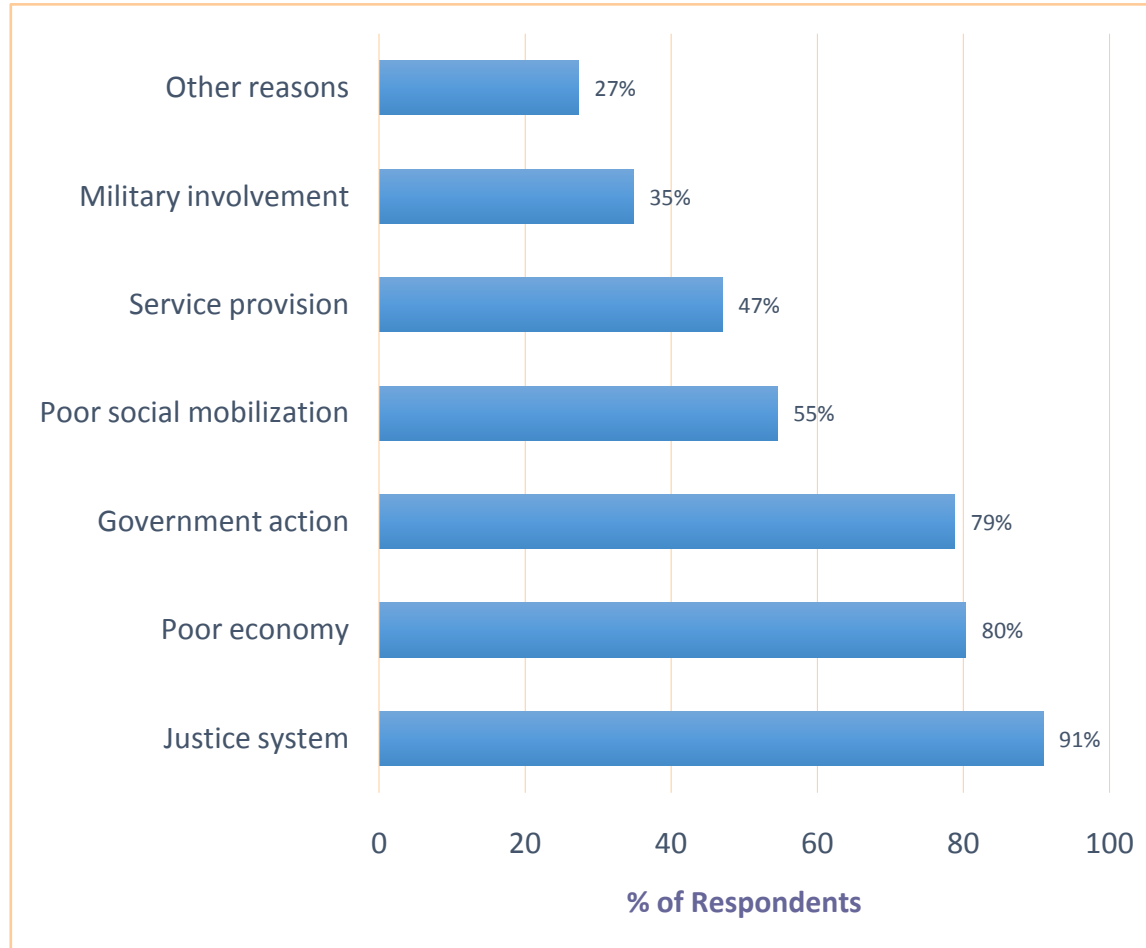
Average Score = 53%



Minimum	Maximum	Median	Mean	Standard Deviation
11%	79%	53%	53%	13%

Findings - Zimbabwe

Conditions that Lead to Corruption (n=68)



Conclusions of the Study

- The conclusions of the study are based on responses received from people in executive, managerial and non-managerial positions as well as those with varying lengths of services in their respective organisations.
- Corruption was generally regarded in both Zambia and Zimbabwe as the main source of leakage in business entities and that embedded cultural practices and a poor economic climate were the key drivers of corruption.

Conclusions of the Study

- It was also found that adverse influence on the selection, design, award and execution of public sector construction projects fuel corruption.
- In Zimbabwe, the level of corruption in the public sector was found to be very high and although ways and means of reducing corruption were identified there was general lack of political will to implement them.
- In Zambia lack of autonomy of anti-corruption institutions and political interference hamper their effectiveness in containing corruption in the construction sector.

Recommendations

- A host of recommendations are proffered which included that Governments, Corporates and Financial Institutions should insist on dealing with organisations that are compliant to ISO 37001(the anti-bribery management system standard) as it is the only standard that requires the genuine commitment of top management to reduce the corruption risk by curbing bribery using policies and systems that are robust and rigorous.

Recommendations

- The issue of openness, transparency and disclosure which is consistent with the main benchmarks in construction practice as factored in the Open Contracting Principles (OCPs) that are informed by, among other things, Public Procurement Best Practices (PPBP), Benchmarking Public Procurement (BPP) and e-Procurement were widely recommended by the respondents from both countries.

Recommendations

- Overall , although the study does understandably reveal a very high level of corruption in both countries, it is encouraging to observe that the respondents had such a high level of awareness of corruption, and they collectively thought that it was wrong and damaging (whatever its size), and wanted more effective policies, standards and strategies put in place to prevent it.

Way Forward

- The indices should be done every year at a harmonized time to create the desired outputs, outcomes and impact guided by the theory of change.
- The pilot study recommended that the best way forward is for the expansion of the index into a global infrastructure anti-corruption scorecard to cover the SSA and indeed the rest of the world.

Way Forward

- The Infrastructure Anti-corruption Index should differentiate itself like the World Justice Forum (WJP) Rule of Law Index which uses innovative instruments only informed by primary data compiled from impacted and affected citizen responses and reactions to the phenomena under study.
- All stakeholders including governments, civil society, financial institutions, professional bodies and donors should support the expansion of this project to create a credible, measurable evidence based infrastructure anti-corruption index which will be one of the best tools to fight corruption.

The need and response to the pilot findings calls for

- Designing a project to:

“Strengthen the Role and Capacity of Professional Engineering Institutions (PEIs) to promote Ethics, Professionalism, Governance and Integrity in Infrastructure Development”.

Proposal for new training programme for PEIs

- Package of training materials and knowledge base for PEIs
- Improves PEIs' and companies' corporate governance and performance
- Gives PEIs clear role in providing value-added services to members and society
- Promotes responsible business standards and business ethics
- A highly interactive programme with on-going support for PEIs and members
- Two year in duration with commitment to extending

Project raises business standards and investment opportunities through improvement of public procurement, ease of doing business, country risk profile

Training will cover how PEIs can:

- Identify top corruption risks within their specific industries
- Work with members to develop specific anti-corruption programmes
- Enhance the compliance of their members to their codes of conduct
- Enforce membership conditions and rules
- Strengthen their public advocacy role in promoting responsible business

Improve the quality of public infrastructure through better cooperation, coordination and collective action with government and other stakeholders

Participating PEIs will receive:

- Training programme for PEIs on above topics – paper, on-line, face-to-face
- Training materials on managing corruption risk for members
- Several days of advice and expertise provided by the local in-country expert
- Help desk for continual support throughout the project
- Opportunities for exchange of best practices and success stories with other PEIs
- Certificate from WFEO upon programme completion

Participating PEIs will give:

- Upload and maintain pages on fighting corruption on web-site, or a new site
- Deliver 10 training sessions to over 100 members (precise numbers TBD)
- Contribute best practices and success stories to the other participating PAEs
- Help to train other PAEs using the same materials and approach
- Commitment to continue training for 2 years beyond the end of the project

Discussion

- What do you think of this idea?
- What training and capacity building in this area are you interested in?
- What training and capacity building are your members interested in?
- Would you like to participate in this programme?
- Which other PEIs would you recommend for this programme?

To express interest in participating in this project, contact

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and

benrafemoyo@gmail.com

African Proverb



If you want to go **FAST**
Go **Alone**,
If you want to go **FAR**,
Go **Together**

THANK YOU FOR YOUR ATTENTION