Innovative Governance & Anticorruption Initiatives

A Selective Survey of Recent World Bank Activity

JANUARY 2014
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INTRODUCTION

The World Bank’s work on governance and anticorruption (GAC) is broad and diverse. The Bank’s transition to a global practice structure, including a Governance Global Practice, provides an opportunity to take stock of a number of innovative initiatives that are having an impact upon the lives of our clients and to highlight the lessons that can be learned from them.

Historically, the Bank has focused heavily on issues of public sector management, with particular emphasis upon public financial management (PFM). Such work remains a major part of the Bank’s portfolio. From 2007 to 2012, around 15 percent of the Bank’s total lending was for governance issues, including both policy-based and investment lending (see Attachment 1). Around 81 percent of this governance-related lending was for public sector reform, with over half of this being for work on PFM and procurement.

In the wake of the Bank’s 2007 Governance and Anticorruption Strategy and the 2012 Governance and Anticorruption Strategy Update, this effort has become more complex and varied, involving changes in both what the Bank does and how we do it. Substantively, the agenda has moved beyond a focus on the core systems of government to embrace a more comprehensive approach that focuses on improved service delivery and results among line ministries and departments. It has sought to incorporate new actors into the dialogue about reform, from institutions of accountability such as parliaments, ombudsman offices and anticorruption agencies, to more explicit engagement with a wide variety of private sector actors and civil society organizations. New objectives, such as facilitating transparency, participation and accountability, have been added to the traditional goals of efficiency, effectiveness and fiscal sustainability. New approaches, particularly those involving information and communications technologies, are being employed to facilitate this broader outreach and stakeholder engagement.

Changes have also been made in how the Bank approaches governance issues. GAC projects have been increasingly designed with an eye towards strengthening country systems or explicitly addressing country risk. There has also been a push to employ new techniques, such as political economy analysis, to better understand and address the incentives for and against reform.

Country and project teams have increasingly used creative and unconventional approaches to design programs that respond to pressing governance problems. The following are but a few samples of the type of innovative governance efforts envisioned under the Bank’s governance agenda. They were identified and put forward by the GAC Focal Points in various regional and sectoral vice presidencies, often after extensive internal consultation. They encompass a variety of regions, sectors and problems. The activities typically combine a multi-disciplinary approach, a track record of success, and the promise of significant prospects for scale-up downstream.
Care was also taken to display the diversity of activities taking place within individual Bank vice presidencies or at the global level. The initiatives from Latin America and the Caribbean (LAC) were selected, for example, because they reflect the depth and variety of governance work taking place in the Region. They cover different sectors and include both country-specific as well as regional initiatives, and they range from investment lending to analytic work and policy dialogue to integrating governance issues into the country partnership strategy framework.

Diverse as they are, many of the initiatives demonstrate a clear trend towards enhanced accountability, including both improved monitoring and greater citizen participation. They range from monitoring procurement in West Africa and investments in Colombia, to improvements in local service delivery in Indonesia, to participatory anticorruption efforts in the Dominican Republic. They also include efforts to leverage the use of new communications technology for monitoring absenteeism in Pakistan, improving budget monitoring and participation in the Kyrgyz Republic and facilitating better natural resource management in the Philippines. Such initiatives are complemented by other efforts, such as fostering communities of practice on various governance topics, supporting cutting edge research on transparency, or adopting new tools and filters to mainstream governance in country programming.

Any effort of this type is admittedly abbreviated and anecdotal, and undoubtedly many worthy initiatives are not captured here. Yet, viewed either individually or together, these examples provide a brief yet fascinating glimpse into the type of innovative governance initiatives currently being supported by the Bank, as well as the possibilities for capturing and scaling up these efforts in the pending transition to a governance global practice.
AFRICA (AFR)

Contract Monitoring Network Program

The monitoring of procurement in West Africa has historically been limited in scope and impact, reflecting constraints in both opportunity and capacity. This can deny the poor access to desperately needed infrastructure such as roads and power.

The Contract Monitoring Network (CMN) program supports the assessment of processes leading to the award and implementation of contracts. The objective of the program is to build the capacity of emerging multi-stakeholder coalitions in Ghana, Liberia, Nigeria and Sierra Leone so that they can monitor procurement/contracting processes and outcomes more effectively and advocate for improved governance arrangements in priority sectors such as transport and energy.

Countries: Ghana, Liberia, Nigeria & Sierra Leone
Activity Type: Institutional Development Fund (IDF) Grant
Duration: 3 years
Cost: $1 million

Each coalition has developed tools and templates for contract monitoring in various sectors. In Liberia, a coalition is focusing on municipal contracts and the effectiveness of procurement processes in waste collection and management. Community engagement workshops carried out by the coalition have resulted in increased public access to municipal contracts, greater...
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Community knowledge about the responsibilities of contractors, and the reporting of contract violations to municipal authorities. The program has also provided a forum for continuous dialogue between the community and municipal contractors, which has translated into clear improvements in garbage collection in Monrovia. In Nigeria, a coalition is focusing on the poor quality of service delivery in the power sector. It has, thus far, successfully contributed to improved enforcement of the country’s Freedom of Information Act; it has also facilitated mid-course project corrections, including the replanting of electricity poles to meet required standards. As a whole, the CMN program has helped to increase transparency and accountability in public procurement processes and contracts, thereby significantly improving the delivery of socioeconomic benefits to citizens.

Kenya and Rwanda: Cutting Red Tape and Corruption for Construction Permits

Countries: Kenya and Rwanda
Activity Type: Advisory Services
Duration: 2 years
Cost: $500,000

Basic business regulatory transactions in Kenya and Rwanda are often hampered by excessive red tape and corruption. The International Finance Corporation’s (IFC) Investment Climate Program helped the City Councils of Nairobi and Kigali to reform and automate the administration of construction permits, reduce the compliance burden on businesses, and improve the transparency of the underlying permitting processes. Prior to the reform, all processing of construction permits was done manually, following a convoluted process across multiple departments and external organizations. Approval times in Nairobi averaged 6 months. The process was considered so complex and opaque that private “expediters” offered services to speed up the permitting process at a cost equivalent to 60 percent of the permit fee.
The project developed a web-based software application to automate the plan review procedures and the delivery of construction and occupancy certificates. In Nairobi, the project was launched in September 2011, and cut approval times to 30 days, thus eliminating the need for “expediters”. Construction permit applications have increased by 300 percent due to the rapid growth of Nairobi; however, the system allows the City Council of Nairobi to keep pace with these rising volumes. The reforms are also expected to increase the level of formalization in building construction and improve compliance with the safety requirements mandated in the city’s by-laws and national building codes.

A variant of the software application was implemented in 2013 in Kigali, Rwanda. The process for obtaining a construction permit was cut from 12 procedures and more than 100 days, to 5 procedures and a maximum of 30 days. As in Nairobi, this reduction in procedures and direct business-to-government interactions cut red tape and corruption significantly.

**Zambia: Good Governance in Roads Pilot Project**

In Zambia, roads cost far more to build than they should, do not last as long as they ought to, and their construction can involve corrupt or illicit dealings. One way of tackling these issues is to improve the level of oversight in the sector, particularly the level of non-state actor monitoring. Yet civil society organizations (CSOs) and the media have historically been ineffective when it comes to engaging in the road sector in an informed and constructive manner.

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**Country:** Zambia  
**Activity Type:** Governance  
**Partnership Facility (GPF) Grant**  
**Duration:** FY13 – FY15  
**Cost:** $300,000
Government ministries and departments have not been proactive in engaging with these stakeholders, and non-state actors have very little understanding of the sector or of what mechanisms can be utilized to improve governance and hold providers accountable.

The aim of the Good Governance in Roads pilot project is to improve accountability and service delivery in the road sector by developing the capacity of CSOs and journalists to engage in the sector in an informed manner and incentivizing collaborative partnerships across road stakeholders. It includes intensive training, mentorship, coalition building and a competitive small grant program. The project is based on collaboration between the World Bank and the Road Development Agency (RDA), in particular the RDA Integrity Committee.

The pilot project has greatly increased the interaction between government and non-state actors on road governance issues. Thirty non-state actors from all over Zambia were competitively selected to take part in the training and have since formed the first Road Watch Coalition. Over 20 proposals for innovative interventions (including community monitoring, investigative journalism, citizen reporting, dramatization of road issues, and using Information and Communication Technology (ICT) to enhance transparency) were developed through the project. The Bank directly funds five of the best proposals. The Ministry of Transport and road institutions have publicly expressed their full support for the project.

**Burkina Faso: Health Procurement and Risk Management**

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<td>Activity Type: Analytic and Advisory Activities (AAA)</td>
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<tr>
<td>Duration: FY13 – FY14</td>
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<td>Cost: $170,000</td>
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The Africa Region’s Procurement and HD units have worked with OPCS to initiate an innovative engagement in pharmaceutical procurement and supply chain management in Burkina Faso, primarily with the Central Medical Stores Institution (CAMEG). The goal has been to improve service delivery by strengthening CAMEG’s efficiency and transparency across the supply chain, from the quantification of needs through procurement, warehousing, distribution and quality assurance. Specific objectives included developing more strategic links with the pharmaceutical market, developing a smoother supply chain between CAMEG and the Ministry of Health, and clarifying the framework for oversight. In addition to the multi-disciplinary core team, the project also leveraged expertise from the IFC, Quality Medicine for All of the Tropical Institute of Antwerp (QUAMED), and the World Health Organization (WHO).

Cameroon: Revenue Enhancement Measures

The Bank has piloted a number of innovative approaches to strengthen sector governance and stimulate demand-side governance in Cameroon. Projects have included analytical work on service delivery, civil society capacity building and customs reform. Studies on the political economy of various sectors have informed the development of targeted programs to improve service delivery, and offered empirical evidence for frank stakeholder discussions. The Bank has subsequently piloted a citizen-centered open budget program in two regions, which has raised public awareness about government allocations for schools, health centers, and local councils. This program has successfully increased tax revenue for local councils, encouraged parents to
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contribute to the financing of schools, and created greater trust between mayors and constituents.

The Bank has also supported the development and implementation of a comprehensive national customs integrity action plan, including performance contracting for customs officials. Through technical assistance and training, the Cameroonian customs have generated $60 million in additional revenue. In addition to reducing corruption, average customs clearance time in Douala was reduced from 22 hours at the end of 2009 to two hours in 2011 for the container office, and from 15 hours to less than one hour for the office in charge of clearing cars.

Liberia: Citizen Engagement for Fair, Equitable and Durable Land and Natural Resource Management

In Liberia, the persistence of historical land disputes and the rapid rise of large-scale natural resource concessions have triggered a new wave of contests and grievances. The bulk of these disputes are sourced in contests around land tenure, use and management, as well as related social, economic and environmental grievances, including the loss of livelihoods, environmental damage, and claims of socio-cultural disrespect. Despite commitments enshrined in the regulatory framework, government, investors and communities have struggled to engage in fair and effective processes of consultation, decision-making and grievance redress around the management of natural resources.
This project seeks to address these issues through a citizen engagement study that consists of: (1) a review of the nature and source of disputes arising from concessions management; and (2) an evaluation of the impact of methods used to engage citizens on the fairness, equity and durability of concessions management, so as to inform the development of more effective, equitable and durable procedures for the implementation of the new land policy and concessions management. The findings of this study will be used to support (1) the development of an inter-agency government priority work plan, and (2) the testing of citizen engagement models designed to contribute to fairer, more equitable and durable strategies for citizen engagement on land and natural resource management.

More specifically, the project will (1) support multi-stakeholder forums for the preparation and testing of innovative models for citizen engagement (e.g. public information dissemination, consultation, social monitoring, communal governance, negotiation, mediation or other grievance redress activities); (2) review the outcome- and process-oriented merits of the pilots, and thereby (3) enable relevant stakeholders and/or multi-stakeholder groups to replicate/upscale the most effective arrangements, including by incorporating them in the near- and medium-term strategic plans, budgets and operational capabilities of the relevant entities.

**Union of the Comoros: Reducing Fragility, Strengthening Country Systems**

The Union of the Comoros has been struggling with political instability since its independence in 1975. The non-transparent and partisan resource allocation mechanisms among the different islands have been identified as a major source of fragility and conflict. In light of this challenge,
the Bank prioritized the strengthening of the country’s public financial management system, with the objective of making it more transparent and accountable. The Africa Poverty Reduction and Economic Management (PREM) team leading the project leveraged the knowledge of a number of Bank units, including the GAC-in-Operations teams of Operations Policy and Country Services (OPCS) and Africa – Core Operations Services (AFTOS), the World Bank Institute (WBI) Leadership and Governance team, and the PREM anti-corruption practice leader. As a result, several innovative approaches were initiated, including the piloting of the Leadership-for-Results methodology to support wage-bill management, the introduction of an automated payroll system, and the development of a country governance action plan.

The project helped the country reach the Heavily Indebted Poor Countries (HIPC) completion point in December 2012 and led to tangible results, as reflected in improved public expenditure and financial accountability (PEFA) ratings. It also contributed to the introduction of the new budget law, the implementation of an integrated financial management information system, the elaboration of an organic framework completion methodology, and increased transparency with regard to the sharing of resources among islands.

Kenya: Judicial Performance Improvement Project

Kenya’s 2010 Constitution has provided a unique window of opportunity for transforming the country and the Judiciary. The Constitution established a basis for institutional and financial independence for the Judiciary, and together with its ambitious devolution program, creates opportunities for transforming judicial services. This vision is articulated in the Judicial
Transformation Framework 2012–2016 (JTF). The JTF commits the Judiciary to pursuing four “pillars” of justice outcomes: (1) delivering justice services that are more focused on the needs of the people served; (2) acquiring and delivering judicial leadership that will transform managerial and judicial outcomes; (3) achieving adequate financial resources and physical infrastructure for the Judiciary; and (4) harnessing the use of technology as an enabler for improving the effectiveness of the judicial system.

The Judicial Performance Improvement Project provides funding to support a more independent role for the judiciary, as laid out in the 2010 Constitution of Kenya and the JTF. In line with these priorities, the project consists of four components. The first component provides support for improved court administration and case management, including major ICT infrastructure. The second component supports judiciary training and staff development, and the third component supports construction and refurbishment of court infrastructure. The final project component will support the judiciary’s management of the project, which will entail procurement and financial management, coordinating implementation of project activities, monitoring and evaluation, and compliance with environmental and social safeguards.

**Burkina Faso: Enhancing the Demand for Good Governance in the CPS**

In the wake of Burkina Faso’s 2011 socio-political crisis, attention to governance issues became a priority in the context of both the preparation of the Country Partnership Strategy (CPS) and the Competitiveness and Growth development policy lending series introduced in 2011.
The GAC taskforce introduced new and innovative approaches to addressing governance in the Burkina Faso context and laid a strong foundation for the design of the new CPS. The GAC activities triggered an increase in non-trust-funded governance work by the Country Team and many of the pilot initiatives, including the civil society debate series and third party monitoring of Bank projects, have been incorporated into regular project or Bank budget funding.

GAC activities were successfully integrated into the Bank’s program in Burkina Faso, at a country, sector and project level. At the national level, GAC activities consolidated Bank engagement and leadership on governance issues, notably with respect to anti-corruption monitoring, decentralization and justice reform, and facilitated continued collaboration and coordination with other development partners on issues of governance.

At the sector level, GAC activities have strengthened the Bank’s analytical understanding of the political economy and governance environment in the justice, mining and transport sectors, as well as in relation to decentralization and anti-corruption. At the same time, they have stimulated discussions around improving the orientation of policy reforms and support in these areas.

At the project level, GAC activities have enhanced the extent to which governance risks were addressed in most projects under preparation, through direct operational support to project teams in the form of political economy analyses, dedicated project team discussions and /or support in the preparation of project documentation. In addition, through information exchanges and support for capacity development and Demand for Good Governance (DfGG) activities, engagement with civil society was strengthened and regularized. As a result, civil society and local communities have become more actively engaged in monitoring the performance of Bank-financed projects and recipient-executed trust funds.
China: Participatory Approach in the Poor Rural Communities Development Project

The Poor Rural Communities Development Project (PRCDP), which closed in FY12, was implemented in the three provinces of Sichuan, Yunnan and Guangxi in China. The project adopted a participatory approach to local management on an unprecedented scale, involving a large number of remote villages in participatory planning and decision-making. For example, in Guangxi, 88 percent of the project’s villages were directly involved in project decision-making, and 399 project implementation groups were set up. Project communities participated substantially in decision-making at critical stages as well as in the monitoring and final evaluation of project activities. Levels of participation were particularly high in small-scale infrastructure activities, such as drinking water schemes, implemented through a community-led approach.

Country: China  
Activity Type: Investment  
Project Financing (IPF):  
Duration: FY05 – FY12  
Cost: $100 million

The participatory approach supported high levels of transparency and ownership at the community level. As a result, the project communities felt more responsible for the management and maintenance of project facilities. The project set an example for decision makers that substantial levels of participation can be achieved on a large scale in government-led projects.
if sufficient attention is paid to ongoing capacity building and learning. The project has developed a number of innovative practices that are seen as useful for strengthening community engagement and a pro-poor focus in poverty reduction projects, such as participatory poverty analysis, community procurement, and setting up project implementation groups in remote villages. As a result, the project has become an influential platform for innovative participation practices in China.

**Indonesia: Program National Pemberdayaan Masyarakat (PNPM) Series**

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<td>Activity Type: IPF</td>
<td>Duration: FY11 – ongoing</td>
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<td>Cost: $222 million</td>
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Indonesia has served as a model for many countries in the region to replicate Community Driven Development (CDD) projects, which serve as a dominant entry point for Demand for Good Governance (DfGG) and Social Accountability activities in the Region. The government has demonstrated a commitment to using the CDD approach in its poverty reduction efforts through the PNPM Rural project series. This project series addresses the development needs of poor communities through participatory means, while also providing a good opportunity to incorporate the principles of social accountability such as awareness raising/information disclosure and dissemination, participatory planning, participatory performance monitoring, local and community capacity building and learning, procurement monitoring, and grievance redress mechanisms.

Consequently, the social development team in Indonesia has been able to scale up the effort through the CDD approach and find opportunities to strengthen and innovate work on social
accountability through enhanced financial resources. For example, the PNPM Generasi project, an innovative community conditional cash transfer (CCT) program, uses community planning and incentivized kecamatan grants to target three Millennium Development Goals lagging in Indonesia, while also helping the government to address the problems of governance and poverty in the 70 poorest districts in the country.

The project has a number of relevant GAC features: (1) a ministerial decree forbidding PNPM-Rural and Generasi personnel from running for public office—staff must resign prior to declaring themselves as candidates; (2) monitoring by local and national media of PNPM staff compliance with this decree; (3) regular governance updates; (4) complaints handling monitoring; (5) large corruption case tracking and reporting; (6) Revolving Loan Fund performance monitoring; (7) support and capacity building for the development of internal audit standard operating procedures; (8) internal and external audit monitoring; (9) external auditor training; (10) audit results analysis and follow-up; and (11) development of a risk management framework and capacity building for the government’s partners.

As regards PNPM Urban III, the project development objective is to ensure that the urban poor in PNPM Urban locations benefit from improved socio-economic and local governance conditions. PNPM Urban, which is a CDD program, caters to 11,000 urban wards in the country.

**Mongolia: Public Procurement Reform through an Open Contracting Approach**

**Country:** Mongolia  
**Activity Type:** GPF Grant  
**Duration:** FY12 – FY14  
**Cost:** $120,000
The Mongolian government requested assistance from the Bank to improve the country’s public procurement system. The response was an innovative open contracting approach that brought together government offices and a network of CSOs in enhancing disclosure of procurement-related information and citizen monitoring of the procurement process. The program—jointly implemented by the Mongolia country office, PREM EAP and the World Bank Institute (WBI), and supported by the Governance Partnership Facility (GPF)—focused on providing technical assistance (e.g., coaching) and seed funding for procurement and contract monitoring activities. Some of the notable results are: (1) the formation of the civil society network: Partnership for Public Procurement; (2) the revision of the implementing rules and regulations for the Procurement Law to include formal roles for citizen monitors; and (3) the improvement of road maintenance plans by local governments based on the results of civil society monitoring.

Given the relative success of this approach, WBI is now working on similar open contracting initiatives with country offices in Europe & Central Asia (ECA) and Africa.

**Philippines: National Program Support for Environment and Natural Resources Management**

The program’s overall development objective was to assist the Department of Environment and Natural Resources (DENR) in improving the efficiency and effectiveness of its service delivery. More specifically, the project aimed to strengthen the allocative efficiency of DENR’s limited budget resources through better prioritization and partnership arrangements, and better linking of plans and budgets.
In terms of specific governance dimensions, the project used a geo-tagging system to track whether funds were being used for the intended purpose, as part of the National Greening Program. CSOs were provided with seedlings, and the geo-tagging system allowed the beneficiaries to tag where the seedlings were planted. A transparent, public website also allowed stakeholders to monitor seedling planting. Collaboration between DENR and procurement, financial management and internal audit staff ensured that geo-tagging data could be used for fiduciary oversight and monitoring.

**Vietnam: The Transparency Project**

Prior World Bank analysis identified transparency and access to information as among the fundamental governance challenges for Vietnam. The Vietnam Development Report 2010—Modern Institutions catalogued more than 30 laws, rules and decrees calling for access to information, yet only a fraction of that information is actually made available to the public. Similarly, in a study on land transparency in 2010, a precursor to the Vietnam Transparency Project (VTP), only a small number of provinces made land related information available. Other studies on land corruption and on corruption more generally have confirmed that limited access to information is a key governance challenge for Vietnam.

The VTP is the key set of tasks under the transparency pillar of the Programmatic Governance Analytic and Advisory Activities (AAA). The VTP is premised on the idea that transparency can
be measured and tracked over time. With its emphasis on data and evidence, the VTP will both empower constituencies calling for improved transparency and afford the possibility to demonstrate empirically the value of improving transparency. It will also facilitate learning across provinces, as good practices can be fed back to provinces that are not doing as well. Finally, the VTP will help strengthen integration of governance within and between sectors, and support the overall objective of governance mainstreaming.

The approach of the VTP has its roots in an earlier intervention. In 2010, the governance team, with support from a United Kingdom trust fund, supported the piloting of a novel approach that measures actual transparency over time and provides real feedback on the degree of transparency across provinces and ministries. The VTP will scale up this approach by: (1) gradually expanding the coverage of sectors, (2) repeating the exercise annually, (3) paying greater attention to dissemination and feedback, (4) exploring new avenues for integrating the citizenry into the dialogue on transparency using modern technology, and (5) working with Vietnamese think-tanks, universities and non-governmental organizations (NGOs) to generate sustained interest in the VTP and champions for transparency. In expanding this approach, the VTP will create a forum for keeping the problems with access to information consistently in the spotlight and demonstrating the benefits of greater transparency.

**Vietnam: Anticorruption Diagnostic**

In 2011, the government requested help to develop an anticorruption diagnostic, which falls under the Programmatic Governance AAA. In 2012, the government planned to review implementation of the Anticorruption Law and the Party’s resolution on anticorruption passed in 2006, and to prepare an amendment to the current Anticorruption Law for submission to the National Assembly. To inform these reviews, the Government Inspectorate (GI) and the Office of the Steering Committee on Anticorruption (OSCAC) commissioned a set of diagnostic surveys on corruption. Under the leadership of GI and OSCAC, the study, covering 10 provinces, was initiated with a view to providing an empirically grounded source of information on the nature, causes and consequences of corruption in Vietnam, from the perspective of public officials, firms and citizens. Three development partners supported the Anticorruption Diagnostic: the World Bank led the data collection and report writing; the United Kingdom’s Department for International Development (DfID) provided technical and financial support; and the United Nations Development Programme (UNDP) provided technical advice throughout.
The report on the Anticorruption Diagnostic, titled “Corruption from the Perspective of Citizens, Firms, and Public Officials—Results of Sociological Surveys,” was publicly released in November 2012 at an event hosted by the GI and the Bank. This was the first time that the government had ever officially and publicly endorsed and released such a report. After release of the report, an active dissemination effort ensued and is ongoing, including at least 10 provincial and regional workshops, and dissemination to broader audiences through blogs, television programs, and presentations at international conferences and to donor groups in Vietnam.
EUROPE & CENTRAL ASIA (ECA)

JUSTPAL (Justice Sector Peer-Assisted Learning) Network

The JUSTPAL Network provides an innovative peer-to-peer knowledge sharing and learning model for justice practitioners to design and implement justice service delivery reforms. It is based on five demand-driven Communities of Practice (IT-enabled Justice Service Delivery, Court Administration, Prosecution and Anti-Corruption, Budgeting and Infrastructure). Its track record includes: (1) starting small (10 ECA countries) and demand-driven and then scaling up (more than 50 countries globally are now members); (2) development of a member-provided online library of innovations and good practices; and (3) development of performance measurement and benchmarking tools (e.g. Justice At A Glance) for self-assessment. Members are practitioners from Supreme Courts and the Judiciary, Ministries of Justice, Ministries of Finance, prosecutors/ombudspersons and external audit entities.

The cross-cutting JUSTPAL Communities of Practice use a “joined-up” approach to sector reform by facilitating collaboration across disciplines (legal, public financial management, auditing, procurement, IT-enabled service delivery, business process streamlining, and performance

Countries: Global now (initially Europe and Central Asia)
Activity Type: AAA, GPF Grant
Duration: FY11 – ongoing
Cost: $500,000
measurement), thereby promoting sector reforms that combine changes in core systems with "last mile" improvements in service delivery. JUSTPAL now engages stakeholders beyond government (e.g. Bar Associations, academia). Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Montenegro and Tajikistan have requested Bank support for justice reforms based on their JUSTPAL participation. Policy dialog is ongoing and investment projects are under preparation in Azerbaijan (estimated cost $600 million), Kazakhstan (estimated cost $60 million) and the Kyrgyz Republic. A Justice Sector Public Expenditure and Institutional Review has been completed for Croatia and has been begun in Georgia. More recently, Singapore’s judiciary has expressed interest in collaborating with JUSTPAL on a Knowledge Brief to distil its lessons—aimed at policy-makers—on e-enabled delivery of justice services. Finally, the Asia-Pacific Judicial Reform Forum (initiated through a 2004 World Bank IDF grant), which brings together Chief Justices to share reform experiences, is sharing the JUSTPAL online library with Pacific Rim Supreme Courts, further multiplying JUSTPAL’s impact and influence.

For further information, please see: www.justpal.org

Tajikistan: Governance Checklist

The Governance Checklist is an innovative tool for mainstreaming governance elements throughout the Tajikistan portfolio. It is an interactive questionnaire for sector task teams that encourages the use of governance, institutional, and political economy analysis for mitigating non-fiduciary risk in lending operations. Its implementation has been supported by a GPF Window 1 grant (a total of $3.8 million over 3.5 years, including the allocation of $400,000 to the
component financing the Checklist). The purpose of the Checklist is to help task teams at the design stage to think through the governance challenges that the project needs to address, as well as the risks that could create barriers to project implementation down the road. A detailed manual developed as part of the grant is available to project teams, with instructions on how to apply the Checklist.

The Governance Checklist has been applied to every new lending operation in the Bank’s Tajikistan portfolio (currently seven projects), helping teams think critically about governance risks and consider mitigation measures. The Checklist is now being revised so that it can be applied in other countries in Central Asia. It has also been included in the Bank’s work plan for FY14, and there are plans to continue engagement with task teams after the GPF grant is closed, which will ensure the sustainability of its application. The application of the Checklist has helped identify the need for strategic project- and sector-level political economy and governance studies. A number of these tailored analyses have been completed in sectors such as urban water, mining, and health. The funding has been deployed for the most strategic projects in the Tajikistan portfolio, including projects that are likely to have substantial political economy challenges. For example, the political economy analysis (PEA) of the mining sector was used as the basis for a forthcoming policy note, which includes recommendations directly targeting governance in the extractives sector, building on the recent Extractive Industries Transparency Initiative (EITI), to which Tajikistan has recently subscribed.

**Information Matters—Transparency and Accountability in the Kyrgyz Republic (IMTAK)**

**Country:** Kyrgyz Republic  
**Activity Type:** GPF Grant  
**Duration:** FY09 – FY13  
**Cost:** $793,000
In Kyrgyz Republic, a GPF grant helped improve budget literacy and information transparency at the local level, and catalyzed a series of follow-up projects. Well over 1,000 heads and other staff of Ayil Okmotu (local self-government bodies), Ayil Kenesh (local elected council) members and CSO/NGO representatives were trained. In addition, 170 journalists and journalism students were trained in practical skills for budget analysis and reporting. The results demonstrated the growing interest and support of local and central authorities in the budget literacy and transparency agenda. Based on the early successes of its training program, the local partner obtained further funding from the USAID’s Office of Transition Initiatives to extend the program through facilitation of public hearings on local government budgets in 185 Ayil Ayimak (rural municipalities) and 4 towns, attended by over 7,000 residents.

Monitoring and evaluations have shown: (1) an increased understanding of budget concepts (training participants); (2) an almost two-fold increase in budget information accessibility (as perceived by residents); (3) the ability to see beyond budget tables to understand what budgets mean to people and services (trained journalists); and (4) improved responsiveness to budget information requests (local authorities).

Early in the implementation period, it became evident that civil servants and elected officials at the Ayil (local) level have very few support networks. As a result, the idea of peer-to-peer learning (PTPL) between Ayil representatives has found a lot of support in the government and among local leaders. Following a request from the State Agency on Local Self Government and based on the demand generated by the IMTAK, an innovative approach was piloted on a sub-national PTPL platform on local budgeting, and transparency and accountability of the budget process.

**Azerbaijan: Judicial Modernization Project**

The project objective is to support the initial phase of a long-term judicial modernization program through improvements in efficiency, information provision to citizens, and increased system capacity to handle future demand. Significant results have been achieved so far. The transparent, merit-based selection of judges through computerized testing (in venues open to observers from the media and embassies) has created a new cadre of young judges who now constitute 70 percent of lower court judges.

Judicial salaries have been increased thirty-fold to reduce corruption. Innovatively designed courthouses enable several courts (criminal, administrative, civil) and other justice functions (prosecution, enforcement) to be co-located under one roof. Information technology has increased access to judicial matters by litigants and lawyers through public information kiosks and provides automatic audio-video recording of proceedings, with different levels of access for the public, judicial staff and judges.
Energy-efficient heating and ventilation and automated business processes are saving time and money. Physically handicapped access and Braille signage and floor bands have made these courthouses an example for the public sector. Other key features of the project are pilot automation of notarial services, random allocation of cases to judges, free legal aid for the vulnerable and e-filing of plaints. Together, such reforms have begun to improve access and integrity, reduce corruption, increase public satisfaction and trust, and protect the environment. Countrywide scaling-up and consolidation of these reforms will be done through a follow-on project.

Country: Azerbaijan  
Activity Type: Investment Loan  
Duration: FY07 – FY15  
Cost: $96.3 million (jointly with the Governments of Azerbaijan and Japan)
LATIN AMERICA & CARIBBEAN (LAC)

Network of Access to Information Practitioners in LAC

To support the growing movement toward democratic governance in LAC, the Region undertook a project to promote the implementation of Access to Information (ATI) legislation. In response to local demand, especially from state actors, the Bank supported the establishment of the Network of Access to Information Practitioners known as the Red de Transparencia y Acceso a la Información (www.redrta.org). The Bank played multiple roles as a convening authority, a knowledge facilitator and a financier of technical assistance. Several outcomes of this Network are already apparent, including: (1) the increased exchange of statistical information; (2) the establishment of regional policies and standards for jurisprudence; and (3) the design of indicators to monitor and measure success in accessing information (e.g. timeliness of the response to a citizen’s request). The Network provides an important incentive and attracts non-member countries with either pending ATI draft legislation or existing ineffective laws. Thus, more and more countries are seeking to learn from the Network with a view to enhancing their governance capacity through the use of their country’s own information systems and ATI laws and regulations.

Countries: Mexico, Chile, Uruguay, Bolivia, Peru, Brazil
Activity Type: TA, Spanish Fund for Latin America and the Caribbean
Duration: 2 years
Cost: $145,000
Dominican Republic: Participatory Initiative Against Corruption

The Participatory Initiative Against Corruption (IPAC) is a multi-stakeholder participatory effort designed to identify and implement a set of activities to strengthen transparency and institutional integrity while reducing the risk of corruption in Dominican Republic institutions. It has engaged representatives from many NGOs and CSOs, government ministries, the private sector, and international development agencies. CSOs involved in the transparency initiatives, which included involving users of state services in the evaluation of how well they were delivered, were invited to participate in the early stages of the IPAC process, and they received assurances from the executive regarding their meaningful participation and the transparency of the process. In subsequent stages, CSO input increased and focused on social monitoring and oversight of the whole reform initiative. A set of 30 short-term recommendations was first published on-line and then presented to the government at a public event. The recommendations were approved by the Council of Ministers during a day-long Cabinet meeting. A coalition of 14 CSOs, coordinated by a prominent transparency and anti-corruption CSO, formed the Citizen Observatory for Implementation, which was recognized by the government.
The IPAC monitoring process featured a number of quarterly public events that report and discuss implementation progress. Participation in these events has been stable, attracting each time more than 300 people from the government, private sector, civil society and the international community. Out of the 30 recommendations (and 99 activities to achieve them), 20 of them (and 66 activities) were accomplished in one year. For example, a unified procurement system for drugs and medical equipment resulted in a reduction of 65 percent in the cost of medicines and medical supplies, a net saving of US$20 million during the first 10 months of 2013. Similarly, the Single Treasury Account reform has led to the closure of more than 3,000 bank accounts. Citizens can now access the Central Government budget on-line and in a friendly format, following implementation of the recommendations on Public Finance Management.

**Peru: Mainstreaming GAC in the CPS**

The current Peru Country Partnership Strategy (CPS) illustrates how governance and anticorruption can be built into the Bank-Borrower relationship, based on a Country Governance and Anticorruption (C-GAC) pilot project. The country’s anti-corruption authorities, such as the High-Level Anti-Corruption Commission and the Comptroller General, are gradually becoming strong and capable institutions. The various projects, including a GPF grant and lending operations in the justice sector, have helped Peru to better identify the needs of its citizens as well as open up institutions to an evaluation of their services and then, in response, focus on improvements. (The above photograph is taken at the ALEGRA in Comas, a free legal aid
center established as part of the $30 million Justice Services Improvement Project. These centers were part of a broader program under the CPS designed to improve access to justice services for the poor and enhance dispute resolution options.)

The CPS’s comprehensive, “big picture” approach includes: (1) strengthening national procurement systems, including training for public officials; (2) a GPF grant on risk mapping across sectors; (3) a justice project that covers five agencies and includes the strengthening of Peru’s anti-corruption systems (special prosecutors, courts, investigations, etc.); and (4) a Stolen Asset Recovery program of mutual legal assistance between Peru and foreign jurisdictions where accounts of former Peruvian officials are held. This broad governance approach has enhanced confidence in the Peruvian state’s capacity to identify, investigate and sanction corruption, following the corrupt practices of earlier regimes.

Colombia: Citizen Audits to Improve Public Investment Transparency and Accountability

Royalties in Colombia represent roughly 10 percent of total public investment expenditure at the sub-national level. Given the importance of these investments, the Colombian Anticorruption Presidential Commission developed an innovative mechanism for participatory accountability called “Citizen Visible Audits” (CVA). CVAs generate capacity in local communities to exert social control over public investments funded by royalties.
A Bank-executed GPF-funded pilot project financed the implementation of CVAs in 25 communities located in 21 Colombian municipalities. The grant supported the organization of 80 community forums with the participation of more than 4,000 citizens organized in “Beneficiaries Committees” and representing more than 680,000 beneficiaries of public investment projects. These participatory arrangements allowed citizens to monitor public works representing royalty-funded investments of $81.5 million. The grant has also contributed to institutionalizing the use of CVAs. In 2013, the government approved a decree that mandates it to promote the implementation of CVAs in all projects financed with royalties. The Bank is planning to support the implementation of CVAs through a $70 million loan for a project that aims, among other objectives, to strengthen citizen participation and social control.

El Salvador: Security and Justice Institutions Public Expenditure and Institutional Review

Security issues are a major concern in El Salvador. The murder rate peaked at 71 homicides per 100,000 inhabitants in 2009, and the 2011 Global Study on Homicide (conducted by the United Nations Office on Drugs and Crime – UNODC) ranked El Salvador as the country with the second highest rate of homicides per 100,000 inhabitants. Crime is a major constraint to growth in El Salvador. To address these challenges, the government (1) convened a Public Security and Justice Cabinet, formed by the Ministry of Public Security, the Supreme Court, the General Prosecutors’ Office, the Public Defense and the National Civil Police; and (2) initiated an Anti-Crisis Plan, investing nearly US$600 million over the period 2009–2011.
The World Bank and the Ministries of Finance, Justice and Security conducted a Public Expenditure and Institutional Review (PEIR) of the security and justice sectors in El Salvador. This analysis focused on the value chain of security and justice services, and the performance of the institutions that deliver them. It included an institutional assessment, a performance and efficiency analysis, an expenditure assessment, a review of the budgetary process, and a political economy analysis. Stakeholders have used the findings to start developing an action plan for more efficient allocation of resources in the security and justice sector.
Recent events in the Middle East and North Africa (MENA) region have highlighted the importance of openness and transparency in governance, including (1) making government processes, decisions, and expenditures visible to public scrutiny and (2) providing citizens with a voice in decisions affecting their access to basic services and economic opportunities. This applies to higher education to the same extent as it does to social and financial institutions, corporations, and public agencies. It is in this context that the MENA Regional Program on Higher Education emerged to assist higher education institutions by promoting knowledge-sharing about their governance approaches, fostering best practices, and initiating and implementing reforms.

This program sets out to increase awareness of some of the most compelling issues faced by higher education systems and institutions in the region, whilst building up the capacity of universities, Ministries of Higher Education, Quality Assurance Agencies, and research institutions in MENA. The program collaborates with global and regional experts, as well as partners on the

**Countries:** Algeria, Egypt, Iraq, Lebanon, Morocco, Tunisia, West Bank and Gaza  
**Activity Type:** TA  
**Duration:** Ongoing multi-year program  
**Cost:** $170,000
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ground—such as university leaders and Ministries of Education, Higher Education, and Finance. In addition, the program has developed a University Governance Screening Card that assesses the extent to which universities are following governance practices aligned with their institutional goals and international trends, whilst monitoring their progress over time.

To date, 100 universities from seven countries (Algeria, Egypt, Iraq, Lebanon, Morocco, Tunisia and the West Bank and Gaza) have participated in a benchmarking exercise and have found this tool to be useful. It is now also in demand by other regions, offering the potential for it to be scaled up and replicated.

Following this benchmarking exercise, participating universities have begun initiating and implementing reforms to improve their governance processes. As a result, more than 10 universities across the region are implementing reforms, including: revising their mission and vision; establishing internal quality assurance units; revising staff job descriptions; conducting tracer studies; setting up alumni associations; promoting a participatory approach in decision making by involving more stakeholders; revising curricula; and improving their auditing system. Together, these reforms account for a more transparent governance approach, higher accountability for results, and more voice and participation from students and alumni. These institutional reforms were shared at the Rabat regional conference and later documented in the latest report “Benchmarking Governance as a Tool for Promoting Change”. Moreover, at the national level, countries in the region launched reforms to improve the quality of higher education services and are in the process of establishing external quality assurance bodies.

The current phase of the program focuses on the implementation of reforms at a broad range of institutions, based on institutional action plans and supported by capacity-building measures. It will be followed by a second phase in which the University Governance Screening Card will be applied in order to measure progress.

For further information, please see: http://cmimarseille.org/highereducation/

United Arab Emirates: Abu Dhabi Judicial Department

In line with the Abu Dhabi Economic Vision 2030 and as a part of the government-wide restructuring efforts, the Abu Dhabi Judicial Department (ADJD) was established as an independent judicial entity in 2007. Led by the 2030 Vision, the ADJD developed its first comprehensive five-year Strategic Plan, which set out the ambitious goal of becoming one of the leading high performance courts worldwide. The Plan identifies 5 strategic goals: (1) Access to justice; (2) Fair and accomplished judicial system that provides effective and innovative judicial services; (3) Public trust and confidence; (4) Highly qualified workforce and motivating work environment; and (5) Transparency and accountability.

Since it was approached by the ADJD in 2009, the World Bank has provided support for the ADJD’s efforts to achieve the goals set out in its strategic plan. The scope of engagement focuses on support to four entities of the ADJD: the Strategic Planning and Performance Management Bureau, the Case Management Systems Department, the Human Resources
Department, and the International Cooperation Department. Building on initial assessments, support to these departments has centered around sharing international best practices, developing recommendations for improving operations in these four areas, capacity building through training and workshops, and improving commercial case processing.

The Bank’s activities have focused on improving internal systems, operations and practices that collectively contribute to improved governance and increased accountability and transparency. Implementing an automated case management system allows judges to better manage their cases and enables users to gain better access to courts. This has not only simplified case processing but also increased transparency and accountability. Electronic access to case information and the random selection of judges have also increased internal and external accountability by eliminating secrecy about what is required of users and court staff alike. Data generated on court performance have also equipped management with the tools required to better govern, allocate resources and hold courts and staff accountable. Through improving HR operations and implementing monitoring and evaluation systems, the ADJD now has the necessary data to make more informed and objectively driven decisions, while also making the courts accountable to the public and management alike.
Morocco: Post Arab Spring Governance Reform Program (Hakama)

The Morocco Governance program aims at maximizing the window of opportunity for transformational reforms offered by the Arab Spring and the new Constitution adopted in 2011. The First Transparency and Accountability development policy loan (DPL)—which is intended to be one in a series—and associated TA support the implementation of governance principles and rights, introduced into the Constitution in response to citizen demands for more open, inclusive and effective governance. The loan provides funds for intertwined reforms intended to: (1) strengthen transparency and accountability in the management of public resources and the delivery of public services, and (2) foster an open and more participatory democracy through new policies on access to information, public petitions and participation.

This project supports international knowledge transfer and technical assistance on public engagement policies, performance based budgeting, and fiscal decentralization. Building on lessons from the past, the Morocco reform program adopts an integrated and holistic approach to governance in order to achieve greater results. It integrates multiple intertwined reforms that cover the entire public sector (central administration, agencies and local governments). The program also aims to strengthen the linkage between the cross-cutting reforms and the downstream service delivery constraints, and includes some quick wins to build the momentum for the medium-term reforms. In particular, the first law on Public-Private Partnerships and the new decree on public procurement to enhance transparency and competition in public spending and contracting have already been adopted. In addition, the government is
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becoming increasingly open, as evidenced by greater fiscal transparency and disclosure, the draft law on access to information that is in the final stage of approval, and enhanced public consultations on a number of other draft laws and regulations. Finally, four ministries (finance, education, agriculture and forestry) have prepared a programmatic budget and performance plan for 2014.

Iraq: Procurement of IT Equipment for a Social Safety Net Program

Country: Iraq
Activity Type: Government Executed Project
Duration: FY06 – FY13
Cost: $8 million

After 30 years of conflict and embargo, the Iraqi government sought to strengthen social protection for its citizens by transforming subsidies into a targeted cash-based Social Safety Net (SSN) program. However, the program was very ineffective in reaching the poorest Iraqis: just 1.2 percent of the population was assisted through cash transfers. Under the Iraq Emergency Social Protection Project, the Bank and the Government of Iraq sought to help reform the program by establishing a basic information system within the Ministry of Labor and Social Affairs to record and process information on safety nets through accurate and timely data collection.

This required the establishment of functioning SSN centers that would be supplied with essential Information Technology (IT) equipment. The total cost for the equipment, connectivity, and generators for all SSN centers was estimated at $5.2 million. Given the large amount of money involved, three international procurement processes were planned for launch. This decision followed traditional thinking about procurement policies at the Bank: international competition was thought to best capture economies of scale and value for money.
But the reality in Iraq was quite different. In 2007, the first of these large procurement processes was floated with an estimated cost of $830,000. Yet, after an extended period of time to prepare bids, only one company had responded with a price of $5 million. This initial approach had not accounted for the unique institutional constraints of Iraq, particularly the difficulty of linking up with outside firms and the weakened Iraqi private sector.

The task team and MENA Regional Procurement Manager then devised a new approach that involved offering multiple smaller-value contracts, while removing constraints, such as bid guarantee requirements and firms’ high financial capacity, which would have discouraged participation by local small and medium-sized enterprises (SMEs). The testing of the three smaller procurement contracts for the supply of IT equipment by SMEs was a resounding success in terms of costs and efficiency. It led to the re-structuring of all contracts into the smaller sizes that local SMEs could provide.

In the end, the procurement from the local SME market not only helped promote growth for SMEs, but also provided substantial cost savings for the country. By effectively responding to local market conditions, the project saved $1.4 million, or around 20 percent of the original estimated cost of the contract. These savings allowed for the purchasing of additional equipment for disaster recovery, monitoring equipment, software, etc.—all of which are necessary for the proper functionality and sustainability of the system in the long term—and supported the expansion of the SSN program so that it now reaches nearly one million families.

Challenges related to Iraq’s volatile situation, including the lack of interest from international suppliers, encouraged the Bank to look for alternative solutions in the design of the procurement process. The experience of working in a conflict-affected country led to smaller procurement packages and simplified procedures. An unorthodox and riskier approach at the outset ended up not only saving costs but also strengthening the local private sector and generating jobs in the country. Moreover, despite the weak control environment and risk in doing business in Iraq, this project received no complaints with regard to fraud and corruption.
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SOUTH ASIA (SAR)

Afghanistan: Improving the Business Environment through Public-Private Dialogue

The private sector in Afghanistan is in a formative stage, troubled by challenges ranging from political instability to incessant intimidation from insurgent groups. The economy is predominantly comprised of informal businesses and suffers from extremely high unemployment. Obtaining a trade and business license is often a first step for entrepreneurs to join the formal economy. However, the licensing procedure has been identified as stifled by bureaucracy, time-consuming, and highly corrupted.

IFC’s Investment Climate Team has been supporting the Ministry of Commerce and Industries in promoting a more transparent and less corrupt business environment. Support has included the establishment of public-private dialogue roundtables under the Afghanistan Private Sector Advocacy Forum.

One of the main achievements to date is the reduction in the time taken to obtain a business license, which has been cut from 30 to 7 days; and a trade license from 180 to 120 days. The required procedures have been cut from 21 to 8 steps. A reduction in the time and cost of

Country: Afghanistan
Activity Type: Advisory Services
Duration: 3 years
Cost: $1.2 million
registering a business and obtaining a trade license has made starting a business in Afghanistan more accessible and predictable. The new transparent and comprehensive licensing system has also reduced the discretionary power of licensing officials. The reforms have given a boost to new and existing businesses, allowing them to concentrate on expanding and creating jobs, thereby encouraging growth in the economy.

India: e-Delivery of Public Services

This innovative policy loan supported the government’s national reform program to strengthen the system for the delivery of electronic public services and integrate it more effectively at both central and state levels. The reform efforts aimed at improving e-governance and broader public administration through policy initiatives including strengthening institutions with technical and professional specialists, providing project-development support, promoting public-private partnerships (PPPs), defining policy standards and technical frameworks, improving citizen participation, improving monitoring and evaluation, and supporting electronic platforms (broadband and mobile) for improving the reach, quality, and transparency of public services.

The project included the development of legislation to mandate the delivery of public services through electronic channels. By improving the capacity of central and state government agencies to develop and implement e-services and also analyze the level of quality and reliability of e-services, the policy interventions are expected to have a direct positive impact. The reform program will also contribute to improvements in the investment climate, partnerships with private sector service providers and the openness and transparency of government generally.
Specific project results include:

- 1,776 e-services in operation (out of which 225 are based on PPPs);
- Launch of mobile services: 113 Pull and 126 Push services in operation;
- Setting up of 95,649 access points for citizen service delivery;
- 246 e-services have undergone re-engineering;
- Leadership and re-orientation program for senior officials conducted in 20 states; and
- 18 services have adopted the new e-Praman user authentication / verification processes.

India: Mobile-based Citizen Engagement & Feedback for Monitoring and Evaluation (Karnataka Health and Maharashtra Water and Sanitation)

These innovative pilots in the health and water & sanitation sectors support mobile-based citizen engagement and feedback for the monitoring of planned activities and outputs (assets and services) and obtaining beneficiary feedback from the field. The mobile and web based systems provide real time results to monitor how reform policies are translating into successful implementation and the extent to which outputs and benefits are reaching the intended beneficiaries. These mobile-based solutions provide a more efficient and cost-effective system through which the Bank and government agencies can monitor projects for better results.
These innovative solutions provide an early warning system for corrective actions. They have built in support for geographic information system (GIS) based asset mapping, asset/service verification for real time monitoring, and mobile feedback (voice, data, photo and video), and aggregate all the information / feedback received into a real time ‘results monitoring dashboard’. The Service Level Benchmarks (SLB) Connect City Workshop was held in Pimpri-Chinchwad in March 2013. In June 2013, the Ministry of Urban Development recognized SLB Connect as one of the good practice models for citizen engagement and has asked other states to replicate this pilot.

These pilot solutions also have the potential to support ‘participatory decision making’ and can provide a wealth of information that policy-makers can use for better design and corrective action. After the success of the pilots in the health and water & sanitation sectors, plans are now being made to implement the solutions across bank projects in other sectors.

For further information, please see: http://www.slbconnect.in

Nepal: Pioneering e-Procurement Reduces Corruption and Yields Savings

The Bank’s promotion of GAC has played an instrumental role in introducing e-procurement in the roads sector in Nepal. Procurement by the Department of Roads had proven to be challenging in Nepal due to frequent security concerns as well as widespread corruption. There were frequent cases of genuine bidders suffering from intimidation and worse by gangs.
employed to deter competition and steer contracts to particular companies with special political or other connections. This situation was compounded by frequent cases of collusion that, when caught, led to frequent re-bidding of contracts with increased transaction costs. As part of a GAC action plan in the Bank-financed Road Sector Development Project, e-bidding was introduced in order to reduce the opportunities for obstruction and physical intimidation by ‘middlemen’ as well as to provide greater access and hence competition.

The introduction of e-bidding via the project led to significant benefits to the Department of Roads’ procurement process. The system is estimated to have reduced the problems associated with the submission of bids by 80 percent. Moreover, media reports estimate that the system yielded savings from cost estimates of up to 3 billion Nepalese rupees (roughly $30 million) in FY10 – FY11. The successful experience prompted the government to make e-bidding mandatory for all contracts above 6 million rupees ($60,000). The Public Procurement Monitoring Office has been working towards developing a central e-procurement portal to expand its usage by other government agencies.

**Pakistan: Smart Monitoring Program for Combating Absenteeism**

The Smart Monitoring Program uses smart phones to improve data collection and analysis, monitor performance and tackle absenteeism. This is particularly relevant for developing countries seeking to improve public sector productivity and service delivery. In Pakistan, the rate of absenteeism for health service providers is close to 50 percent. Anecdotal evidence suggests

**Country:** Pakistan  
**Activity Type:** WBI Innovation Fund, International Growth Center Grant, Investment Lending  
**Duration:** FY11 – Ongoing  
**Cost:** $50 million
that absenteeism is even higher for field workers, who are more difficult to monitor than those posted to stationary facilities.

The Program was piloted by the government of the Province of Punjab in the health sector to monitor the performance of health inspectors, and it is now being rolled out in various sectors (education, agriculture, livestock, etc.). Armed with a basic smart phone, health inspectors are asked to enter the results of the visit to the health facility, including a self-photo to prove that they were present at the time of the inspection. The information is automatically uploaded and entered into the database, allowing for both live time and spatial monitoring. In addition, various tiers of management are automatically provided with an analysis of the information, thus completing the accountability loop. A randomized control trial at the district level found that the Program almost doubled inspection rates.

With the recent approval of the Punjab Public Management Reform Program, these efforts are being scaled up, with added innovation. This project uses the Bank’s Program for Results instrument.

**Pakistan: Citizen Feedback for Government Services**

The Citizen Feedback Model (also called the Jhang Model or the Proactive Governance Model) aims to fight petty corruption, communicate state responses and assess the quality of service delivery by proactively soliciting feedback from identified citizens who have received a
particular service. The model relies on a third party call center to send a combination of SMS and calls to every citizen who visits a government facility, soliciting his or her feedback. Citizen responses are then collected, categorized by type and analyzed for patterns of corrupt behavior. They are then displayed in an online dashboard to enable managers in government to take action on this information. The Office of the Chief Secretary monitors implementation and follows up with the field offices where patterns of corruption are identified.

The Citizen Feedback Model is designed to find trends and patterns of misbehavior so that evidence-based action can be taken against chronically corrupt officials. More importantly, however, it will deter officials from engaging in corrupt practices.

More than 3.3 million citizens receiving 16 revenue, health and policing services had been contacted by November 2011, out of which around 0.46 million have sent responses over SMS (an overall response rate of 14 percent). Another 64,000 citizens were reached via calls.
GLOBAL INITIATIVES

Promoting Audits as a Key Instrument for Monitoring Results

Practical experience has repeatedly shown that financial audits alone are not enough to monitor achievement of development results. New complementary types of audits, such as performance audits and social audits, are needed to ensure that results are being achieved on the ground. To that end, the OPCS Financial Management (FM), Procurement and GAC teams joined forces and launched various initiatives to promote innovative audit approaches, strengthen related country capacity and ensure that Bank clients receive maximum benefit from audits. Specific initiatives include: (1) a global partnership with the International Organization of Supreme Audit Institutions to build the capacity of supreme audit institutions; (2) the establishment of a Bank Trust Fund to modernize public sector audit standards; and (3) the revision of the Bank’s audit framework, including guidance for Bank staff and Bank clients.

Expanded Use of Political Economy Analysis

Political and economic incentives shape what reforms are adopted, whether they are adopted and how they impact poverty reduction and shared growth. In an effort to incorporate this perspective into their work, for many years now, Bank teams have been conducting political
economy analysis. This type of analysis gained significant momentum after the adoption of the GAC Strategy in 2007 and the publication of Problem Driven Governance and Political Economy Analysis in 2009.

In 2009, with the founding of the Political Economy Community of Practice (PE CoP), new collaborative efforts began to drive more operationally relevant assessments, encouraging learning and knowledge sharing. The PE CoP has been steadily growing since then; it has a core membership of around 50 Bank staff, who bring a wealth of political economy experience across different anchors, regions and sector teams. A larger group of around 300 staff is also interested in this work, sharing resources and attending events. Between 2009 and 2012, with the support of the GPF, World Bank teams conducted over 150 PE studies.

Through the efforts of several members of the PE CoP, a new edited volume of political economy analysis has recently been published. The eight good practice cases presented in “Problem-Driven Political Economy Analysis: The World Bank’s Experience” illustrate recent Bank achievements in applying this approach and cover examples from Mongolia, Morocco, Dominican Republic, Zambia, Ghana, Sierra Leone, Papua New Guinea and the Philippines. The cases show how political economy analysis can be applied to specific development challenges and opportunities from different sectors. They highlight the range of empirical evidence that can be used and discuss the types of recommendations and follow-up actions that result from the more systematic application of PE tools and techniques to long-standing development challenges.

**Extractive Industries Transparency Initiative (EITI)**

Approximately 3.5 billion people live in countries rich in oil, gas, and minerals, but many of these countries suffer from poverty, corruption and conflict stemming from weak governance. The Extractive Industries Transparency Initiative (EITI), launched in 2003, promotes and supports improved governance and transparency in resource-rich countries. It does this through the full publication and verification of company payments and government revenues from oil, gas, and mining activities. As a voluntary association of stakeholders with common goals, the EITI includes resource-rich developing countries, donors, international and national resource companies, and civil society.
World Bank support spans the following activities: (1) administration and management of the EITI Multi-Donor Trust Fund (MDTF), comprising 15 donors and cumulative contributions of $65 million; (2) technical assistance to 50+ countries throughout the EITI implementation cycle up to the EITI-compliance stage and beyond; (3) direct support to civil society organizations to strengthen their capacity to engage on EITI issues; and (4) training, knowledge management and policy inputs in coordination with the International EITI Secretariat.

The EITI has been successful in catalyzing reforms in several countries. Specifically, EITI reports have helped uncover financial irregularities and have provided a roadmap for meaningful reforms of the oil, gas and mining sectors, which are often the largest generator of foreign exchange and government revenues. EITI implementation has also set the stage for wider sector reforms, such as public financial management, or institutional reforms, such as the strengthening of government institutions that regulate the sector—areas that will be an increasing part of the EITI agenda downstream. The active participation of CSOs is also one of the main EITI criteria and a condition for the success of the standard. The World Bank/MDTF supports capacity building of CSOs to increase their effectiveness in advancing transparency and accountability.
Stolen Asset Recovery Initiative (StAR)

The Stolen Asset Recovery Initiative (StAR) is a partnership between the World Bank Group and the UNODC that supports international efforts to end safe havens for corrupt funds. StAR works with developing countries and financial centers to prevent the laundering of the proceeds of corruption and to facilitate more systematic and timely return of stolen assets.

StAR works with regional and global networks in asset recovery. These networks build trust among practitioners, one of the key ingredients for successful international asset recovery. In this context, StAR supports, jointly with INTERPOL, the Global Asset Recovery Focal Point Network, that provides asset recovery practitioners with a platform to meet on a regular basis for the purpose of capacity building and the exchange of experience and good practices, and facilitates the daily exchange of sensitive case-related data and other operational needs. To date, 95 countries have joined the network.

In addition to its policy/advocacy agenda, over the last two years StAR has significantly increased its capacity building/advisory support to client countries, providing hands-on technical assistance to policy makers and practitioners working on asset recovery and acting as a facilitator between developing countries and international financial centers in the context of cooperation on actual cases. StAR is currently providing such assistance to more than 20 countries across all regions. To date, more than 1,500 officials and practitioners have participated in capacity building activities and over $112 million has been recovered in four countries with StAR assistance.
Allocation of Bank DPL and IL Lending for Governance (IBRD/IDA) FY07-12

- Public Sector Governance: 81.2%
- Rule of Law: 8.1%
- Social Development, Gender and Inclusion: 3.6%
- Urban Development: 7.1%

Allocation of Bank DPL and IL Lending for PSG (IBRD/IDA) FY07-12

- Admin/civil reform: 12.2%
- Decentralization: 7.3%
- Pub expend/fin/proc: 6.7%
- Tax policy and admin: 6.6%
- Other accountability: 10.8%
- Other public sector: 4%
- Managing for results: 52%
The analysis of Bank lending is derived from reviewing the thematic codes for Bank projects, drawing upon project information from the Bank’s business warehouse. The thematic codes used for the analysis incorporate 8 key public sector governance codes and 10 other governance-related codes. The 8 public sector governance thematic codes are: administrative and civil service, decentralization, public financial management and procurement, tax policy and administration, other accountability/anti-corruption, other public sector governance, managing for results, and e-government. The other 10 codes are: access to law and justice, judicial and other dispute resolution mechanisms, law reform, legal institutions for a market economy, legal services, personal and property rights, other rule of law, participation and civic engagement, municipal finance, and municipal governance and institution building.

ABOUT THIS SURVEY

This compendium was compiled by the GAC Secretariat and GAC Focal Points in December 2013 and January 2014. Robert Beschel, Charles Adwan, Graham Colin-Jones, and Monica Bascon provided editorial support. Specific inputs were provided by Nazaneen Ali, James Anderson, Nina Arnhold, Katherine Bain, Shilpa Banerji, David Bernstein, Lisa Bhansali, Zubair Bhatti, Christina Biebesheimer, Abel Bove, Kate Bridges, Hana Brixi, Lida Bteddini, Paulo De Sa, Stephan Eggli, Samantha Fien-Helfman, Adrian Fozzard, Andrea Galina, Elena Georgieva-Andonovska, Hiramani Ghimire, Helene Grandvoinnet, Piet van Heesewijk, Guenter Heidenhof, Kimberly Johns, Sarah Keener, Gregory Kisunko, Sahr Kpundeh, Jana Kunicova, Peter Ladegaard, Anne-Lucie Lefebvre, Roland Lomme, Kathleen Lonergan, Caroline Mascarell, Amitabha Mukherjee, Rachel Ort, Jean Pesme, Anand Rajaram, Fabian Seiderer, Roby Senderowitsch, Rob Taliercio, Joscelyn Truitt, Charles Undeland, Serdar Yilmaz and other Bank staff based in various regional vice presidencies.

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**LIST OF ABBREVIATIONS**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AAA</td>
<td>Analytic and Advisory Activities</td>
</tr>
<tr>
<td>ADJD</td>
<td>Abu Dhabi Judicial Department</td>
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<tr>
<td>AfDB</td>
<td>African Development Bank</td>
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<tr>
<td>AFR</td>
<td>Africa</td>
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<tr>
<td>AFTOS</td>
<td>Africa – Core Operations Services</td>
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<tr>
<td>AS</td>
<td>Advisory Services</td>
</tr>
<tr>
<td>ATI</td>
<td>Access to Information</td>
</tr>
<tr>
<td>CAMEG</td>
<td>Central Medical Stores Institution</td>
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<tr>
<td>CCT</td>
<td>Conditional Cash Transfer</td>
</tr>
<tr>
<td>CDD</td>
<td>Community Driven Development</td>
</tr>
<tr>
<td>C-GAC</td>
<td>Country Governance and Anticorruption</td>
</tr>
<tr>
<td>CMN</td>
<td>Contract Monitoring Network</td>
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<tr>
<td>CPS</td>
<td>Country Partnership Strategy</td>
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<tr>
<td>CSO</td>
<td>Civil Society Organizations</td>
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<tr>
<td>CVA</td>
<td>Citizen Visible Audits</td>
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<tr>
<td>DENR</td>
<td>Department of Environment and Natural Resources</td>
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<tr>
<td>DfGG</td>
<td>Demand for Good Governance</td>
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<tr>
<td>DfID</td>
<td>United Kingdom’s Department for International Development</td>
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<tr>
<td>DPL</td>
<td>Development Policy Loan</td>
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<tr>
<td>EAP</td>
<td>East Asia &amp; Pacific</td>
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<tr>
<td>ECA</td>
<td>Europe &amp; Central Asia</td>
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<tr>
<td>EITI</td>
<td>Extractive Industries Transparency Initiative</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>FM</td>
<td>Financial Management</td>
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<tr>
<td>GAC</td>
<td>Governance and Anticorruption</td>
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<tr>
<td>GI</td>
<td>Government Inspectorate</td>
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<tr>
<td>GIS</td>
<td>Geographic Information System</td>
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<tr>
<td>GPF</td>
<td>Governance Partnership Facility</td>
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<tr>
<td>HIPC</td>
<td>Heavily Indebted Poor Countries</td>
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<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
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<tr>
<td>IDF</td>
<td>Institutional Development Fund</td>
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<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
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<tr>
<td>IFMIS</td>
<td>Integrated Financial Management Information System</td>
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<tr>
<td>IL</td>
<td>Investment Lending</td>
</tr>
<tr>
<td>IMTAK</td>
<td>Information Matters—Transparency and Accountability in the Kyrgyz Republic</td>
</tr>
<tr>
<td>IPAC</td>
<td>Participatory Initiative Against Corruption</td>
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<tr>
<td>IPF</td>
<td>Investment Project Financing</td>
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<tr>
<td>IT</td>
<td>Information Technology</td>
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<tr>
<td>JTF</td>
<td>Judicial Transformation Framework</td>
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<tr>
<td>JUSTPAL</td>
<td>Justice Sector Peer-Assisted Learning</td>
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<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
<td>LAC</td>
<td>Latin America &amp; Caribbean</td>
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<tr>
<td>MDTF</td>
<td>Multi-Donor Trust Fund</td>
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<tr>
<td>MENA</td>
<td>Middle East and North Africa</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<tr>
<td>OPCS</td>
<td>Operations Policy and Country Services</td>
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<tr>
<td>OSCAC</td>
<td>Office of the Steering Committee on Anticorruption</td>
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<tr>
<td>PE CoP</td>
<td>Political Economy Community of Practice</td>
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<tr>
<td>PEA</td>
<td>Political Economy Analysis</td>
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<tr>
<td>PEFA</td>
<td>Public Expenditure and Financial Accountability</td>
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<tr>
<td>PEIR</td>
<td>Public Expenditure and Institutional Review</td>
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<tr>
<td>PFM</td>
<td>Public Financial Management</td>
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<tr>
<td>PNPM</td>
<td>Program National Pemberdayaan Masyarakat</td>
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<tr>
<td>PPP</td>
<td>Public-Private Partnership</td>
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<tr>
<td>PRCDP</td>
<td>Poor Rural Communities Development Project</td>
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<tr>
<td>PREM</td>
<td>Poverty Reduction and Economic Management</td>
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<tr>
<td>PSG</td>
<td>Public Sector Governance</td>
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<tr>
<td>PTPL</td>
<td>Peer-To-Peer Learning</td>
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<tr>
<td>QUAMED</td>
<td>Quality Medicine for All of the Tropical Institute of Antwerp</td>
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<tr>
<td>RDA</td>
<td>Road Development Agency</td>
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<tr>
<td>SAR</td>
<td>South Asia</td>
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<tr>
<td>SLB</td>
<td>Service Level Benchmark</td>
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<tr>
<td>SME</td>
<td>Small and Medium-Sized Enterprise</td>
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<tr>
<td>SPAN</td>
<td>Sistem Perbendaharaan dan Anggaran Negara</td>
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<tr>
<td>SSN</td>
<td>Social Safety Net</td>
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<tr>
<td>STAR</td>
<td>Stolen Asset Recovery Initiative</td>
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<tr>
<td>TA</td>
<td>Technical Assistance</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNODC</td>
<td>United Nations Office on Drugs and Crime</td>
</tr>
<tr>
<td>VTP</td>
<td>Vietnam Transparency Project</td>
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<tr>
<td>WBI</td>
<td>World Bank Institute</td>
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<tr>
<td>WHO</td>
<td>World Health Organization</td>
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