Strengthening Integrity of the Health Sector During the COVID-19 Pandemic and Beyond in Europe and Central Asia Region

2022
Strengthening Integrity of the Health Sector During the COVID-19 Pandemic and Beyond in Europe and Central Asia Region

2022
Author: Jillian Clare Kohler, PhD
Professor, Leslie Dan Faculty of Pharmacy, Dalla Lana School of Public Health & Munk School of Global Affairs & Public Policy
University of Toronto

The views expressed in this publication are those of the author and do not necessarily represent those of the United Nations, including UNDP, or the UN Member States.

Acknowledgements

The author thanks all of the key informants who generously provided insights that are reflected in this paper. Particular thanks to John Macauley, Irakli Kotetishvili and Rosemary Kumwenda, UNDP, for their guidance and inputs on this paper. Helpful comments were also provided to the author by participants during the UNDP webinar on Strengthening Integrity of the Health Sector during the COVID-19 Pandemic and Beyond in the ECIS Region (December 9, 2021). Lastly, the author thanks her research team at the University of Toronto: Ariel Gorodensky, Gul Saeed, Lesia Stringer, and Anna Wong.
Table of contents

Acknowledgements 4
Executive Summary 6
Abbreviations and Acronyms 8
Background 10
UNDP ACTA Assistance to the Governments in the ECIS region and Civil Society During the Pandemic 12
Study Purpose and Audience 13
Methodology 14
The Negative Impact of Corruption 15
Corruption and the COVID-19 Pandemic 17
Corruption in ECIS Countries During the Pandemic 18
Corruption Within the Health Sector 19
  Corruption Risks in Medical Product Procurement 21
  Procurement Corruption Risks During the COVID-19 Pandemic 24
  Informal Payments 25
  State Capture and Abuse of Political Position 26
  Embezzlement of Emergency Funds for COVID-19 Responses 26
  Fraud 26
Corruption Contributes to a Lack of Public Trust in Governments and Governance 28
The Role of ACTA in Promoting Health Sector Integrity 30
Recommendations 32
Conclusion 46
Resources on Anti-Corruption in the Health Sector 48
References 49
Executive Summary

The health sector is a complex and multifaceted part of the global health ecosystem, with many stakeholders involved and also multiple entry points for corruption. While the health sector is highly susceptible to corruption during regular times, this susceptibility is heightened during the COVID-19 pandemic. Corruption is defined here as “the abuse of entrusted power for private gain.” According to a 2019 report from Transparency International, even during ordinary times, corruption in the health sector causes losses of over US$500 billion every year, more than the amount of resources needed to fill the gap to achieve Universal Health Coverage. The poorest and most vulnerable populations in society are ultimately the ones to suffer the consequences.

The health sector is a complex and multifaceted part of the global health ecosystem, with many stakeholders involved and also multiple entry points for corruption. While the health sector is highly susceptible to corruption during regular times, this susceptibility is heightened during public health emergencies, such as the present COVID-19 pandemic. We know that corruption in the health sector has severe consequences for population health as it limits access to health services and products that are affordable, safe and of high quality. Equally important, corruption can erode the public’s trust in their governments. Corruption also poses a significant threat to making gains against the pandemic and advancing global public health goals, such as Sustainable Development Goal (SDG) #3 (Good Health and Well-being).

In the ECIS region, the ongoing pandemic has highlighted the need for integrity in the health sector. It also has underscored the importance of integrating anti-corruption, transparency, and accountability (ACTA) in the health sector. The adoption of ACTA mechanisms, if designed and implemented appropriately, can minimize corruption risks in the health sector. This in turn can ideally lead to more equitable access to health services and products.

As part of UNDP’s efforts to assist governments and other stakeholders to identify corruption risks in the health sector, this study aims to collect best practices on how to strengthen integrity in the health sector in the ECIS region during the COVID-19 pandemic and beyond. To undertake this study, a rapid literature review and key informant interviews were conducted to provide an evidence-base on areas at risk of corruption in the health sector in the ECIS region and best practices to minimize corruption risks, with a focus on the COVID-19 pandemic. The rapid literature review was carried out by searching three scholarly databases (OVID Medline, SCOPUS, and ProQuest) to identify academic articles, books, policy reports, and news articles published between January 2020 and October 2021. In addition, key informant interviews, took place in November and December 2021 and were used to capture the perceptions of experts from UNDP country offices, NGOs, and researchers.

This study identifies areas at risk of corruption in the health sector, as well as best practices and evidence-based recommendations as points of intervention for policy and practice. Specifically, it illuminates ACTA mechanisms, among others, that can strengthen the integrity of the health sector. Findings show that health sectors across the ECIS region are at a heightened risk of corruption during COVID-19, as this pandemic has required quick and nimble actions by governments to secure critical medical supplies.

Corruption risks identified in the health sector in the ECIS region include: price gouging, bribes, informal payments, corrupt procurement procedures of medical products, fraud, and embezzlement of emergency funds allocated to the COVID-19 response.

A preventative approach to corruption is advanced; that is, diagnosis before implementation of any ACTA initiative. **Recommendations advanced include:** first diagnosing corruption risks to prioritize and manage them through a corruption risk assessment, the implementation of whistleblower reporting systems with accompanying legal protection for whistleblowers; improving transparency and accountability in medical supplies procurement; providing greater support to national governments by the international community to integrate anti-corruption mechanisms in the health sector; and strengthening monitoring of and accountability in the health sector. Finally, promoting ACTA in the health sector requires coordinated partnership across multiple stakeholders at the national and international levels.

Findings from this study may be of interest and useful to policy makers, public officials, healthcare system professionals, the private sector (particularly suppliers of health commodities), and NGOs, as well as international organizations and researchers. Ideally, it will contribute to advancing further understanding about the complex relationships between the health care system, corruption, and the ongoing COVID-19 pandemic.
### Abbreviations and Acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTA</td>
<td>Anti-Corruption, Transparency and Accountability</td>
</tr>
<tr>
<td>CATCH</td>
<td>Coalition for Accountability, Transparency and Anti-Corruption</td>
</tr>
<tr>
<td>CRA</td>
<td>Corruption Risk Assessment</td>
</tr>
<tr>
<td>CRC</td>
<td>Citizen Report Cards</td>
</tr>
<tr>
<td>ECIS</td>
<td>Europe and the Commonwealth of Independent States</td>
</tr>
<tr>
<td>E-procurement</td>
<td>Electronic Procurement</td>
</tr>
<tr>
<td>ERP Enterprise</td>
<td>Resource Planning</td>
</tr>
<tr>
<td>EURIPID</td>
<td>European Medicine Price Database</td>
</tr>
<tr>
<td>IBRD</td>
<td>International Bank for Reconstruction and Development</td>
</tr>
<tr>
<td>IDA</td>
<td>International Development Association</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>MeTA</td>
<td>Medicines Transparency Alliance</td>
</tr>
<tr>
<td>NGOs</td>
<td>Non-Governmental Organizations</td>
</tr>
<tr>
<td>OCDS</td>
<td>Open Contracting Data Standard</td>
</tr>
<tr>
<td>PPE</td>
<td>Personal Protective Equipment</td>
</tr>
<tr>
<td>RFID</td>
<td>Radio Frequency Identification</td>
</tr>
<tr>
<td>SDGs</td>
<td>Sustainable Development Goals</td>
</tr>
<tr>
<td>SOPs</td>
<td>Standard Operating Procedures</td>
</tr>
<tr>
<td>UHC</td>
<td>Universal Health Coverage</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNCAC</td>
<td>United Nations Convention Against Corruption</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNODC</td>
<td>United Nations Office on Drugs and Crime</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organization</td>
</tr>
</tbody>
</table>
The health sector is a complex and multifaceted part of the global health ecosystem, with many stakeholders involved and also multiple entry points for corruption.
Background

The COVID-19 pandemic is a public health emergency, as well as a governance systems crisis; it is illuminating a concerning trend of growing citizen distrust towards governments and public institutions in many countries in the ECIS region and beyond. Citizen distrust only grows when corruption impacts access to and quality of public services. And, there is indeed ample evidence of corruption and continuing corruption risks as governments seek to manage the many challenges of the pandemic. Specifically, the health sector’s vulnerability to corruption risks has been amplified during the pandemic and threatens the ability of governments to manage the pandemic. There is thus a compelling case for focusing government attention on how to reduce corruption risks and strengthen anti-corruption, transparency, and accountability (ACTA) mechanisms in the health sector in order to advance integrity in the health sector. This is one of the purposes of this paper. For the purpose of this document, corruption is defined as “the misuse of entrusted power for private gain.”

Of note, the United Nations Convention Against Corruption (UNCAC), adopted by the UN General Assembly on October 31, 2003, provides a legally binding framework for national governments to design and implement ACTA measures in the health sector and beyond. The UNCAC provides helpful examples of corruption and encourages state parties to collaborate to develop common definitions and standards—as best as possible—to combat corruption. SDG # 16 also is important, by calling for the reduction of corruption and bribery in all their forms (target 16.5), public access to information and the protection of fundamental freedoms (target 16.10), and the development of effective, accountable institutions at all levels (target 16.6).
Corruption risks identified in the health sector in the ECIS region include: price gouging, bribes, informal payments, corrupt procurement procedures of medical products, fraud, and embezzlement of emergency funds allocated to the COVID-19 response.
In the ECIS region, UNDP has assisted national governments and civil society organizations to quickly set up various digital platforms ranging from COVID-19 related public expenditure transparency portals and e-learning websites for civil servants to COVID-19 hackathons ("Coronathons"), mobile one-stop-shops, chat-bots for responding to citizens’ requests and doctor-whistleblower channels. UNDP has also assisted in the establishment of digital platforms that, among other things, empower civil society to help promote accountability and that support anti-corruption investigations.2

Specifically in Kazakhstan, UNDP supported an external analysis of corruption risks in health sector organizations to prevent fraud and the unfair distribution of health supplies, conducted sociological research with Transparency Kazakhstan on corruption perceptions, and studied public perception during the pandemic.3 They also supported civil society organizations in monitoring transparency and accountability in public services.4 In Moldova, UNDP supported the Office of the Ombudsman to set up an online system where whistleblowers can submit reports on irregularities affecting the public interest in the health sector related to COVID-19.5 UNDP and the Office of the Ombudsman also supported a whistleblower protection information campaign to support doctors in Moldova who disclose information that have implications for public health.6

In Montenegro, UNDP together with the Ministry of Health developed a web-based centralized enterprise resource planning (ERP) system "for monitoring the movement and distribution of consumables and equipment throughout health care facilities... with reporting utilizing AI components."7 Similarly, UNDP Ukraine supported the establishment of a digital stock management system for medicines and medical products for efficient forecasting and planning at the national and local levels. In Eastern Ukraine, UNDP supported local NGOs to monitor ProZorro, the country’s electronic procurement (e-procurement) portal.8

---


4 Ibid.


8 Ibid.
Study Purpose and Audience

This study is part of UNDP’s support to governments and other stakeholders on how to reduce and manage corruption risks in the health sector. It describes corruption risks in the health sector as well as what best practices can reduce corruption risks and strengthen integrity in the health sector in the ECIS region, during the COVID-19 pandemic and beyond. While the focus of this study is the ECIS region, best practices are not confined to this region. This study will be of interest to public officials, healthcare system professionals and representatives from NGOs, academia, the private sector and UN agencies.
Methodology

As a first step, a rapid literature review was undertaken using three scholarly databases: OVID Medline, SCOPUS, and ProQuest. Searches were limited to academic articles, books, policy reports, and news articles published between January 2020 and October 2021. As a second step, key informant interviews were conducted virtually via Zoom in November 2021. Invitations to participate in an interview were sent out via email to 15 individuals representing all of the ECIS countries. Participants who provided their informed consent were enrolled in the study. Individual interviews lasted from 30 to 45 minutes and were held with 8 experts representing UNDP country offices, NGOs, and researchers from six countries in the region, as well as key informants with broad regional knowledge. Written responses to questions were also provided by 3 experts. In total, 11 key informants helped inform this study.
The United Nations Office of the High Commissioner on Human Rights has underscored that corruption is an "enormous obstacle to the realization of all human rights," and that transparency, accountability, non-discrimination, and meaningful participation are effective means to fight corruption. Corruption is a well-known threat to human development and economic growth. Indeed, it is global in its reach and can manifest in different forms within all types of institutions.

There are two broad types of corruption: isolated and systemic. Isolated corruption involves a very limited number of individuals, is small in scale, and thus, is unlikely to be detected. Systemic corruption, on the other hand, is intrinsically a matter of the political functioning of the state and generally entails some degree of political involvement. It becomes entrenched within institutions, as well as in cultures. Corruption is a "global wicked problem" that, as a concept, is contested; there are a wealth of competing views as to how to define it and its scope.

For the purpose of this document, corruption is defined as "the misuse of entrusted power for private gain." Corruption in the health sector is undoubtably showing up strongly during the pandemic. Global data on the precise extent of corruption in the health sector since the pandemic is not available. Still, there are many examples of how pervasive corruption is within the health sector; this paper will later describe many examples that were found in the ECIS region. But, more broadly, even at the start of the pandemic, it was clear that corruption was wide-spread globally. An April 2020 study that included survey data from 58 countries found that fraud associated with personal protective equipment (PPE) was reported in 81% of countries surveyed, the embezzlement of healthcare funds was reported in 58% of the countries surveyed, and medical bribes were found in 22 percent of the countries surveyed.

Corruption within the health sector can be found within any country and amongst any actors in the health sector, as well as those in other sectors (e.g., finance, judiciary) that interact with the health sector. It can manifest as petty corruption, taking place at the implementation level, where the citizen/patient interacts with public health officials. Even though petty corruption implies small scale corruption, it is certainly not trivial. Significantly, it can add up and lead to widescale negative impacts, such as a lack of citizen trust in health service providers. Corruption may also be apparent at the highest levels of government (grand corruption), when an individual uses their position of power to extract benefits (for example payoffs from a company to ensure their product "wins" a procurement tender). It is estimated that of the $7.5 trillion spent globally on health each year, USD $500 billion is lost to corruption.
In ECIS countries, corruption is evident in the health sector for a number of reasons. It has been attributed to a fragmentation of institutions that deliver health services and provide health insurance; inadequate legal frameworks; a lack of transparency in public institutions; limited or a total lack of oversight mechanisms; individuals fearing retaliation for reporting corruption; corrupt practices being socially acceptable, culturally embedded, or normalized, particularly with regards to petty corruption; and the unwillingness of senior-level officials to discuss and engage with issues of corruption, as some examples. Additionally, when corruption is indeed addressed, control mechanisms can be cumbersome. Paradoxically, this can lead to more space for corruption, as if there are too many checks and balances, individuals will simply seek ways to circumvent them. This is particularly true during the COVID-19 pandemic. What is more, some governments may not see the value in addressing corruption risks in the health sector, particularly when government officials themselves are complicit in corruption. The combination of weak governance, political patronage, and limited citizen engagement in many countries means that providers of health systems are not held accountable for delivering high-value, people-centred care and for avoiding corruption.
Corruption and the COVID-19 Pandemic

In October 2020, the United Nations Secretary General, Antonio Guterres, stated that corruption was one of the greatest risks to making gains against the COVID-19 pandemic. He further underscored that corruption is particularly damaging in times of crisis, and that the global response to the virus has fostered new opportunities for corruption, "...to exploit weak oversight and inadequate transparency, diverting funds away from people in their hour of greatest need."

Evidently, the COVID-19 pandemic has put unprecedented strains on health sectors and underscored the importance of citizen trust in their governments and how they govern. It has illuminated how crucial health sector integrity is in terms of how well governments can manage the pandemic and how their citizens respond to public health mandates. Health sector integrity implies, for example, the successful implementation of vaccine programmes by way of strong supply chain systems to ensure effective vaccine storage, handling, and stock management; rigorous temperature controls in the supply chain; and the maintenance of adequate logistics management information systems that support equitable vaccine distribution.

If health sector integrity is not in place, corruption risks may present themselves. This is particularly true when supplies of health products are limited though demand is high: a characteristic of public health emergencies. Weak public sector governance and corruption can impact human health by impairing quality assurance processes, exposing the risk of introducing unsafe medical products on the market, and fostering a lack of trust in governments amongst citizenries. The latter can result in citizens ignoring public health measures, which can result in higher rates of COVID-19 within the population, ultimately, prolonging the pandemic. Consequently, it can threaten the successful attainment of SDG 3: “Good Health and Well-being.”

---

19 Ibid.
Corruption in ECIS Countries During the Pandemic

At the beginning of the pandemic, PPE, freezers, and other critical supplies required rapid distribution in countries across the ECIS region. This resulted in the relaxing of some procurement procedures, so that in some cases, tenders were in fact awarded to companies that could deliver their products fastest but that did not necessarily have the best quality products. Healthcare institutions were also not able to manage the quantities of supplies needed during the pandemic.

Corruption, as noted prior, is endemic in many countries in the region. There are reports that indicate that it is institutionalized within the political system broadly and specifically within health institutions in many countries. For instance, there is an example of how hospital employees have to pay their supervisors “top-ups” from their own salaries. Even so, there are competing views about whether COVID-19 has led to more corruption in ECIS countries. Some say that the pandemic has not created additional corruption or corruption risks per se, but it has absolutely overburdened medical staff, healthcare facilities, and public procurement procedures, thus making corruption far more apparent than it was previously. Others point out that while corruption risks existed in the health sector before the pandemic, they are amplified now given the importance of speed in the delivery of health products. Indeed, there is debate about whether speed helps or hinders objectives. Still, clear guidelines and protocols, that may be implemented during a crisis, should be agreed to and documented in advance. There are for certain additional risks given that a lot of external funding is being directed to the healthcare system for COVID-19 responses. A hospital director in an ECIS country, for instance, was found to have embezzled external funding that was intended to help support COVID-19 healthcare facilities.

Additionally, COVID-19 vaccine roll-outs and their attendant policies have created new corruption risks. Some stakeholders are using the pandemic to serve their own interests. For instance, it was reported that there have been new types of corrupt transactions between doctors and patients (e.g., patients can buy vaccine certificates from doctors). There are many reports of patients who are receiving authentic vaccine certificates from doctors so they can gain access to venues that require vaccination, even though they are not vaccinated. Suppliers are also using the pandemic to inflate product prices.

In some cases, COVID-19 vaccines are also being procured illegally from nearby countries and sold to people who can afford and are willing to pay for them; prices are estimated to range from USD $50 to USD $3,000 per dose on informal markets. On the other hand, in some countries the anti-vax movement has meant that there is less corruption within vaccine deployment because of a surplus of supply.
Corruption Risks Within the Health Sector

As a result of the pandemic, and as noted above, the risks of corruption in the health sector are heightened in ECIS countries and beyond. This section will highlight select examples of entry points within the health sector where corruption can manifest. Within the health sector, there are multiple entry points for corruption. There is a wealth of literature and policy documents describing these risks, so they will not be discussed in detail here. Still, it is important to note that examples of entry points for corruption in the health sector include administrative or regulatory processes, procurement, health service delivery, and the production and sale of medical supplies. Given the involvement of the private sector in each of these entry points, it is critical that the private sector engage in anti-corruption, transparency, and accountability efforts.

31 Ibid.
34 Kohler. Fighting Corruption in the Health Sector: Methods, Tools, and Good Practices.

The health sector is particularly vulnerable to corruption due to its technical complexity, which often results in asymmetric information between patients and providers, healthcare workers and suppliers, and health product suppliers and governments (see Figure 1 below for corrupt practices that may take place amongst key actors in the health sector). Oftentimes, because there are many actors involved in the health sector, accountability lines are not clear. In other words, we often do not know who is accountable to whom. What is more, even if there are mechanisms in place to ensure that accountability is monitored, sometimes it is unclear if corrupt acts are sanctioned, and they are, if these sanctions are sufficient to deter future cases of corruption. Corruption in the health sector amplifies and worsens existing resource and service challenges for governments; it can increase healthcare costs, decrease the effectiveness and volume of healthcare services, and waste vital public funds allocated to the health sector.
The impact of corruption on access to quality health services is alarming. There is ample evidence globally that illuminates how corruption can affect quality of health services and products. As a result of corruption, public funds may be diverted away from public health services on which citizens, particularly those who are poor and vulnerable, depend. Corruption certainly worsens existing inequities in access to health services and products, as it denies the poor and marginalized access to public resources. In short, corruption allows the powerful and economically advantaged members of a population to benefit at the expense of the most needy and vulnerable.

The below section describes key corruption risks in the health sector. Please note it is not an exhaustive overview. Instead, it targets priority areas where corruption has been identified in the health sector in ECIS countries by the key informants and the literature reviewed.
Corruption Risks in Medical Product Procurement

Corruption in medical product procurement is one of the major risk areas for corruption in the ECIS region. Procurement may be understood as, “…the process by which the resources (goods and services) required by a project are acquired... [including the] development of the procurement strategy, preparation of contracts, selection and acquisition of suppliers, and management of the contracts.” 43 Notably, procurement is an area where the public and private sectors often interact. During the COVID-19 pandemic, procurement has been central to public health; national governments have relied on procurement to attain critical medical supplies, including PPE, oxygen tanks, medical devices, and vaccines. Procurement of medical products is the government function that has the highest risk for corruption. 44 What is more, procurement is often targeted for financial aid from many global institutions so high corruption risks in this area means that there is a high likelihood of significant financial wastage. 45

Public procurement can take the form of bulk-purchasing (e.g., through tenders) or bulk-pricing (e.g., by agreeing on specific prices of medical products). Governments have the responsibility of ensuring that procurement is carried out efficiently and with due diligence to guarantee high quality of public service delivery and to protect the public’s interest. 46 Exact figures are not available; even so, estimates show that as much as 25% of global spending on public procurement is lost to corruption annually. 47 When the procurement process is compromised, it can lead to shortages in vital medical products such as diagnostics and PPE, wastage of financial resources, and exacerbated inequities in terms of access to health services and products. It may also enable the infiltration of falsified and substandard health products into the supply chain. 48 Importantly, it can erode public trust in the ability of governments to provide essential health products. 49

Corruption can manifest in a variety of ways throughout the procurement cycle (the pre-bidding, bidding, and post-bidding phases) (see Table 1). First, the pre-bidding stage includes a needs-based assessment, a definition of contract characteristics, and the selection of a procurement method. In the pre-bidding stage, corruption may happen when a need is falsified, a bid is drafted to favour a pre-determined company, or tender procurements are circumvented. 50 The bidding stage involves bid invitations

---

and evaluations and the contract award. This stage is at risk of corruption when a tender winner is chosen through bribery or extortion or a tender is facilitated through bidding fraud (e.g. “different” bidders having the same contact information, forged documents, deliberately missing documents, clustering of bids, collusion between bidders). Last, in the post-bidding stage, (where contract implementation and monitoring are the main activities) instances of corruption may include false invoicing, the rewriting of the terms of the contract agreements, and the failure to deliver purchased medical supplies or the delivery of substandard supplies. Direct purchasing from a supplier is also vulnerable to corruption as it is highly fragmented and can be challenging to audit if there is no clear information path. Finally, conflict of interest is a risk in the procurement process. And, while conflict of interest is not corruption per se, it is indeed a gateway to corruption.

Table 1. Examples of Corruption Risks in Medical Product Procurement

<table>
<thead>
<tr>
<th>Examples of Corruption Risks in Medical Product Procurement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key Stakeholders</strong></td>
</tr>
<tr>
<td>- Manufacturers, healthcare providers, government officials,</td>
</tr>
<tr>
<td>civil society organizations, and patients</td>
</tr>
<tr>
<td><strong>Tender Processes</strong></td>
</tr>
<tr>
<td>- Pre-bidding: Rigged needs assessment, circumvention of</td>
</tr>
<tr>
<td>tender procedures, tailored tendering</td>
</tr>
<tr>
<td>- Bidding: bribery and kickbacks during bid evaluation,</td>
</tr>
<tr>
<td>favoritism, collusion or market division in bidding,</td>
</tr>
<tr>
<td>fraudulent bids</td>
</tr>
<tr>
<td>- Post-bidding: false invoicing, inflated invoicing changing</td>
</tr>
<tr>
<td>contract agreements, failure to deliver products procured</td>
</tr>
<tr>
<td><strong>Risk Factor Examples</strong></td>
</tr>
<tr>
<td>- Lack of oversight over procurement system, whether</td>
</tr>
<tr>
<td>centralized or decentralized</td>
</tr>
<tr>
<td>- No procurement guidelines that promote uniform standards</td>
</tr>
<tr>
<td>- No Standard Operating Procedures</td>
</tr>
<tr>
<td>- Lack of transparency and accountability, including</td>
</tr>
<tr>
<td>information on the tender processes, terms and conditions,</td>
</tr>
<tr>
<td>final decisions, and the pricing of medicines</td>
</tr>
<tr>
<td>- No conflict-of-interest policies amongst procurement</td>
</tr>
<tr>
<td>actors</td>
</tr>
<tr>
<td>- No measures to address and manage identified conflicts</td>
</tr>
<tr>
<td>of interest</td>
</tr>
<tr>
<td>- Absence of price monitoring</td>
</tr>
</tbody>
</table>


---

51 Ibid.
52 Ibid.
54 Kohler & Dimancesco. “The risk of corruption in public pharmaceutical procurement: how anti-corruption, transparency and accountability measures may reduce this risk.”
Corruption can manifest in a variety of ways throughout the procurement cycle (the pre-bidding, bidding, and post-bidding phases).
Procurement Corruption Risks During the COVID-19 Pandemic

Recent research has shown how the procurement process has been at heightened risk of corruption during the pandemic. Specifically, the urgent need to acquire vaccines that are limited in supply can lead suppliers to exponentially increase the price of their products and bribe government officials to circumvent regulatory controls. Meanwhile, government officials may put their own interests over public health by demanding kickbacks from suppliers to acquire vaccines for themselves or those connected to them. The multiple entry points for corruption within vaccine procurement and distribution processes are a threat to making gains against the pandemic. During the COVID-19 pandemic, there have been several reports of corruption within health supply procurement processes across the ECIS region:

- There have been ample reports of price gouging for face masks and disinfectants, with prices for these products increasing nearly ten-fold.57
- Government officials spent over USD $1 million to procure PPE from a supplier owned entirely by a political supporter.58
- In one country, integrity violations within procurement processes resulted in significantly compromised procedures at the end of the first quarter of 2020, stemming from a lack of unified methodology for competitive bidding and the absence of formal institutions responsible for organizing tendering processes.59
- A winning tender for the purchase of PPE and ventilator equipment was found to have been connected to a senior government official.60
- In the context of COVID-19 vaccine shortages, politicians organized COVID-19 vaccinations for themselves, their families, and their colleagues, leaving approximately 700 healthcare workers without access to vaccines.61
- Poor quality ventilators caught fire resulting in patient deaths in a hospital. The company that produced the products had a connection to a high-level government official.62
- Government acquisition of ventilators on the semi-grey market, allegedly in response to a lack of supply in the regulated European market, was criticized for undermining the integrity of a country's health procurement procedure.63
- A dedicated public fund for COVID-19 was significantly misused, having directed more funds toward infrastructure than the health sector.64

62 Information received from a key informant interview.
More broadly, breaches of anti-corruption standards, such as the bypassing of standard operating procedures (SOPs) during the procurement processes, have markedly increased during COVID-19. What is critical here, however, is to identify corruption from the act of bypassing procedures given the need to act fast during an emergency period. Procurement officials are under tremendous pressure to purchase medical products quickly and do not lose stock and timelines for purchases can be very short, even only hours. This calls for SOPs that are streamlined to meet emergency timelines and ensure that corruption risks are reduced.

Informal Payments

Another high corruption risk in ECIS countries is demand and acceptance of informal payments at the health service delivery level. Informal payments are payments made either to individual or institutional health service providers, in kind or in cash. They refer to payments that are made outside formal payment channels or are payments for services and/or products that should be covered by the public health care system. They may be voluntary (after treatment) or coerced (before treatment). Health professionals may seek informal payments to increase their wages that are often very low. Informal payments may also be fostered by a lack of transparency in health services; they may result, for example, from asymmetric information between patients and providers or the perception that informal payments may result in better quality and/or faster care. Cultural factors, such as the perception that informal payments are gratitude payments can also be a factor in their presence.

According to a 2021 study, in East-Central Europe between October and December 2020, as many as 12% of people who used a public healthcare facility made an informal payment. The study shows, however, that there are large disparities in the prevalence of informal payments between countries, with higher prevalence rates in countries that have a high degree of accepting corruption, low trust in government officials, a lack of transparency in how authorities have managed the pandemic, poor access to healthcare services, and high mortality rates from COVID-19.
State Capture and Abuse of Political Position

State capture is another corruption risk that has been found within ECIS countries. This describes the phenomenon when officials cater regulations and policies to benefit special interests rather than the public good.\(^78\) Regulatory institutions can be vulnerable to state capture, particularly when they are under-financed and have limited human resources, as well as a lack of controls and oversight of the regulation process. Payoffs and bribes to regulators may result in a lack of enforcement of rules, discretionary application of the rules, and/or a change in how rules are applied depending on power structures and individual preferences.\(^79\) Regulatory processes, laws, and policies are more easily captured by special interest groups when there is information asymmetry between the regulator and the interest groups, with the interest group holding a higher level of information (scientific and technical) about the regulated subject matter than the regulator.\(^80\) If there are weak or an absence of sufficient controls and government officials have a high level of individual discretion, corruption risks are also heightened.\(^81\)

- In one ECIS country, the waiving of public procurement requirements resulted in the purchase of vaccines at prices much higher than the normal rate.\(^82\) While this may not necessarily indicate corruption was at play, it does show the corruption risks that exist when normal procedures are bypassed in times of emergencies for expedience.

Embezzlement of Emergency Funds for COVID-19 Responses

The embezzlement of external funding to help countries manage the pandemic is another corruption risk in the ECIS region. During emergencies, the influx of large amounts of funding from donors to governments can create corruption risks due to the amount of funding and the speed with which it needs to be deployed. Funding may not be subject to the same degree of controls as during regular times; funding may be at risk of embezzlement if sufficient controls are not in place. In an ECIS country, the anti-corruption agency found that a staff member within the Ministry of Health had embezzled funds earmarked to set up medical centres and quarantine facilities.\(^83\)

Fraud

Fraud in the COVID-19 pandemic management process is another example of a corruption risk in the ECIS region. In some countries, there are reports that for a fee, doctors are providing patients with legitimate vaccine certificates, but without vaccinating them. This creates a very dangerous public health situation; unvaccinated individuals appear to be legitimately vaccinated and are thus able to participate in public activities that require proof-of-vaccination certification. Forgery of vaccine certificates is also a corruption risk. In one ECIS country, fake vaccination certificates are reportedly selling anywhere from USD $100-USD $300 on the informal market.

---


\(^{80}\) Ibid.

\(^{81}\) Vian, T. “Review of corruption in the health sector: theory, methods, and interventions.”


\(^{83}\) Lee-Jones, K. \textit{Overview of corruption and anti-corruption in Central Asia} (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan).
Hospital workers are suspected to be participating in the scheme.\textsuperscript{84} In another ECIS country, fake vaccine certificates are being sold for about USD $50.

Corruption Contributes to a Lack of Public Trust in Governments and Governance

Poor public trust in governments and governance and systematic corruption is a common concern throughout the ECIS region. A lack of public trust in governments is increasingly becoming a barrier to advancing efforts to manage the COVID-19 pandemic, particularly with regards to vaccine deployment and respect of public health measures. A 2021 survey found that in countries such as Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan, only a quarter of respondents had confidence that COVID vaccines tested by the responsible authorities are safe.85

In Romania, the impact of poor public trust has affected vaccination rates. There has been poor uptake of COVID-19 vaccines, in part, because of deeply rooted and widespread mistrust and disdain for political authorities.86 In the ECIS region more broadly, the slow response of some governments in the early days of the pandemic, combined with the misinformation and disinformation about COVID-19 vaccines, have impacted citizen trust.87 There is a view that in Eastern Europe and Central Asia, the widespread mistrust populations have towards governments is partially attributed to the legacy of how governments governed during the Soviet Union era.

In some ECIS countries, a lack of media freedom and protection of journalists is not corruption per se, but illuminates how a lack of due process under the law can contribute to corruption as it stops the media from its important role of corruption watchdog. The COVID-19 pandemic is also being used by some governments as a pretext for repressive measures. As an example, police arrested and detained an investigative journalist who posted a story describing how the government restricted access to information on medical equipment procurement and retaliating against healthcare workers who criticized its COVID-19 response.88

87 Ibid.
A preventive approach to corruption can include the following: diagnosing corruption risks to prioritize and manage them through a corruption risk assessment, implementation of whistleblower reporting systems and legal protection for whistleblowers; improving transparency and accountability in medical supplies procurement; providing greater support to national governments by the international community to integrate anti-corruption mechanisms in the health sector; and strengthening monitoring of and accountability in the health sector.
The Role of ACTA in Promoting Health Sector Integrity

ACTA mechanisms, such as whistle-blower policy and protection, transparent health service performance data, e-procurement systems, independent oversight institutions, and citizen engagement in health services, are central components of health sector strengthening. These mechanisms can foster integrity in the health sector during the pandemic and beyond. To this end, the below illuminates specific corruption risks in the health sector, as well as recommendations on how specific ACTA mechanisms can generate integrity in health sectors.
In the ECIS region, UNDP has assisted national governments and civil society organizations to quickly set up various digital platforms ranging from COVID-19 related public expenditure transparency portals and e-learning websites for civil servants to COVID-19 hackathons.
Recommendations

To start off with, a preventative approach is needed to address corruption risks in the health sector and promote its integrity. Part of a preventative approach requires attention to the uptake of good governance. This concept is defined as, “the exercise of economic, political, and administrative authority to manage a country’s affairs at all levels, comprising the mechanisms, processes, and institutions through which that authority is directed.” Its focus, is thus strategically important, particularly when it is viewed as a necessary condition for advancing integrity in health sectors.

Health sector complexities require tailored governance approaches to identify corruption vulnerabilities, waste, mismanagement, and fraud. Anti-corruption efforts that implement good governance principles are considered to be the standard for tackling corruption risks. When good governance is in place, corruption is more easily avoided due to the various checks and balances and higher levels of accountability and transparency that can expose corruption and inefficiency. In providing recommendations, it is important to note that there are often barriers that impede the adoption of anti-corruption measures. There are, for instance attitudinal barriers where relevant health professionals or administrators, for instance, may be unwilling to partake in anti-corruption training. There are also cultural barriers. Corruption is deeply embedded in Eastern European and Central Asian society. Beyond that, there are structural barriers to implementing anti-corruption that go beyond what can be addressed in training sessions.

Here, it is also essential that political leadership at the highest levels of government is committed to anti-corruption, transparency and accountability in the health sector. This may require leadership development so that the bold approaches to structural corruption within the health sector and beyond, are earnestly addressed. This will, ideally, help encourage the support of anti-corruption mechanisms and efforts throughout society as a whole and within the health sector in particular. In conjunction with committed leadership, there must be appropriate and well-functioning governmental institutions from across sectors. Noteworthy here is an independent judiciary that can ensure that prosecution of offenders takes place and enforcement of the rule-of-law happens (See Figure 2.).

Below are specific recommendations that can help to advance integrity in the health sector. The first recommendation – undertaking a Corruption Risk Assessment (CRA) in the health sector - however, is a needed first step for all governments. **Diagnosis before implementation is important here.** More specifically, based on the findings from a CRA, national governments will then need to determine what strategies are priorities for their health sectors and when they should be implemented short, medium or long-term). Priorities will, of course, very much depend on what corruption risks are greatest and where corruption bottlenecks are found in the health sector.

---


90 Savedoff & Hussmann. *Why are health sectors prone to corruption?*

Figure 2. Anti-corruption Architecture for the Health Sector

**Governmental Regulator**

- **National executive level**
  - Office of the Ombudsman: Helps citizen find right places to get answers; Investigates human rights violations
  - Supreme Audit Institution/Inspector General: Conducts audits; Assures internal controls for compliance are in place
  - Anti-corruption Agency: Receives tips; Conducts independent investigations to provide evidence
- **Government whistleblowing mechanism**
  - Others: Public Procurement Regulatory Authority; Central Inspectorate; Office for Declaration of Assets and Conflicts of Interest, etc.

**Legislative and juridical level**

- **Members of Parliament**
  - Pass anti-corruption legislation; May request investigations
- **Law enforcement agencies**
  - Investigate cases of corruption
- **Prosecutors and courts**
  - Prosecute cases of corruption

**Health ministry**

- **Internal audit**
  - Reviews own financial systems for compliance
- **Human resources**
  - Operates the disciplinary systems
- **Quality control**
  - Conducts clinical audits
- **Grievance and redress**
  - Operates channels for patient complaints/employee tips; investigates and addresses

**Civil society**

- **Board and commissions**
  - Participate in governance of health institutions and policy dialogue
- **Community monitoring**
  - Monitor service delivery to enhance public accountability
- **Open public meetings**
  - Convey community needs and interests to policy makers; Disseminate information to the public
- **Media**
  - Promote civic understanding of public policy; Investigative reporting of corruption

One: Integrate Corruption Risk Management in Health Policy Planning and Health Service Implementation

Corruption risk assessment (CRA) and management allows for the adoption of a preventative approach to corruption in the health sector. CRA is a function-based approach that involves process mapping and allows for prioritization of key corruption risks. In 2016, the UNDP developed a Conceptual Framework for Corruption Risk Assessment at the Sectoral Level (see http://undp-aciac.org/publications/CRASector2018.pdf) and has applied this methodology in countries such as Zimbabwe and Tunisia, with positive results; a publication of the general CRA methodology is forthcoming.92

There are a number of the lessons learned and benefits gleaned through UNDP’s implementation of this methodology in multiple countries:

- The preventive approach addresses risks of potential acts of corruption as opposed to focusing on punitive measures. CRM focuses on the vulnerabilities in the system rather than the integrity of the people.
- The use of national multi-stakeholder teams, rather than international expert assessments, enables country ownership, ensures responsiveness to national priorities, and improves access to information without jeopardizing confidentiality and sovereignty.
- CRM makes fighting corruption as a mean to achieve sector outcomes not just an end in itself. A common language and a common agenda are created between the health sector and anticorruption agencies. Anticorruption professionals are partners in reforms rather than investigators.

It is recommended that a pilot project be considered for a country in the ECIS region. To help achieve this, the UNDP has published some guiding principles on how to implement CRA, including building a common language across multiple stakeholders (e.g. hospital managers, policymakers); establishing a multistakeholder task force; understanding the context and defining expected results; assessing and mapping corruption risks; validating the assessment and prioritizing mitigation measures; interventions and capturing results at risk mitigation points; and scaling impact.93

To cite a specific example, the CRA methodology has been implemented in Tunisia, which was the first country to apply it. The CRA in Tunisia resulted in the prioritization and implementation of corruption risk mitigation measures in the health sector at both the national and service delivery levels guided by what is known as risk mapping.94 The adoption of the CRA minimized corruption risks and improved the transparency and efficiency of health services.95 Importantly, the uptake of the CRA approach in Tunisia was enabled by multiple factors, including "presence of high-level political will, resource availability, and adequate partner support on the ground."96

Two: Implement a Whistleblower Reporting System and Protect Whistleblowers

Corruption is often hidden. Accordingly, having a whistleblower reporting system is an effective anti-corruption mechanism that allows for individuals to report alleged cases of corruption and wrongdoing.97 In the health sector, it is important for patients and users to be whistleblowers, for example, if they are told not to get a vaccine or if they are offered a vaccine certificate but never got vaccinated,
An April 2020 study that including survey data from 58 countries found that fraud associated with personal protective equipment (PPE) was reported in 81% of countries surveyed and embezzlement in 58%.
they should report these cases. However, in some cases, reports made through existing reporting channels go straight to the corrupt institutions. If whistleblower protection is not in place, citizens will be reluctant to report corruption. To this end, there is a need for an open portal for reporting/whistleblowing. And, equally important the rights of a whistleblower to anonymity. Here, Latvia’s whistleblowing legislation serves as a good example.

As a past example, in Albania, an online anti-corruption complaint portal and its citizen feedback text messaging system was put in place. While it is not possible to assess its effectiveness, there was significant uptake of the system and from that, it is very likely the system contributed to deterring at least some potential corrupt acts proved effective in terms of addressing corruption. It received 1,605 health-related complaints between 2013-2017 pertaining to hospitals. 98 This included poor hospital conditions, insufficient drug supplies, and unqualified staff. Even so, a whistleblower policy requires adequate resources so that complaints can be investigated and whistleblowers are protected. 99, 100

The media can also play and has played an important role in checking on corruption by reporting on and filming breaches to lockdowns. While journalists and civil society can serve as checks and balances to make sure that authorities are doing their duties appropriately, autocratic societies are repressing these groups amidst the ongoing pandemic. 101 Some authorities used the COVID-19 pandemic as an excuse for silencing government critics. 102 Thus, for whistleblower reporting systems to work adequately, it is critical for governments, the UNDP, UN and other actors in protecting civic space. Indeed, it is the role of non-state actors to support this when governments challenge it.

Examples from the ECIS region during COVID-19:

- **In the Western Balkans**, a whistleblower report system was introduced for people to call and report PPE price-gouging. 103
- **In Moldova**, the UNDP supported the Ombudsperson’s Office in setting up an online whistleblower protection system. (See http://ombudsman.md/en/avertizari-de-integritate) 104
- **In Uzbekistan**, the UNDP supported the creation of a mobile application to empower citizens to report any corruption allegations they face, including those connected to health sector and pandemic relief operations. In addition to reporting, the application allows citizens to monitor statistics of corruption by region, sectors, and government agencies. The platform will be monitored by the newly created Anti-corruption Agency. 105

Three: Strengthen Anti-Corruption, Transparency and Accountability in the Procurement of Medical Supplies

Procurement has a very high risk of corruption due to the large volumes of product and funding involved within the health system as well as the many stakeholders with sometimes competing interests. Corruption in procurement processes within hospitals

---

98 Vian, T. “Anti-corruption, transparency and accountability in Health: Concepts, frameworks, and approaches.”
99 Ibid.
103 Djordjević & Dobovšek. “Organised crime in Western Balkans Six at the onset of coronavirus.”
104 Kotetishvili, I. The coronavirus pandemic has created a “perfect storm” for core government functions.
105 Kotetishvili, I. Leveraging technology and innovation to advance accountability and public services delivery during Covid-19 in Europe and Central Asia: Beyond Recovery: Towards 2030.
and within national procurement agencies needs to be addressed by ensuring that incentives, such as performance reviews, are in place for administrators to not engage in corruption. What is more, investing in the professionalization of procurement officials through training programs that raise awareness on specific corrupt practices and providing legal remedies based on the law and emphasizing the importance of value for money can help build the practice of integrity and reduce conflicts of interest within the procurement process.

E-procurement is a common way some governments are implementing transparency and accountability in the procurement processes at all institutional levels (see Figure 3).106, 107 E-procurement is essentially an end-to-end digital solution that uses internet-based platforms to procure health and pharmaceutical goods such as medicines and vaccines.108, 109 E-procurement can be used by the multiple stakeholders involved in the procurement process to efficiently integrate and streamline the various steps of the procurement process, including sourcing, tendering, contracting, ordering, and receipt.110

Figure 3. The Mission, Vision, and Goals of ProZorro: a Ukrainian E-Procurement Platform


108 Ibid.
110 Mackey & Cuomo. “An interdisciplinary review of digital technologies to facilitate anti-corruption, transparency and accountability in medicines procurement.”
Here, it is essential that political leadership at the highest levels of government is committed to anti-corruption, transparency and accountability in the health sector. This may require leadership development so that the bold approaches to structural corruption within the health sector and beyond, are earnestly addressed.
Among its many benefits (e.g. cost-efficiency, improved supply chain management), e-procurement minimizes corruption risks by creating equal opportunities for bidders, increasing transparency, and enhancing workflow processes.111

E-procurement systems can increase data transparency, as they enable digitization of information and the creation of electronic records pertaining to each procurement phase (pre-bidding, bidding, post-bidding).112,113 Subsequently, the captured information can be made available to and used by different actors involved in the procurement process, including suppliers and bidders. For example, bidders can use the data to assess if bids are reasonably priced and in compliance with market rates, preventing price gouging.114

E-procurement also allows for electronic bidding and tendering. This allows multiple suppliers to upload tenders via web-based platforms that are viewable to all stakeholders.115,116,117 Electronic bidding increases price competition and facilitates the process of open-tender procurement - where suppliers from different countries can partake in bids and give quotes - allowing procurement agencies to get the best prices and preventing bid rigging.118,119 Electronic bidding also makes information about suppliers (e.g. if they are reliable or not) and health products (e.g. price, quality) more accessible to bidders, which can help them make informed decisions when choosing a supplier.120 Third, e-procurement enables greater automation of all activities involved in the procurement process, ranging from communication between multiple stakeholders (e.g. bidders, suppliers) to electronic submissions of bids. Thus, e-procurement can eliminate or reduce direct human interactions, which are a major facilitator of corrupt behavior.121

Finally, e-procurement has the ability to integrate anti-counterfeiting and track-and-trace digital technologies, such as mobile phones and radio frequency identification (RFID) tags, to develop well-integrated solutions for effectively detecting fake medicines throughout the pharmaceutical supply chain.122

E-procurement systems alone are not enough; they need to be part of a larger open contracting system.123,124,125 Open contracting refers to the public disclosure and monitoring of procurement information, including who the buyer and supplier are, what products

---


112 World Health Organization. “E-procurement in support of universal health coverage.”

113 Mackey & Cuomo. “An interdisciplinary review of digital technologies to facilitate anti-corruption, transparency and accountability in medicines procurement.”


115 Ibid.


117 Kohler & Dimancesco. “The risk of corruption in public pharmaceutical procurement: how anti-corruption, transparency and accountability measures may reduce this risk.”

118 Ibid.

119 World Health Organization. “E-procurement in support of universal health coverage.”

120 Kohler & Dimancesco. “The risk of corruption in public pharmaceutical procurement: how anti-corruption, transparency and accountability measures may reduce this risk.”


122 Mackey & Cuomo. “An interdisciplinary review of digital technologies to facilitate anti-corruption, transparency and accountability in medicines procurement.”

123 Kohler & Dimancesco. “The risk of corruption in public pharmaceutical procurement: how anti-corruption, transparency and accountability measures may reduce this risk.”

124 Mackey et al. “The disease of corruption: views on how to fight corruption to advance 21st century global health goals.”

are being purchased and at what price, the dates of contract initiation and expiration, and information about unsuccessful bids and bidders.\(^{126}\) While e-procurement systems are used to capture accurate data, open contracting makes the data publicly available to increase the accountability and transparency of the procurement process.\(^{127}\)

One key example is the Open Contracting Data Standard (OCDS), that provides common guidelines on when and how to publish data throughout the procurement process, including tenders (e.g. tender notices, specifications, values), the award stage (bid evaluation, bidder information, award details) the contract (signed contract, amendments) and implementation (e.g. payments, contract completion or termination information).\(^{128,129}\)

As an example, Bosnia and Herzegovina has a digital procurement platform, but information about who bid on a procurement contract and how decisions for procurement are made are inaccessible, highlighting the importance of using e-procurement in tandem with open contracting.

In addition to e-procurement systems, the procurement process can be improved by transparent procurement procedures, centralized platforms published in open formats, and changes in procurement law such as enforcing transparency of the procurement process. Here, what is helpful is the implementation of integrity pacts. An integrity pact is a document as well as an approach to public contracts that commits all parties (contracting party and bidders) to comply with best practices and transparency. A third party, typically a civil society organization, is also involved in this as a check to ensure that commitments made are upheld.\(^{130}\)

The benefits of pooled procurement which combines several buyers into a single entity that purchases medical products for those buyers, is another option. If done appropriately, this method results in lower prices, better quality controls, and streamlined processes.\(^{131}\)

Even so, though robust procurement processes that abide by policies can reduce the risks of corruption, they may be bypassed during public health emergencies, such as COVID-19 as emergencies demand rapid and flexible procurement. Accordingly, there is a clear need to develop and enforce protocols specifically for emergencies. The Compilation of Venice Commission Opinions and Reports On States of Emergency is a primary example of the type of protocols needed to ensure that authorities follow best practice and due process in times of crisis.\(^{132,133}\) A similar protocol specific to the health sector is needed.

Examples from the ECIS region during COVID-19:

- **Ukraine** introduced a web-based business intelligence tool to monitor COVID-19-related medical procurement emergency spending, thus increasing transparency regarding product price and sale terms.\(^{134}\)
- **Moldova** created an open data platform to make all COVID-19-related procurement data available online on a centralized dashboard.

---

126 Ibid.
127 Mackey et al. "The disease of corruption: views on how to fight corruption to advance 21st century global health goals."
128 Amin, L. *Making the Case for Open Contracting in Healthcare Procurement.*
130 For further information, please refer to [https://www.transparency.org/en/tool-integrity-pacts](https://www.transparency.org/en/tool-integrity-pacts)
133 Vrushi & Kukutschka. *Why fighting corruption matters in times of COVID-19?*
specifically to address the fact that the centralised purchasing body was seen as unaccountable and medicines purchased by this body were considered prohibitively expensive.  

- Montenegro’s Ministry of Health developed a web-based centralized ERP system for monitoring the movement and distribution of consumables and equipment throughout healthcare facilities with reporting utilizing artificial intelligence (AI) components.

General examples from the ECIS region:

- In Kazakhstan in 2016, an e-procurement system was introduced which dramatically increased transparency; as a result, the country saw an increase in the competitive bidding process resulting in approximately 620 million Euros in savings by September 2019.

- The EURIPID Collaboration between WHO and 15 WHO European Region member-states, an online price repository of medicinal product pricing information, has contributed to the enhancement of price transparency for medicines, vaccines, and health products and improved price negotiations for countries.

- Moldova implemented the MTender—a transparent public e-procurement system guided by the OCDS guidelines—to combat corruption by engaging more suppliers and increasing competition and fairness in the bidding process. By making electronic records on procurement-related spending and the state’s budget publicly available, Moldova was able to increase its supplier reach by 30% and save US $27.5 million on competitive tenders.

Four: Enhance International Organization Support of ACTA Mechanisms in the Health Sector

To encourage national government uptake of ACTA mechanisms in the health sector, it is critical that the International Organization underscore its importance and allocate appropriate resources for its support. This is particularly important in order to reduce corruption risks, as well as those that are a threat to human rights and political freedom during the pandemic. Indeed, in some countries in Central Asia, high levels of corruption within government institutions have hindered an adequate pandemic response, with more rigid restrictions on freedom of speech, limited access to information, and a lack of transparency in the allocation of funds toward the pandemic response efforts. The pandemic has also been used as a pretext to limit access to information in some countries in order to consolidate political support and power. What is more, some governments are even denying the existence of COVID-19 in their countries and are covering-up case numbers. To this end, there is an urgent need to mainstream ACTA and stakeholder participation in ACTA into COVID-related programmes, plans, and policies.


136 Kotetishvili, I. Leveraging technology and innovation to advance accountability and public services delivery during Covid-19 in Europe and Central Asia: Beyond Recovery: Towards 2030.

137 Dairabayeva et al. “Public Procurement: Evidence From Kazakhstan.”

138 Perehudoff, K., Mara, K., t’Hoen, E. (2021). What is the evidence on legal measures to improve the transparency of markets for medicines, vaccines and other health products (World Health Assembly resolution WHA72.8)? WHO Regional Office for Europe. https://apps.who.int/iris/handle/10665/342474


141 Ibid.

142 Lee-Jones, K. Overview of corruption and anti-corruption in Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan).

143 Vrushi & Kukutschka. Why fighting corruption matters in times of COVID-19?
Examples from the ECIS region during COVID-19:

- World Bank funded COVID-19 PPE/medical supply procurement plans in Uzbekistan must incorporate the Bank's Anti-Corruption Guidelines and Sanctions Framework into all bidding processes. 144
- International Development Association financing toward COVID-19 emergency responses in Kyrgyzstan requires all projects be carried out in accordance with the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants.”145
- IMF funds distributed to countries coordinating COVID-19 responses are contingent on country commitment to transparency and accountability, implementing anti-money laundering mechanisms, and the presence of public finance management systems. In Moldova, this includes ensuring that all crisis-mitigation spending is subject to audit by the Court of Accounts Chamber, with the audit report made available to the public.146
- European Union macro-financial assistance to Albania, Kosovo, Montenegro, and North Macedonia in May 2020 (i.e. during the COVID-19 pandemic) includes a condition that some of the money must be earmarked to fight corruption.148

The Coalition for Accountability, Transparency and Anti-Corruption in Health (CATCH), launched in 2019, is an excellent platform for coordinating international support to national governments and country stakeholders on ACTA initiatives. It aims to coordinate efforts on ACTA in the health sector by focusing on areas such as research, corruption risk management and education, building community of practice and establishing mechanisms to monitor and evaluate ACTA measures. Its steering committee members include the UNDP, the World Health Organization (WHO), the World Bank, and the Global Fund.

Five: Improve Monitoring and Accountability Mechanisms in the Health Sector

Effective, widespread monitoring and oversight mechanisms can help increase the accountability of actors and reduce corruption risks. Here, citizen engagement is key. Citizen engagement can be understood as when “citizens play a critical role in advocating and helping to make public institutions more transparent, accountable and effective, and contributing innovative solutions to complex development challenges.”146 Citizen engagement and the engagement of civil society are effective at identifying government failures and corruption.146 Citizen Report Cards (CRCs) are one of the common mechanisms that can be implemented for increasing citizen engagement. They are participatory surveys that ask for user feedback on the quality and performance of public services and can be

147 References to Kosovo shall be understood to be in the context of Security Council Resolution 1244 (1999).
ACTA mechanisms, such as whistle-blower policy and protection, transparent health service performance data, e-procurement systems, independent oversight institutions, and citizen engagement in health services, are central components of health sector strengthening.
beneficial for accountability in the health sector. The use of CRCs in Uzbekistan and Ukraine have demonstrated how they are able to help strengthen quality of care and enhance health provider accountability. CRCs permit data-driven knowledge and enhanced public awareness of health sector issues. Still, they may be costly to implement and the survey being conducted needs to be open to citizen participation. What is more, the organizations and governments of which the survey is being conducted needs to actively address the issues raised by citizens for CRCs to have an effect. The role of the media and civil society is also critical here. The media and civil society can assume a vital role here by reporting corruption and bringing public attention to it. To this end, the protection of freedom of expression is essential in anti-corruption efforts. For example, Colombia’s SECOP illuminates how civil society and the media were able to investigate the government’s use of resources to address the pandemic and monitor contracts for red flags through investigative journalism and denouncing potential cases of corruption.

Six: Create Incentives for Healthcare Workers to Act with Integrity

To reduce corruption risks amongst healthcare workers, they need to be incentivized to keep in line with professional and ethical standards when delivering health care services to patients and/or receiving funding for healthcare services and facilities. While some argue that low salaries are a facilitator of corruption in the region, raising salaries alone is not sufficient to address corruption risks. Continuing education programs for healthcare workers on anticorruption and the integration of anti-corruption issues into the curricula of medical, pharmacy, and nursing schools can also advance professional standards of care. But again, this alone is not sufficient. Effective and regular monitoring and evaluation of healthcare services is also critical and can help ensure that breaches are identified. Implementing household expenditure surveys that document out-of-pocket payments, including informal payments, formalizing informal payments and ensuring there are public education campaigns that clearly articulate what patients are entitled to under public health services are some examples that can help reduce corruption risks.

Lastly, the implementation of robust checks and balances systems that integrate systemic measures against corruption within all health sector processes is needed. This is particularly key to end the vicious cycle of corruption (e.g., people paying bribes to officials in order not to be sanctioned for corruption).

154 Vrushi & Kukutschka. Why fighting corruption matters in times of COVID-19?
increased the salary of medical doctors by 80% (another 20%+20% scheduled for 2022 and 2023), and banned informal payments by criminalizing both the giving and accepting of informal payments. This regulation is directed at managing irregular practices by separating the public and the private sectors and stopping informal payments by making them illegal.

Seven: Promote Multistakeholder Engagement

Another effective corruption risk management strategy includes building ownership of the integration of ACTA mechanisms into the health sector amongst key stakeholders. This includes raising awareness and initiating dialogue so that there is a common definition of corruption, an understanding about how to identify it in the health sector and also how to manage it. It may also include multistakeholder commitment to integrity pacts as discussed earlier. Key stakeholders include governments, civil society, health professionals, and the private sector. A past initiative where a multistakeholder approach proved effective was the Medicines Transparency Alliance (MeTA) led by the WHO and others. MeTA illuminated how managing corruption risks requires collaboration as well as trust amongst key actors and that a multistakeholder and multisectoral approach is a very effective strategy to achieve this. To be sure, it may be of value to initiate discussions on topics of common interest amongst key stakeholders initially, particularly if stakeholders have not collaborated prior. Once stakeholders have established more trust amongst themselves, it is then more realistic to hold discussions on more challenging areas. In addition, platforms like Open Government Partnership (see https://www.opengovpartnership.org/) are useful as they allow stakeholders to convene to co-create commitments that can address anti-corruption issues in the health sector, and also build trust between government and civil society.

Conclusion

To promote health sector integrity in ECIS countries during the COVID-19 pandemic and beyond, it is of the utmost importance that ACTA measures be integrated into all aspects of health policy, planning and services. ACTA measures are central components of health systems strengthening for Universal Health Coverage (UHC). They are also essential for upholding the right to health and other indivisible human rights. Without ACTA measures, resources meant to deliver on health goals can be wasted, trust in the health system can be weakened amongst citizens, and, most importantly, human lives can be lost.

To help bolster support amongst governments for the prioritization of ACTA within the health sector, a narrative shift is essential. Here, the case needs to be made that anti-corruption mechanisms can promote good health outcomes and ensure better value for healthcare spending. There remains a crucial need to examine corruption risks generally within health sector planning and more specifically with regards to pandemic preparedness and developing best practices for countries to follow during routine times as well as public health emergencies. Strategies to integrate ACTA into the health sector do not need to be resource intensive; “low-hanging fruit” efforts can yield positive results.

Integrating ACTA mechanisms into the health sector requires focusing efforts on corruption prevention approaches to address the entry points where corruption could occur. Indeed, all societies and country contexts are vulnerable to corruption; acknowledging this, proactively building institutional capacity, and ensuring measures to inhibit/prevent the development of corruption are important parts of wider reforms towards UHC, maximizing health benefits from public resources, and building public trust in health systems.
KEY ACTA RECOMMENDATIONS FOR ECIS COUNTRIES

1. Integrate Corruption Risk Management in Health Policy Planning and Health Service Implementation
2. Implement a Whistleblower Reporting System and Protect Whistleblowers
3. Strengthen Anti-Corruption, Transparency and Accountability in the Procurement of Medical Supplies
4. Enhance International Community Support of ACTA Mechanisms in the Health Sector
5. Improve Monitoring and Accountability Mechanisms in the Health Sector
6. Create Incentives for Healthcare Workers to Act with Integrity
7. Promote Multistakeholder Engagement
Resources on Anti-Corruption in the Health Sector


References


Perehudoff, K., Mara, K., t’Hoen, E. (2021). *What is the evidence on legal measures to improve the transparency of markets for medicines, vaccines and other health products (World Health Assembly resolution WHA72.8)?* WHO Regional Office for Europe. https://apps.who.int/iris/bitstream/handle/10665/342474/9789289055789-eng.pdf?sequence=1&isAllowed=y


Transparency International. (2020). *Will the legacy of COVID-19 include increased authoritarianism?*  


Transparency International. (n.d.). *What is corruption?*  
https://www.transparency.org/en/what-is-corruption


https://www.un.org/sustainabledevelopment/health/

https://www.undp.org/kazakhstan/stories/recovering-better-integrity

UNDP Moldova. (2020). *A campaign for supporting doctors who disclose information of public interest is conducted with UNDP Moldova support*.  


https://popp.undp.org/SitePages/POLPPSubject.aspx?SBJID=5&Menu=BusinessUnit


https://unovtind.io/record/64204


https://rm.coe.int/venice-commission-compilation-onstates-of-emergency-eng/16809e85b9

https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7170369/