

Pillar IV. Accountability, Integrity and Transparency of the Public Procurement System

Pillar IV includes four indicators that are considered necessary for a system to operate with integrity, that has appropriate controls that support the implementation of the system in accordance with the legal and regulatory framework, and that has appropriate measures in place to address the potential for corruption in the system. It also covers important aspects of the procurement system, which include stakeholders, including civil society, as part of the control system. This Pillar takes aspects of the procurement system and governance environment to ensure they are defined and structured to contribute to integrity and transparency.

Indicator 11. Transparency and civil society engagement strengthen integrity in public procurement.

Civil society, in acting as a safeguard against inefficient and ineffective use of public resources, can help to make public procurement more competitive and fair, improving contract performance and securing results. Governments are increasingly empowering the public to understand and monitor public contracting. This indicator assesses two mechanisms through which civil society can participate in the public procurement process: i) disclosure of information and ii) direct engagement of civil society through participation, monitoring and oversight. There are three sub-indicators to be assessed (a-c).

Sub-indicator 11(a) – An enabling environment for public consultation and monitoring

This indicator assesses the following: i) whether a transparent and consultative process is followed when changes are formulated to the public procurement system, ii) whether programmes are in place to build the capacity of civil society organisations to support participatory public procurement, and iii) whether effective feedback and redress mechanisms are in place for matters related to public procurement.

Assessment criteria

- (a) A transparent and consultative process is followed when formulating changes to the public procurement system.
- (b) Programmes are in place to build the capacity of relevant stakeholders to understand, monitor and improve public procurement.
- (c) There is ample evidence that the government takes into account the input, comments and feedback received from civil society.

Sub-indicator 11(b) – Adequate and timely access to information by the public

The right of the public to access information has been fully integrated in the MAPS indicator system. The following aspects have been highlighted in the sub-indicators referenced below:

- The laws, regulations, and policies governing public procurement are published and easily accessible to the public at no cost (sub-indicator 1(a));
- All stakeholders have adequate and timely access to information in each phase of the public procurement process related to specific procurements (in accordance with legal provisions protecting specific sensitive information) and access to other information that is relevant to promote competition and transparency (refer to sub-indicator 7(a));
- Free access to this information is preferably provided through a centralised online portal and open data standards (sub-indicator 7(a)).

The assessors should revisit the indicators referenced above to conclude whether the separately assessed, multifaceted requirements, in combination with identified actual procurement practices in the country, result in a conclusive and coherent picture in terms of adequate disclosure. The information disclosed should promote a meaningful understanding of the matter as a precondition for effective participation. This sub-indicator assesses whether overall, the amount and nature of transparency and available information supports the integrity of public procurement, including the visibility of the flow of public funds.

Assessment criteria

- (a) Requirements in combination with actual practices ensure that all stakeholders have adequate and timely access to information as a precondition for effective participation.

Sub-indicator 11(c) – Direct engagement of civil society

This sub-indicator assesses the extent to which i) the laws, regulations, and policies enable the participation of citizens in terms of consultation, observation, and monitoring and ii) whether the government promotes and creates opportunities for public consultation and monitoring of public contracting.

The legal and regulatory framework might establish the obligation or an opportunity for the government to consult the public in the planning process, e.g. prior to large-scale or environmentally or socially sensitive procurements. In some countries, citizens are, under clearly specified conditions and subject to signing a statement of confidentiality, permitted or encouraged to act as observers in procurement proceedings. Citizens could also be permitted to be officially involved in the monitoring of performance and contract completion, for example through the application of innovative techniques such as geotagging or in the context of social audits. The assessor should describe in detail the rights and conditions stipulated in the law.

Assessors should take into account the evidence provided through the review of procurement practices (Indicator 9) when evaluating assessment criteria (b) below.

Assessment criteria

- (a) The legal/regulatory and policy framework allows citizens to participate in the following phases of a procurement process, as appropriate:
- the planning phase (consultation)
 - bid/proposal opening (observation)
 - evaluation and contract award (observation), when appropriate, according to local law
 - contract management and completion (monitoring).
- (b) There is ample evidence for direct participation of citizens in procurement processes through consultation, observation and monitoring.

Indicator 12. The country has effective control and audit systems.

The objective of this indicator is to determine the quality, reliability and timeliness of the internal and external controls. Equally, the effectiveness of controls needs to be reviewed. For the purpose of this indicator, “effectiveness” means the expediency and thoroughness of the implementation of auditors’ recommendations. The assessors should rely, in addition to their own findings, on the most recent public expenditure and financial accountability assessments (PEFA) and other analyses that may be available. This indicator has four sub-indicators (a-d) to be assessed.

Sub-indicator 12(a) – Legal framework, organisation and procedures of the control system

This sub-indicator assesses i) whether the country's laws and regulations provide for a comprehensive control framework, ii) whether the institutions, policies and procedures as defined in the law are in place and operational, and iii) whether the existing control framework adequately covers public procurement operations.

National legislation establishes which agencies are responsible for oversight of the procurement function. Even though there is no universal model, it is important that the basic principles of oversight and control exist in the legal and regulatory framework of the country and that they are applied globally. This sub-indicator looks at the institutional set-up of the control framework to assess the existence of a functioning control framework for public procurement. The following are key elements of a functioning control framework:

- i)* There should be provisions to establish internal control and management procedures that focus on checks and balances for processing procurement transactions, on payment controls and on expenditure commitment controls. Expenditure commitment controls ensure that the procuring entity's payment obligations, arising from contracts, remain within the limits of budget allocations.³¹
- ii)* Regular and adequate feedback to management on the adequacy and effectiveness of the internal control systems is provided through an internal audit function (or internal audit institution). Among other things, this function scrutinises the reliability and integrity of financial and operational information, the effectiveness and efficiency of operations and programmes, and compliance with laws, regulations and contracts.³²
- iii)* A high-quality external audit is a required for ensuring accountability and creating transparency in the use of public funds. The Supreme Audit Institution (SAI) should be independent from the executive branch, and its mandate should enable the SAI to carry out a full range of audit activities, specifically financial, compliance and performance audits. Adherence to international auditing standards should ensure a focus on significant and systemic PFM issues in reports as well as, among other tasks, providing an opinion on the functioning of internal control and procurement systems.³³
- iv)* Internal audit and internal control systems assist external auditors and enable performance audit techniques to be used that look at the effectiveness and application of internal control procedures, instead of looking at individual procurement actions.
- v)* The legislature (or other body responsible for public finance governance) should review and act on the findings of the SAI.³⁴

The assessor should verify that the institutions, policies and procedures as defined in the law are in place and operational. The assessment should determine whether the existing controls framework pays sufficient attention to public procurement, e.g. by addressing specialised procurement audits.

31 PEFA covers internal controls on nonsalary expenditure in PI-25.

32 Refer to PEFA PI-26.

33 Refer to PEFA PI-8 and PI-30.

34 Refer to PEFA PI-31.

Assessment criteria

The system in the country provides for:

- (a) laws and regulations that establish a comprehensive control framework, including internal controls, internal audits, external audits and oversight by legal bodies
- (b) internal control/audit mechanisms and functions that ensure appropriate oversight of procurement, including reporting to management on compliance, effectiveness and efficiency of procurement operations
- (c) internal control mechanisms that ensure a proper balance between timely and efficient decision-making and adequate risk mitigation
- (d) independent external audits provided by the country's Supreme Audit Institution (SAI) that ensure appropriate oversight of the procurement function based on periodic risk assessments and controls tailored to risk management
- (e) review of audit reports provided by the SAI and determination of appropriate actions by the legislature (or other body responsible for public finance governance)
- (f) clear mechanisms to ensure that there is follow-up on the respective findings.

Sub-indicator 12(b) – Co-ordination of controls and audits of public procurement

This sub-indicator assesses whether internal controls, internal audits and external audits are well defined, co-ordinated, sufficiently resourced and integrated to ensure the consistent application of procurement laws, regulations and policies and the monitoring of performance of the public procurement system, and that they are conducted with sufficient frequency.

Internal control routines, procedures and standards should be clearly defined (ideally in an internal control manual) and complied with. There should also be written standards for the internal audit unit (or function), to perform both compliance and performance audits related to procurement and to convey issues to management, depending on the urgency of the matter. A regular periodic reporting to management should take place throughout the year to provide timely information and enable management action.

Sufficient information needs to be retained to allow auditors to verify that the written internal control procedures are adhered to. Internal and external audit plans should be co-ordinated, at least annually, to ensure adequate oversight and a reduction of duplication. Written procedures and standards (e.g. a manual) for conducting procurement audits (both on compliance and on performance) should be formulated to ensure that internal and external audits are harmonised and mutually reinforcing. Audits should be carried out at least annually.

This sub-indicator also assesses the existence of clear and reliable reporting lines to relevant oversight bodies. This includes the reporting of credible suspicions of breaches of laws and regulations to the competent authorities, without fear of reprisals. Imprecise or lax controls and inadequate reporting impact the enforcement of the laws and regulations and create ample risk for fraud and corruption.

Assessment criteria

- (a) There are written procedures that state requirements for internal controls, ideally in an internal control manual.
- (b) There are written standards and procedures (e.g. a manual) for conducting procurement audits (both on compliance and performance) to facilitate co-ordinated and mutually reinforcing auditing.
- (c) There is evidence that internal or external audits are carried out at least annually and that other established written standards are complied with.*
- (d) Clear and reliable reporting lines to relevant oversight bodies exist.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 12(b) assessment criterion (c):**

- number of specialised procurement audits carried out compared to total number of audits (in %).
- share of procurement performance audits carried out (in % of total number of procurement audits).

Source: Ministry of Finance/Supreme Audit Institution.

Sub-indicator 12(c) – Enforcement and follow-up on findings and recommendations

The purpose of this indicator is to review the extent to which internal and external audit recommendations are implemented within a reasonable time. This may be expressed as the percentage of recommendations implemented within the time frames established in the law or within six months, a year, more than a year or never implemented.

Reasons should be documented in case certain recommendations were not implemented.

Assessment criteria

- (a) Recommendations are responded to and implemented within the time frames established in the law.*
- (b) There are systems in place to follow up on the implementation/enforcement of the audit recommendations.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 12(c) assessment criterion (a):**

- Share of internal and external audit recommendations implemented within the time frames established in the law (in %).

Source: Ministry of Finance/Supreme Audit Institution.

Sub-indicator 12 (d) – Qualification and training to conduct procurement audits

The objective of this indicator is to confirm that there is a system in place to ensure that auditors working on procurement audits are adequate to the task. They should receive adequate training and they should be selected following criteria that explicitly require that they demonstrate sufficient knowledge of the subject to conduct high-quality procurement audits, including performance audits. Auditors should normally receive formal training on procurement requirements, principles, operations, laws and regulations and processes. Alternatively, they should have extensive experience in public procurement or be supported by procurement specialists or consultants. Auditors, including external resources, should be selected in a fair and transparent way and be fully independent.

Assessment criteria

- (a) There is an established programme to train internal and external auditors to ensure that they are qualified to conduct high-quality procurement audits, including performance audits.*
- (a) The selection of auditors requires that they have adequate knowledge of the subject as a condition for carrying out procurement audits; if auditors lack procurement knowledge, they are routinely supported by procurement specialists or consultants.
- (a) Auditors are selected in a fair and transparent way and are fully independent.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 12(d) assessment criterion (a):**

- number of training courses conducted to train internal and external auditors in public procurement audits.

Source: Ministry of Finance/Supreme Audit Institution.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 12(d) assessment criterion (a):**

- share of auditors trained in public procurement (as % of total number of auditors).

Source: Ministry of Finance/Supreme Audit Institution.

Indicator 13. Procurement appeals mechanisms are effective and efficient.

Pillar I covers aspects of the appeals mechanism as it pertains to the legal framework, including creation and coverage. This indicator further assesses the appeals mechanisms for a range of specific issues regarding efficiency in contributing to the compliance environment in the country and the integrity of the public procurement system. There are three sub-indicators (a-c) to be assessed.

Sub-indicator 13(a) – Process for challenges and appeals

This sub-indicator looks at the process that is defined for dealing with challenges or appeals and sets out some specific conditions that provide for fairness and due process.

- i)* Decisions are rendered on the basis of available evidence submitted by the parties.
- ii)* The first review is carried out by the entity specified by law.
- iii)* The appeals body (or authority) has enough authority to enforce its decisions.
- iv)* The time frames specified for the submission and review of challenges/appeals and issuing of decisions do not unduly delay the procurement process or make an appeal unrealistic.

Assessment criteria

- (a) Decisions are rendered on the basis of available evidence submitted by the parties.
- (b) The first review of the evidence is carried out by the entity specified in the law.
- (c) The body or authority (appeals body) in charge of reviewing decisions of the specified first review body issues final, enforceable decisions. *
- (d) The time frames specified for the submission and review of challenges and for appeals and issuing of decisions do not unduly delay the procurement process or make an appeal unrealistic.

*** Quantitative indicator to substantiate assessment of sub-indicator 13(a) assessment criterion (c):**

- number of appeals.

Source: Appeals body.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 13(a) assessment criterion (c):**

- number (and percentage) of enforced decisions.

Source: Appeals body.

Sub-indicator 13(b) – Independence and capacity of the appeals body

This indicator³⁵ assesses the degree of autonomy that the appeals body has from the rest of the system, to ensure that its decisions are free from interference or conflict of interest. It is crucial that the body is not involved in any capacity in procurement transactions or in the process leading to contract award decisions. The body should not charge fees that inhibit access by concerned parties.

The indicator assesses the efficiency and capacity of the appeals body and its ability to enforce the remedy imposed. The assessors should review whether the conditions and time frames for review and decisions are precise and reasonable, and whether processes for submission and resolution of challenges are clearly defined and followed by the appeals body. They should also be publicly available.

Assessors should evaluate whether the appeals body i) exercises its authority to suspend procurement proceedings, ii) applies the full range of remedies specified by law, iii) issues decisions within the time frame specified in the law/regulations, and iv) issues decisions that are binding on all parties (without precluding subsequent access to judicial process). The appeals body needs to be adequately resourced and staffed to fulfil its functions.

Assessment criteria

The appeals body:

- is not involved in any capacity in procurement transactions or in the process leading to contract award decisions
- does not charge fees that inhibit access by concerned parties
- follows procedures for submission and resolution of complaints that are clearly defined and publicly available
- exercises its legal authority to suspend procurement proceedings and impose remedies
- issues decisions within the time frame specified in the law/regulations*
- issues decisions that are binding on all parties
- is adequately resourced and staffed to fulfil its functions.

*** Quantitative indicator to substantiate assessment of sub-indicator 13(b) assessment criterion (c):**

- appeals resolved within the time frame specified in the law/exceeding this time frame/unresolved (Total number and in %).

Source: Appeals body.

35 This indicator is fully aligned with PEFA PI-24.4.

Sub-indicator 13(c) – Decisions of the appeals body

The appeals system needs to be seen as operating in a fair manner. The system should require that decisions be rendered only on relevant and verifiable information presented. In addition, such decisions need to be unbiased, reflecting the consideration of the evidence presented and the applicable requirements in the legal/regulatory framework.

It is also important that the remedy imposed in the decision be consistent with the findings of the case and with the available remedies provided for in the legal/regulatory framework. Decisions of the appeals body should deal specifically with process issues, and the remedies should focus on corrective actions needed to comply with the process.

Decisions should be published in a timely manner and as stipulated in the law. Preferably, decisions should be published on the centralised online portal mentioned in sub-indicator 7(b).

Assessment criteria

Procedures governing the decision making process of the appeals body provide that decisions are:

- (a) based on information relevant to the case.
- (b) balanced and unbiased in consideration of the relevant information.*
- (c) result in remedies, if required, that are necessary to correcting the implementation of the process or procedures.*
- (d) decisions are published on the centralised government online portal within specified timelines and as stipulated in the law.*

*Quantitative indicator to substantiate assessment of sub-indicator 13(c) assessment criterion (d):

- share of appeals decisions posted on a central online platform within timelines specified in the law (in %).

Source: Centralised online portal.

* Recommended quantitative indicator to substantiate assessment of sub-indicator 13(c) assessment criterion (b):

- share of suppliers that perceive the challenge and appeals system as trustworthy (in % of responses).

Source: Survey.

- share of suppliers that perceive appeals decisions as consistent (in % of responses).

Source: Survey.

* Recommended quantitative indicator to substantiate assessment of sub-indicator 13(c) assessment criterion (c):

- outcome of appeals (dismissed; decision in favour of procuring entity; decision in favour of applicant) (in %).

Source: Appeals body.

Indicator 14. The country has ethics and anti-corruption measures in place.

This indicator assesses i) the nature and scope of anti-corruption provisions in the procurement system and ii) how they are implemented and managed in practice. This indicator also assesses whether the system strengthens openness and balances the interests of stakeholders and whether the private sector and civil society support the creation of a public procurement market known for its integrity. There are seven sub-indicators (a-g) contributing to this indicator.

Sub-indicator 14(a) – Legal definition of prohibited practices, conflicts of interest, and associated responsibilities, accountabilities and penalties

This indicator assesses the existence of legal provisions that define fraudulent, corrupt and other prohibited practices (“prohibited practices”) and set out the responsibilities and sanctions for government employees, individuals or firms indulging in such practices.

The legal provisions should also address issues concerning situations involving conflicts of interest and incompatibility. Provisions should include mechanisms to identify and declare where conflict of interests exist, to mitigate risks and make this information easily accessible to decision makers. The law should prohibit the intervention of active public officials and former public officials for a reasonable period after leaving office (cooling-off period) in procurement matters in ways that benefit them, their relatives and business or political associates, financially or otherwise.

Sanctions should include the exclusion of firms or individuals that have been the subject of a conviction by final judgment for fraud, corruption or other prohibited practices, as defined in the national law of the procuring entity or the firm/individual (refer to sub-indicator 1(d)).

There may be cases where there is a separate anti-corruption law (e.g. anti-corruption legislation) that contains such provisions. This arrangement is appropriate insofar as the effects of the anti-corruption law are the same as if they were in the procurement law.³⁶

The legal, regulatory and policy framework should be consistent with obligations deriving from legally binding international anti-corruption agreements, e.g. the United Nations Convention Against Corruption (UNCAC).

Assessment criteria

The legal/regulatory framework provides for the following:

- (a) definitions of fraud, corruption and other prohibited practices in procurement, consistent with obligations deriving from legally binding international anti-corruption agreements.
- (b) definitions of the individual responsibilities, accountability and penalties for government employees and private firms or individuals found guilty of fraud, corruption or other prohibited practices in procurement, without prejudice of other provisions in the criminal law.
- (c) definitions and provisions concerning conflict of interest, including a cooling-off period for former public officials.

Sub-indicator 14(b) – Provisions on prohibited practices in procurement documents

This sub-indicator assesses the extent to which the law and the regulations compel procuring agencies to include references on fraud, corruption and other prohibited practices, conflict of interest and unethical behaviour, as defined in the law in the procurement and contract documents. Instructions could include a requirement for bidders to issue a self-declaration assuring that the bidder has not engaged in any prohibited practices and has not been prosecuted or convicted of fraud, corruption or other prohibited practices. This sub-indicator is related to sub-indicator 2(b) on Content for model documents, but is not directly addressed in that sub-indicator.

The assessment should verify the existence of the provisions in the procurement and contract documents and enforceability of such provision through the legal/regulatory framework. The procurement and contract documents should include

³⁶ Prohibitions against bribery could be contained in a country’s penal code, specific anti-corruption legislation, or other legislation, such as competition legislation. In addition, prohibitions against bribery by companies (“legal persons”) are sometimes contained in the same legislation as the prohibitions against natural persons, or separate legislation on corporate liability for corruption offences and sometimes other economic offences as well (e.g. money laundering).

the definitions of what is considered fraud and corruption and other prohibited practices, and the consequences of committing such acts.

Assessment criteria

- (a) The legal/regulatory framework specifies this mandatory requirement and gives precise instructions on how to incorporate the matter in procurement and contract documents.
- (b) Procurement and contract documents include provisions on fraud, corruption and other prohibited practices, as specified in the legal/regulatory framework.

Sub-indicator 14(c) – Effective sanctions and enforcement systems

This indicator concerns the enforcement of the law and the ability to demonstrate this by actions taken. Evidence of enforcement is necessary to demonstrate to the citizens and other stakeholders that the country is serious about fighting corruption.

Assessors should determine whether procuring entities are required to report allegations of fraud, corruption and other prohibited practices to the law enforcement authorities, and whether there is a clear procedure in place for doing this.

Assessors should review whether the procedure is systematically applied in practice, and whether reports pursuant to such a procedure are consistently followed up by the law enforcement authorities.

The assessor should verify that systems and procedures are in place to suspend/debar firms and individuals from participating in procurement proceedings (refer to sub-indicator 1(d)). The assessor should evaluate whether the procedures ensure due process and whether they are consistently applied. For example, the system should include a register of debarred firms and individuals that is easily accessible to all procuring entities. Procuring entities should be required to consult this register and consistently exclude debarred firms and individuals from participation in a procurement process.

The assessor should also be able to obtain at least some evidence of prosecution and punishment for fraudulent, corrupt or other prohibited practices. The assessor should retrieve figures on the number of cases reported through the system, and number of cases prosecuted. If the ratio of cases prosecuted to cases reported is low, the narrative should explain the possible reasons.

Assessment criteria

- (a) Procuring entities are required to report allegations of fraud, corruption and other prohibited practices to law enforcement authorities, and there is a clear procedure in place for doing this.
- (b) There is evidence that this system is systematically applied and reports are consistently followed up by law enforcement authorities.
- (c) There is a system for suspension/debarment that ensures due process and is consistently applied.
- (d) There is evidence that the laws on fraud, corruption and other prohibited practices are being enforced in the country by application of stated penalties.*

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 14(c) assessment criterion (d):**

- Firms/individuals found guilty of fraud and corruption in procurement: number of firms/individuals prosecuted/convicted; prohibited from participation in future procurements (suspended/debarred).

Source: Normative/regulatory function/anti-corruption body.

- Government officials found guilty of fraud and corruption in public procurement: number of officials prosecuted/convicted.

Source: Normative/regulatory function/anti-corruption body.

- Gifts to secure public contracts: number of firms admitting to unethical practices, including making gifts in (in %).

Source: Survey.

Sub-indicator 14(d) – Anti-corruption framework and integrity training

This sub-indicator attempts to verify whether an anti-corruption framework is in effect, and if so, its extent and nature and any other special measures in place, such as integrity training programmes that can help prevent and/or detect fraud and corruption specifically associated with public procurement.

A comprehensive anti-corruption framework normally includes all the stakeholders in the procurement system, assigns clear responsibilities to all of them, and assigns a high-level body or organisation (e.g. and anti-corruption commission) with sufficient standing and authority to be responsible for co-ordinating and monitoring the programme. The functions assigned to the anti-corruption body will differ from country to country. For example, anti-corruption bodies could be in charge of providing secure channels for reporting suspected corruption, have investigative powers, and collect and disclose information on beneficial ownership, following good international practice.

The procuring entities are responsible for running and monitoring a transparent and efficient system and for providing public information to promote accountability and transparency. To strengthen awareness and to clarify responsibilities and reporting requirements and channels in case of attempted or suspected fraud or corruption in procurement, integrity training programmes should be developed and offered as a co-ordinated effort (involving procuring entities, the anti-corruption body and normative/regulatory institutions). The procurement workforce should be obliged to participate in this training on a regular basis.

The control organisations (supreme audit authority) and the legal oversight bodies (e.g. the parliament or congress) are responsible for detecting and denouncing irregularities or corruption. The civil society organisations are responsible for social audits and for monitoring of procurement to protect the public interest. These may include NGOs, academia, unions, chambers of commerce and professional associations, and the press. The judiciary also participates, often in the form of special anti-corruption courts and dedicated investigative bodies that are responsible for investigating and prosecuting cases of corruption. There are normally government public education and awareness campaigns as part of efforts to change social behaviour in respect to corrupt practices and tolerance. Anti-corruption strategies usually include the use of modern technology to promote e-Procurement and e-government services, to minimise the risk of facilitation payments, identify “red flag” situations, indicate potential corruption, and support annual reporting to enhance awareness and open dialogue.

The assessor should assess the extent to which all or some of these actions are organised as a co-ordinated effort. This also includes sufficient resources, commitment by the government and the public, the extent to which they are mostly isolated and left to the initiative of individual agencies or organisations.

Assessment criteria

- (a) The country has in place a comprehensive anti-corruption framework to prevent, detect and penalise corruption in government that involves the appropriate agencies of government with a level of responsibility and capacity to enable its responsibilities to be carried out.*
- (b) As part of the anti-corruption framework, a mechanism is in place and is used for systematically identifying corruption risks and for mitigating these risks in the public procurement cycle.
- (c) As part of the anti-corruption framework, statistics on corruption-related legal proceedings and convictions are compiled and reports are published annually.
- (d) Special measures are in place for the detection and prevention of corruption associated with procurement.
- (e) Special integrity training programmes are offered and the procurement workforce regularly participates in this training.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 14(d) assessment criterion (a):**

- percentage of favourable opinions by the public on the effectiveness of anti-corruption measures (in % of responses).

Source: Survey.

Sub-indicator 14(e) – Stakeholder support to strengthen integrity in procurement

This indicator assesses the strength of the public and the private sector in maintaining a sound procurement environment. This may be made manifest in the existence of respected and credible civil society groups that have a procurement focus within their agendas and/or actively provide oversight and exercise social control. Civil society organisations can only play a meaningful role as third-party monitors when they have government guarantees to function and when their work is generally promoted and accepted by the public. Media, where free and well-informed, can also play an active role in addressing integrity and ethical behaviour in public procurement.

Assessors should also evaluate whether business associations promote anti-corruption frameworks to be implemented by suppliers. The supply side can become an active partner in supporting integrity, by establishing internal compliance measures. Programmes could for example focus on codes of ethics, integrity training for staff and/or improved internal control measures.

The welcoming and respectful attitude of the government and the quality of the debate and the contributions of all interested stakeholders are an important part of creating an environment where integrity and ethical behaviour is expected and deviations are not tolerated.

Assessment criteria

- (a) There are strong and credible civil society organisations that exercise social audit and control.
- (b) There is an enabling environment for civil society organisations to have a meaningful role as third-party monitors, including clear channels for engagement and feedback that are promoted by the government.
- (c) There is evidence that civil society contributes to shape and improve integrity of public procurement.*
- (d) Suppliers and business associations actively support integrity and ethical behaviour in public procurement, e.g. through internal compliance measures.*

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 14(e) assessment criterion (c):**

- number of domestic civil service organisations (CSOs), including national offices of international CSOs actively providing oversight and social control in public procurement.

Source: Survey/interviews.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 14(e) assessment criterion (d):**

- number of suppliers that have internal compliance measures in place (in %).

Source: Supplier database.³⁷

Sub-indicator 14(f) – Secure mechanisms for reporting prohibited practices or unethical behaviour

This sub-indicator assesses the following: i) whether the country provides, through its legislation and institutional set-up, a system for reporting fraudulent, corrupt or other prohibited practices or unethical behaviour; and ii) whether such legislation and systems provide for confidentiality and the protection of whistle-blowers. The system should be seen to react to reports, as verified by subsequent actions taken to address the issues reported. In case a reporting intake system is established and data is generated indicating the number of investigations conducted and actions taken, this information should be taken into account.

Assessment criteria

- (a) There are secure, accessible and confidential channels for reporting cases of fraud, corruption or other prohibited practices or unethical behaviour.
- (b) There are legal provisions to protect whistle-blowers, and these are considered effective.
- (c) There is a functioning system that serves to follow up on disclosures.

Sub-indicator 14(g) – Codes of conduct/codes of ethics and financial disclosure rules

The country should have in place a code of conduct/ethics that applies to all public officials. In addition, special provisions should be in place for those involved in public procurement. Financial disclosure requirements for public officials have proven very useful in helping to prevent unethical or corrupt practices. Regular training programmes should be conducted for all public officials, to raise and sustain awareness of the requirements and ensure the effective implementation of these measures.

³⁷ Disclosure of such details is generally not a requirement. Supplier database should include filing details on compliance.

Assessment criteria

- (a) There is a code of conduct or ethics for government officials, with particular provisions for those involved in public financial management, including procurement.*
- (a) The code defines accountability for decision making, and subjects decision makers to specific financial disclosure requirements.*
- (a) The code is of mandatory, and the consequences of any failure to comply are administrative or criminal.
- (a) Regular training programmes are offered to ensure sustained awareness and implementation of measures.
- (a) Conflict of interest statements, financial disclosure forms and information on beneficial ownership are systematically filed, accessible and utilised by decision makers to prevent corruption risks throughout the public procurement cycle.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 14(g) assessment criterion (a):**

- share of procurement entities that have a mandatory code of conduct or ethics, with particular provisions for those involved in public financial management, including procurement (in % of total number of procuring entities).

Source: Normative/regulatory function.

*** Recommended quantitative indicator to substantiate assessment of sub-indicator 14(g) assessment criterion (b):**

- officials involved in public procurement that have filed financial disclosure forms (in % of total required by law).

Source: Normative/regulatory function.