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Corruption Risk Assessment and Integrity Planning

Preventive measures to addressing corruption in Nigeria

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Corruption Risk Assessment and Integrity Planning: Preventive measures to addressing corruption in Nigeria.

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List of Abbreviations

BPP	Bureau of Public Procurement
CBN	Central Bank of Nigeria
CCB	Code of Conduct Bureau
CPI	Corruption Perception Index
CRA	Corruption Risk Assessment
CRFFN	Council of Registered Freight Forwarders in Nigeria
CSOs	Civil Society Organizations
EFCC	Economic and Financial Crimes Commission
FIRS	Federal Inland Revenue Service
FMF	Federal Ministry of Finance
FRC	Fiscal Responsibility Commission
ICPC	Independent Corrupt Practices and Other Related Offences Commission
MACN	Maritime Anti-Corruption Network
MDAs	Ministries Departments and Agencies
MDGs	Millennium Development Goals
NDLEA	National Drug Law Enforcement Agency
NCS	Nigeria Customs Service
NIMASA	Nigerian Maritime Administration and Safety Agency
NIS	Nigerian Immigration Service
NGOs	Non-governmental organisations
NEITI	Nigeria Extractive Industries Transparency Initiative
NPA	Nigerian Ports Authority
NPF	Nigeria Police Force
PACDE	UNDP Global Programme on Anti-Corruption for Development Effectiveness
PCC	Public Complaint Commission
PHS	Ports Health Services
PPA	Public Procurement Act
REDD	Reducing Emission from Deforestation and Forest Degradation
SCUML	Special Control Unit Against Money Laundering
TUGAR	Technical Unit on Governance and Anti-Corruption Reforms
UNCAC	United Nations Convention Against Corruption
UNDP	United Nations Development Programme



Executive Summary

“ Conducting Corruption Risk Assessments in MDG-Related MDAs at Federal and State Levels in Nigeria” is an initiative with three key corruption risk assessment outputs: a methodology, on-site and on-line training materials for government officials and NGO workers, and adoption of the Corruption Risk Assessment (CRA) methodology in Nigeria’s port sector. In 2011 ICPC, TUGAR, and BPP launched this initiative, which has since garnered the support of UNDP-Nigeria and PACDE.

The corruption risk analyses consisted of five methodological components: planning the unit of assessment; tri-level risk identification; analysis, prioritisation, control; integrity planning; and finally, stakeholder participation. As implemented in Nigeria, corruption risk assessments focused on the “organisation” as the unit of analysis. The Nigerian pilot programme focused on risks that affected three principal levels: macro-environmental, organisational, and personnel. The macro-environmental level identified political, economic, social, technological, and legal factors that promoted or constrained corrupt behaviour. The organisational level focused on the organisation’s structure, processes, management practices, and internal ethics. The personnel level focused on the personal spending and lifestyles of individual officials and staff in relation to officially stated incomes. After identifying risks, CRA methodology prioritised them based on likelihood of occurrence and impact. The pilot programme had multiple objectives related to preventing wrongdoing and improving performance within organisations, which emphasised links to additional actionable risk control measures and integrity planning. Stakeholder participation was part and parcel of the CRA process as it ensured quality data collection for risk identification, analysis, prioritisation, and control.

In 2013, UNDP together with ICPC, TUGAR and MACN, joined efforts to apply the CRA methodology and tools to Nigeria’s ports sector. The ports selected for assessment were Lagos/Apapa, Port Harcourt/Onne, Calabar, and Warri. Findings were used as the basis for an integrity plan for the ports. The key dimensions of the integrity plan for short- and medium-term implementation were: capacity-building to strengthen transparency and accountability, development of standard operating procedures in line with international best practices, establishment of a complaints mechanism for potential or actual acts of corruption, and use of ICT to increase transparency and accountability. As per the long term, the plan intends to integrate the port sector integrity plan within the monitoring framework of the

Due to the integrated and inclusive methodology adopted in the conduct of corruption risk assessment, ports sector partners have enhanced the sustainability of the CRA implementation, through a coordinated efforts of the Ports Sector Steering Committee made up of 12 government Agencies¹ and led by the Nigerian Shippers Council (NSC).

proposed National Strategy to Combat Corruption. Due to the integrated and inclusive methodology adopted in the conduct of corruption risk assessment, ports sector partners have enhanced the sustainability of the CRA implementation, through a coordinated efforts of the Ports Sector Steering Committee made up of 12 Nigerian Shippers Council (NSC). The



recommendations of the CRA also pointed out the need to address legislative gaps that could improve the port security, and the establishment of CSR programmes.

The CRA as piloted in Nigeria would not have taken off without a legal and institutional environment. Existing legal frameworks both at national and international levels allowed the implementation of a CRA and the integrity-building project. At the national level, there were a number of legal stipulations that explicitly and implicitly endorsed the methodology of CRA and integrity planning. These included the 1999 Constitution of the Federal Republic of Nigeria, the Corrupt Practices and Other Related Offences Act 2000, specific legal frameworks within each sector, and the draft anti-corruption strategy. Key frameworks at regional and international levels were the African Union Convention on Preventing and Combating Corruption, the Economic Community of West African States Protocol on the Fight against Corruption, and the United Nations Convention against Corruption (UNCAC); Nigeria's approach toward CRA analysis and integrity-building is in line with national and international anti-corruption approaches. Specific aspects of CRA - such as the stages of CRA planning, implementation steps, data collection and integrity planning at various organisational levels - have the potential to contribute to further fine-tuning of existing national and international frameworks on corruption prevention.

In the medium and long term, the implementation of the CRA initiative has reinforced the ownership of the anti-corruption agenda by targeted institutions and has consolidated various partnerships. Specifically,

- Ownership of the implementation of the Integrity Plan by the Ports Sector Steering Committee through the integrated and coordinated work, led by the Nigerian Shippers Council (NSC). This has enhanced the institutionalization and sustainability of the CRA in the work of organizations.
- The partnership between involved anti-corruption agencies (i.e. ICPC, TUGAR, and BPP). A key challenge to fighting corruption in Nigeria had been the lack of coordination and co-operation among the anti-corruption agencies. The initiative brought these three agencies to work together to achieve joint goals and objectives.
- The partnership between anti-corruption agencies and service delivery sectors. Although there were interactions between them prior to the launching of the CRA initiative, the CRA implementation strengthened their engagement and highlighted the crucial linkage between combating corruption and improving service delivery towards achieving the MDGs.
- The collaborative partnership between the national anti-corruption

¹These include the Nigerian Shippers Council (NSC), Independent Corrupt Practices and related Offences Commission (ICPC), Technical Unit on Governance Reforms (TUGAR), Nigerian Customs Service (NCS), Nigeria Immigration Service (NIS), National Drug Law Enforcement Agency (NDLEA), Nigerian Ports Authority (NPA), Federal Ministry of Finance (FMF), Nigerian Maritime Administration and Safety Agency (NIMASA), Bureau of Public Procurement (BPP), Council of Registered Freight Forwarders in Nigeria (CRFFN), Port Health Services (PHS).



agencies and UNDP. Beyond financial support to the initiative, UNDP at the regional and country level worked collaboratively with national partners involved in the initiative by providing technical assistance such as drafting/reviewing documents, facilitating training sessions, coordinating crucial meetings/engagements and ensuring that the process benefitted from international best practices and similar initiatives across the world. For this initiative, UNDP was able to draw upon lessons and best practices from other countries and their long-standing dialogue with the Nigerian government at both national and sub-national levels as an impartial facilitator on developmental issues. Furthermore, the UNDP facilitated dialogue and engagement with key stakeholders including MACN. For this initiative the UNDP brought to bear their niche of promoting public accountability for development effectiveness and the importance of preventing corruption for improved service delivery and the achievement of the MDGs.

- The engagement between the national anti-corruption agencies and MACN. The focus was on the private sector dimension that MACN brought to the process.

Nigeria's experience has indicated that capacity-building for key stakeholders and the training of risk assessors were both critical for implementing risk assessment successfully. Training was provided to a mix of about 100 public officials and civil society actors aimed not only at providing knowledge but also at instilling in participants the skills needed to conduct risk assessments. Nigeria's case study also demonstrates that beyond training, result-oriented CRA should be carried out in an integrated and inclusive manner, to enhance ownership by stakeholders and ensure implementation of the integrity plan. This is a key learning point for sustainability.

Despite differences in the context of corruption across and within nations, this experience showed that a more targeted approach, framed by stakeholder participation and inter-institutional coordination could play a critical role for integrity-building efforts. However, corruption risk mitigation should not be seen either as a static or "one-time initiative", particularly given the evolving nature of corruption. Risk control measures may also spawn new, unanticipated risks. To curb corrupt practices successfully, prevention of corruption need to be on-going and integrated into the daily operation of their subject organisations.



Introduction

Corruption in Nigeria is at a critical level. The country was ranked 136th out of 177 countries on Transparency International's 2015 Corruption Perceptions Index², with a score of 26 (with 0 being most corrupt on a scale of 100), despite having made some incremental improvements over the past decade. Findings from the World Bank Institute, notably the Control of Corruption Indicator for Nigeria, present a similar picture. Although corruption decreased in Nigeria from 2002 to 2007, it worsened from 2008 to 2012. Nigeria's percentile rank in 2011 and 2012 was 9%, indicating the low percentage of countries worldwide that ranked below Nigeria³. Given these rankings, corruption continues to be considered the main barrier to foreign investment, inclusive growth and poverty alleviation in Nigeria. Moreover, rule of law, rights-based principles for development, and gender equality all remain in jeopardy.

The Nigerian government has enacted legal frameworks, institutional mechanisms and policy prescriptions to address the investigation, handling and prevention of public corruption. One of the fundamental objectives and directive principles of state policy, as contained in Section 15 (5) of the 1999 Constitution of the Federal Republic of Nigeria is that 'the state shall abolish all corrupt practices and abuse of power'. The 1999 Constitution also contains provisions governing the conduct of public officials, and a breach of the code is subject to enforcement by a special institution called the Code of Conduct Tribunal. Nigeria has also designed robust horizontal accountability laws, notably the Corrupt Practices and Other Related Offences Act 2000 (the enabling law of the Independent Corrupt Practices and Other Related Offences Commission - ICPC) to include bribery, fraud and other related offences; the Economic and Financial Crimes Commission Establishment Act (the enabling law of the Economic and Financial Crimes Commission - EFCC) which defines corruption from an economic and financial crime perspective. Other anti-corruption institutional mechanisms include the Code of Conduct Bureau (CCB), the Bureau of Public Procurement (BPP) and the Nigerian Extractive Industries Transparency Initiative (NEITI), Nigerian Police Force (NPF), Fiscal Responsibility Commission (FRC), Central Bank of Nigeria (CBN), Federal Inland Revenue Service (FIRS), Special Control Unit Against Money Laundering (SCUML) and Public Complaint Commission (PCC). In addition to key anti-corruption legal frameworks and agencies, Nigeria also includes anti-corruption-related clauses in various legislative enactments. The anti-corruption agencies also have a history of robust partnership and collaboration with civil society networks and individual Civil Society Organizations (CSOs). In multiple ways then, government agencies are expected to work closely with non-governmental agencies to prevent corruption and prosecute cases of corruption.

² Transparency International, Transparency International Corruption Perceptions Index 2015. Transparency International, 2015. For the online brochure, see: <http://pi.transparency.org/cpi2015/results/>

³ See World Bank Institute, Worldwide Governance Indicator: Country Data Report for Nigeria, 1996-2012. <http://info.worldbank.org/governance/wgi/index.aspx#countryReports>.



INTRODUCTION

Corruption risk assessments have been initiated to reinforce Nigeria's corruption prevention endeavours. Supported by UNDP-Nigeria and the UNDP Global Programme on Anti-Corruption for Development Effectiveness (PACDE), the initiative "Conducting Corruption Risk Assessments in MDG-Related MDAs at Federal and State Levels in Nigeria" was launched in 2011 through the collaborative efforts of ICPC, the Technical Unit on Governance and Anti-Corruption Reforms (TUGAR) and - BPP. The initiative has brought about three key corruption risk assessment outputs: a methodology, on-site and on-line training materials for government officials and NGO workers, and adoption of the CRA methodology in Nigeria's ports sector.

Corruption risk analysis is not altogether new. Existing literature on corruption and efforts against it does pay some attention to corruption risk assessment applied to examine risks in a sector, the value chain of a specific product, and organisation (see Box 1). The Nigerian pilot of the concept contributes to these efforts by further concretising the method at the organisational level, incorporating the approach to the evaluation of systems and processes, analysis of likelihood and impacts of corruption within an organisation's mandates, and links it more closely with corruption prevention work at an organisational level. Additionally, there are also writings on managing corruption risk analysis in connection to managerial auditing. Auditing and assessing are not identical in that managerial auditing does not focus solely on corruption. Corruption risk assessment may be included in a comprehensive management audit, but it requires specific skills in addition to the basic ones for conducting audits. Corruption risk assessment's goal is to identify vulnerabilities and corruption risks at organisational and personnel levels, not to establish whether compliance has been achieved.



Box 1: Publications on Corruption Risks

Transparency International has published a short guide to corruption risk assessment.⁴ It defines corruption risk assessment as a “[diagnostic] tool which seeks to identify weaknesses within a system which may present opportunities for corruption to occur.” The purpose of a corruption risk assessment is to “supplement evidence of actual or perceived corruption in a given context.” The Topic Guide provides a diagram that indicates steps from risk assessment to risk prioritisation and identification of anti-corruption tools.

The UN-REDD Program published Guidance on Conducting REDD + Corruption Risks Assessments (REDD+CRA) in 2012. The document was designed to address corruption in the forestry sector. It was used to ensure that all stakeholders understood corruption risks in REDD+ and were clear on their roles and responsibilities to meet these risks, that corruption risk was represented in country-level safeguard approaches, that a monitoring mechanism for corruption risks in REDD+ was installed, and that the National REDD+ strategy included measures to address REDD+ corruption risks. The document highlighted: (1) how to assess risks in the three phases of national strategy development, policy implementation and results-based actions; (2) stakeholders; and (3) methodology. The methodology focused on the following steps: establish a REDD+CRA team; identify the stakeholders to be involved in the REDD+CRA; understand the institutional context; conduct the REDD+CRA stakeholder survey; conduct focus group discussions; analyse the data and draft the REDD+CRA report; validate the REDD+CRA findings and develop and disseminate recommendations.⁵

A Guide for Anti-Corruption Risk Assessment published by the UN Global Compact in 2013 is designed to provide step-by-step “how-to” information on risk assessment for enterprises. A six-step assessment is discussed: establish the process, identify the risks, rate the risks, identify mitigating controls, calculate remaining residual risk, and develop an action plan. The guide encourages enterprises to maintain an anti-corruption risk assessment as a stand-alone endeavour, although in practice the assessment may be aligned with other risk assessment efforts.⁶

The objective of this report is to share information on model practices and lessons learned that have emerged through developing and applying corruption risk analyses. This study makes use of reports on CRA processes and training materials. It also benefits from interviews conducted at the Validation Workshop organised in Lagos, Nigeria in July 2013, information contained in questionnaire administered to stakeholders in the course of 2014 and 2015 and specifically from inputs from selected officials of ICPC, TUGAR and a number of Corruption Risk Assessors.

This report consists of four parts. Part 1 reviews the concept of risk assessment, its dimensions, and tools, as well as its links to corruption analysis and integrity planning. Part 2 focuses on application of the CRA approach to the ports sector. Part 3 focuses on legal and institutional mechanisms, partnerships, and capacity development inputs supportive of the development and replication of risk assessment. Part 4 concludes by focusing on lessons learned.

⁴ Transparency International, Corruption Risk Assessment Topic Guide.

⁵ See UN-REDD Programme, Guidance on Conducting REDD + Corruption Risks Assessments (REDD + CRA), December 2012.

⁶ See Global Compact, A Guide for Anti-Corruption Risk Assessment (UN Global Compact Office, 2013).

Approach to Corruption Risk Assessment

1 part one





Approach to Corruption Risk Assessment

Part 1 focuses on five components of the CRA approach (Figure 1). The first component of the approach focuses on the planning of the unit of analysis. The second component is the identification of risks at three levels of analysis. The third component focuses on the management of risks (risk analysis, risk prioritisation, and risk control). The fourth component focuses on linkages between risk control measures and the formulation of an integrity plan. The final component focuses on stakeholder participation either for their ability to identify risks or to develop and implement responses.

Figure 1: CRA and Integrity Planning Components



The CRA methodological components are a hybrid of good practices in anti-corruption and risk analysis. The use of the organisation as the unit of assessment, the identification of the three levels of risk, the development of integrity planning, and stakeholder participation are part and parcel of good practices in good governance and anti-corruption. The implementation components of the CRA that involve planning of the unit of analysis, risk identification, risk analysis, risk prioritisation, and risk control are those commonly applied to the conduct of management and business risk analysis.



1.1 Planning the Unit of Assessment: Organisation and Sector

As the public and private sector is a conglomerate of organisations, the corruption risk assessment as piloted in Nigeria takes the organisation as its principal unit for risk analysis. The notion of “unit” is broadly defined to include sets of organisations (sectors) and individual ministries, departments and agencies (MDAs). For an anti-

For an anti-corruption strategy that emphasises a sector approach, the unit of the CRA will be a set of organisations which fulfil a particular public service function.

corruption strategy that emphasises a sector approach, the unit of the CRA will be a set of organisations which fulfil a particular public service function. A sector risk assessment requires examination of the individual organisations forming the sector in question.

Every sector assessment hence starts with an identification of the sector's structure and the organisations it comprises before assessing individual organisations and interactions within it and its environment. A corruption risk analysis can also focus on single organisations such as ministries, departments or agencies as well as individual public programmes or projects. An examination of risk in a sub-unit (such as a department or a program) may contribute to the understanding of risk in a ministry or sector.

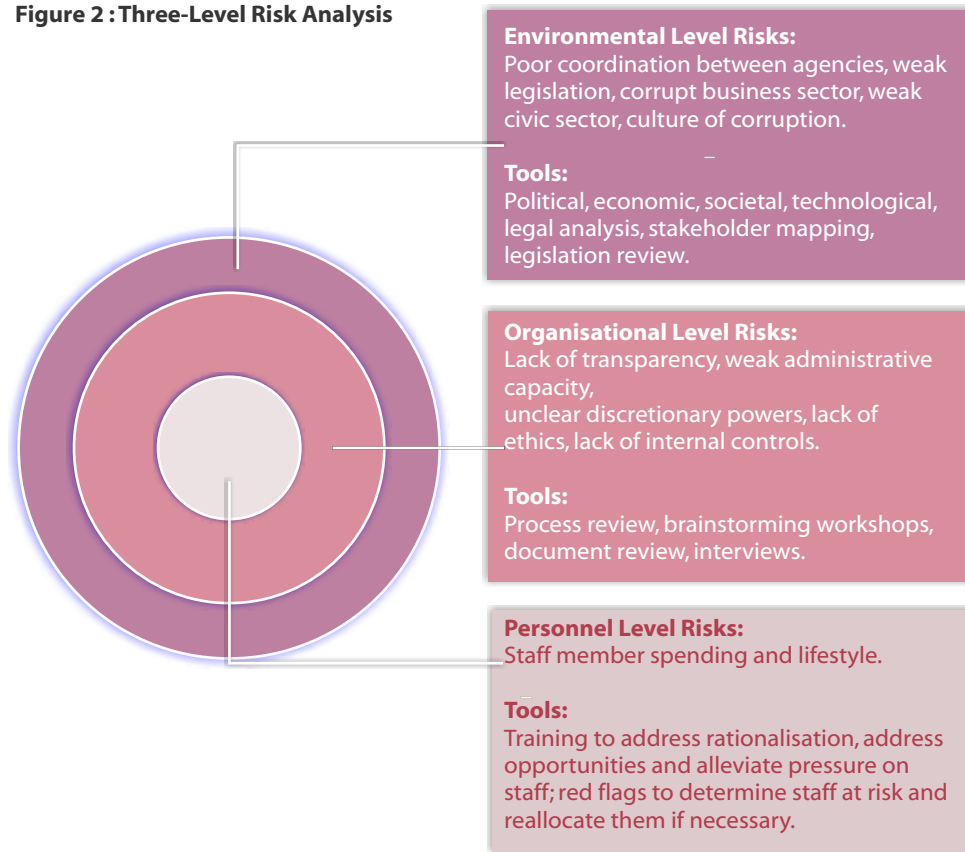
Relying on an organisation as the unit of analysis, CRA targets specific units where corruption risks may occur. As the CRA methodology focuses on the organisation, its success should be, first and foremost, measured by evidence of improved organisational performance. CRA should be considered a tool for reviewing the performance of public organisations across levels and sectors.

1.2 Identification of Risks at Three Levels

Risk identification focuses on potential corruption threats and vulnerabilities in a given organisation or set of organisations, the chains of events that may lead to an act of corruption, and potential corruption liabilities before they turn into corrupt acts. The Nigerian model focuses on risk at three levels: the macro-environmental, organisational, and personnel levels (Figure 2). The macro-environmental level identifies political, economic, social, technological and legal factors that promote or constrain corrupt behaviour. While the organisational level may cover a wide range of areas such as structures, human processes, technical processes, and organisational cultures, the Nigeria pilot focused considerably on organisational management practices and internal organisational ethics. The personnel level focuses on individual officials working within an organisation. Risk assessments tend to concentrate on staff members' personal spending and lifestyles in relation to officially stated incomes. Risk assessment may target groups of officials who have opportunities to influence or shape policies; make decisions on requests and have authority to impose sanctions for non-compliance with a certain procedure; work directly with clients; or have close contact with the business community. Officials responsible for public procurement and grant-giving are also key targets.



Figure 2 : Three-Level Risk Analysis



Integrating Corruption Analysis with Risk Identification

As piloted in Nigeria, the CRA integrated select concepts and theories of corruption to support the identification of risk at three levels. At the macro-environmental level, relevant studies were those that broadly examined political, economic, social, technological, and legal frameworks supporting organisations generally, and those frameworks' attendant corruption risks. In the political sphere for example, there were writings on the various types of government and the corruption risks to each, with special attention to parliamentary and presidential systems. At the sub-national level, one key focus was on how decentralisation may or may not have generated corruption risks. In the economic field, the focus was on the extent to which the government controlled and allocated scarce resources.⁷

⁷ For an overview, see Johann Graf Lambsdorff, "Causes and Consequences of Corruption: What Do We Know from A Cross-Section of Countries?" in International Handbook on the Economics of Corruption. Edited by Susan Rose-Ackerman. Northampton, MA: Edward Elgar, 2006, pp. 3-51.



At the organisational level, the CRA integrated selected concepts and theories that looked at how corruption took place within an organisation. The key focus was on corruption as a result of process monopolisation, unconstrained discretionary powers, and weak transparency and accountability. The Nigeria pilot integrated the Klitgaard formula, which describes corruption as a consequence of public servants' having too much discretionary power and too little accountability. Klitgaard's formula looks at a system in terms of its vulnerability to corruption. Within this framework, factors that promote corruption are: monopoly of power coupled with unclear decision making rules, lack of accountability, lack of integrity, and lack of transparency.⁸ The "agency theory" was another formula used for the identification of potential malpractices within particular authority structures that emphasised the relationship between an agent, a principal, and a client. The central model of the formula proposes that corruption risks increase in situations where so-called "principals" become too preoccupied to discharge given responsibilities and therefore delegate these to "agents." Being inordinately preoccupied in the first instance, however, the principals can no more monitor their agents properly than handle their own responsibilities, leaving the agents to exercise personal discretion unsupervised in matters not properly within their authority. This model serves as the basis for discussing relationships within an organisation and how to manage the incentives of organisational units.⁹

At the personnel level, two conceptual approaches were integrated into the risk identification work. One was to analyse corruption as a result of a given opportunity in the absence of standards of personal integrity or professional ethics. The other was to focus on the "fraud triangle": the interaction between "perceived pressure," "opportunity" and "rationalisation." Corruption takes place when a perpetrator feels pressure to seek gain and commits an act of corruption or fraud when there is an opportunity. The perpetrator then seeks to rationalise the practice in different ways.

In order to discuss the causes and impacts of corruption, integration of these analytical methods into risk assessment is necessary. The analytical issues outlined above are not exhaustive. The CRA approach also relies on risk assessors and stakeholders to further elaborate on possible causes and impacts as they carry out risk assessment.

1.3 Management of Risks: Risk Analysis, Risk Prioritisation and Risk Control

The third component of the CRA approach is the management of risks. This involves steps to develop a risk scorecard, conduct risk prioritisation, and devise mechanisms for risk control. These management steps for risk assessment are not new; they have been used in risk assessments conducted elsewhere. They have been adopted into the Nigerian corruption risk assessment pilot as a means to structure information about corruption risk and facilitate development of an overall plan to address it.

⁸ For additional information, see Robert Klitgaard, *Controlling Corruption*. Berkeley: University of California Press, 1988.

⁹ See B. Holmstrom and P. Milgrom, "Multitask Principal-Agent Analyses: Incentive Contracts, Asset Ownership, and Job Design," in *Journal of Law, Economics, and Organisation*. Vol. 7 (1991): 24-52. See also Robert Gibbons, "Incentives in Organisations" in *Journal of Economic Perspectives*. Vol. 12 (1998): 115-32, and UNDP, *Tackling Corruption, Transforming Lives: Accelerating Human Development in Asia and the Pacific* (2008), chapter 1.



Risk Analysis and Prioritisation

Once corruption risks have been identified, they are assessed based on how likely they are to be realised and how great their impact or consequences may be. This assessment is based on previously-collected data regarding organisational vulnerabilities. By analysing conditions that increase a given risk, it is possible to assess its degree of likelihood. The impact of a corruption risk is characterised by its potential consequences. It may be assessed in terms of economic magnitude and costs, impact on organisational effectiveness, individual reputation, cultural and social cohesion, or numerous other dimensions. In most cases, corruption causes and impacts will be integrated into the analysis of risk likelihood and potential impacts.

Having been evaluated for likelihood and potential impact, risks next can be prioritised. This process takes the previous steps into account: identification of the risk type (i.e., misappropriation of assets, fraudulent financial reporting, etc.), calculation of risk likelihood and significance of impact. The outcome must then be recorded in a register, often called the Risk Catalogue. Fundamentally, the catalogue describes the greatest corruption risks threatening the subject organisation's or institution's work due to likelihood, potential severity or a combination of both. The Risk Catalogue is to be updated regularly, as the macro-environment may change and thus affect corruption risk levels. There could also be changes at the organisational and personnel levels that necessitate reassessment of corruption risks.

Risk Control

The information on various risks' likelihood and potential impact is used as a basis for a further analysis of responses. In the field of risk assessment, there are five possible strategies for confronting risks.

- Elimination/avoidance aims to eliminate activities giving rise to risks or changing the way in which these activities are carried out.
- Mitigation is used to control corruption risks that are very numerous. Mitigation options focus on internal control tools to keep risks within acceptable limits. While mitigation is under way, the organisation continues with whatever activities are generating the risks.
- Transfer is a strategy to pass risk management to a third party with required expertise. An institution may opt to transfer certain risks, but the legal implications and reputational hazards of dealing with corruption risk market transfer difficult.
- Permanent monitoring/acceptance accepts risks but places them under regular watch. This strategy is adopted when it is perceived that no other risk response strategy is possible. It is used with risks that have a significant impact (moderate, high or critical) but a lower probability (less likely or unlikely).



- Corruption response primarily devises intervention plans to reduce the impact of given corruption risks should they be realised. Corruption response complements other strategies; it cannot replace them.

Some of these risk control strategies, if not all, may be applied either alone or in combination when planning for corruption risk mitigation. Of course, their applicability does vary from one sector to another; for example, in human development and social assistance sectors, the option of simply ending a corrupt practice may not be available. Still, the strategies generally serve as a good basis for reflection on how to approach corruption risks in Nigeria and focus on planning relevantly for integrity.

1.4 Linking CRA with Improved Organisational Standards, Capacity-Building and Integrity Planning

Risk assessment serves to identify and classify risks as well as design risk control measures. The key final product is a risk catalogue. Still, the CRA process as piloted in Nigeria had multiple objectives related to preventing wrongdoing and improving performance within organisations. To achieve these objectives, the CRA process emphasised links to additional actionable outputs.

The first link was to the subject of organisation's standards. Nigeria's CRA pilot used existing organisational standards that governed work processes, internal ethics and management practices as key references. This focus in turn opened up an opportunity to review whether the standards in a given case were adequate to prevent risks from being realised and to respond to any that were emerging. The risk catalogue aided in improving organisational standards, as it showed what risks lay where while the organisational standards showed whether these risks were being curbed by current procedures. A second link the CRA process emphasised was between it and capacity-building. In the Nigerian pilot, the risk catalogue and the organisational standards served as crucial references for building organisational staff capacities in handling current risks. The third link was between the CRA and integrity planning. The Nigerian pilot emphasised developing an integrity plan once the CRA process was complete. Distinct from the risk catalogue and risk control measures, this plan addressed risks more comprehensively at the personnel, organisational and environmental levels, where risk control measures could be combined or grouped into clusters of solutions assigned to various relevant stakeholders.

1.5 Stakeholder Participation

The CRA process, to be successful, requires stakeholder consultation and participation—from inception through initial planning and implementation to integrity planning and execution. To ensure that stakeholders are thoroughly involved from the beginning, a list of all stakeholders and critical actors in the risk assessment process is needed at the outset. Relevant stakeholders should be informed about the risk assessment method to be applied in order to raise their interest in participating actively.

Stakeholder participation is crucial for ensuring both quality data collection and reliable risk control. As data on risks at the organisational and personnel levels is maintained principally by the organisation itself, participation is necessary from the



head of the organisation right down to the lower echelons. As risk control measures may require stakeholders to act in ways specific to their respective roles, their buy-in is crucial from the start.

Stakeholders may participate in various ways, from contributions to the planning of the unit of assessment and monitoring to direct involvement in assessment. Stakeholders may also participate through interaction among themselves both formally and informally. Of course these exchanges produce invaluable thinking about risk and risk control measures, and they also foster staff ownership.

1.6 Differences between Governance Assessments, Corruption Assessments, and Corruption Risk Assessment

The Nigerian experiences have, to some extent, clarified differences between governance assessments, corruption assessments, and corruption risk analysis. Governance assessment is a focused measurement of the exercise of power and authority in the making and implementation of public policies and the extent to which different actors participate in this process. Corruption assessments focus on the measurement of actual or perceived corruption cases that have occurred in the past. They can be considered a sub-component of governance assessment.

Corruption risk analysis is, however, different from governance assessment and corruption assessment in a few respects. Firstly, the CRA method focuses principally on the organisation as the unit of analysis, while governance assessments do not focus on the organisation per se. Secondly, the CRA assesses vulnerabilities and risks, not the actual or perceived cases of corruption. This focus distinguishes the CRA from corruption assessment. Assessments of risk are based on two-dimensional calculations of likelihood and impact. Governance assessments only focus on the absence or presence of particular features.

Thirdly, CRAs are not necessarily carried out on a developed set of indicators, while governance assessments are. The key indicators of risk are based on the twin concepts of cause and impact. The former includes such factors as monopoly, accountability, arbitrary use of power, rationalisation, environmental pressure and so forth, while the latter includes both subjective and objective factors such as waste, under-development, rule of law, trust and legitimacy. The approach to risk assessment applies to all three sector levels: macro-environmental, organisational and personnel.

Furthermore, the CRA has a somewhat different way of approaching the sector from governance assessment. Fundamentally, the CRA uses the organisation as the unit of analysis, and even though the focus is at the sector level, the starting assessment begins at the organisational unit.

CRA for Nigeria's Ports Sector

2 part two





CRA for Nigeria's Ports Sector

The Ports CRA took place during the first part of 2013. The goal of the CRA project in the ports sector was to strengthen integrity in Nigerian ports by identifying corruption threats and vulnerabilities and formulating plans to address them. The ports selected for assessment were Lagos/Apapa, Port Harcourt/Onne, Calabar, and Warri. The expected outcome was the mapping of corruption risks and consequent recommendations for action.

The CRA methods and tools were adapted and applied in regard to the ports. The key steps included the following:

- Stakeholder analysis and preparation of units to be assessed.
- Data collection of threats at the three levels of macro-environment, organisation, and personnel, with emphasis on linking risks to internal procedures gathered from operational handbooks or manuals.
- Preparation of a list of corruption risks as related to assets.
- Determination of means to implement risk control measures through integrity plans.

A number of stakeholders were involved from launch to finalisation. The ports CRA also relied on consultation workshops to validate findings and discuss integrity planning.¹⁰

2.1 Launching the CRA in the Ports Sector

The ports sector became a focus of corruption risk assessment as the result of a request by the Maritime Anti-Corruption Network (MACN).¹¹ In 2010 the UK Bribery Act placed a burden of proof on all shipping companies with UK business to demonstrate procedures adequate to prevent bribery in any part of the world or face criminal sanctions in the UK. This legislation led that same year to the formation of the MACN, spearheaded by the Maersk Shipping Line. The core activities of the MACN include identifying challenges in hotspot regions and developing action-oriented recommendations. It is also involved in sharing best practices through Webinars, meetings, and an online platform. The vision of the MACN is to create a maritime industry free of corruption that enables fair trade for the benefit of society at large.

¹⁰ Palicarsky, C. and Ekwewuo, C., Final Report, a paper prepared for the project: Conducting Corruption Risk Assessment in the Port Sector in Nigeria, 22 July 2013. This report was later published as ICPC, BPP, and TUGAR, Report of Corruption Risk Assessments in the Ports Sector in Nigeria, January 2014. See www.tugar.org.ng/index.php?option=com_phocadownload&view=file&id=2:report-of-corruption-risk-assessment-in-the-ports-sector&Itemid=295

¹¹ The Maritime Anti-Corruption Network (MACN) was established in January 2011 by shipping companies to devise strategies to address corruption in the ports. The members of the network represent various areas of the shipping sector and have head offices in Denmark, Norway, Germany, UK, US and Sweden.

¹² For detailed information see, 'Report of the Inception Meeting on Corruption Risk Assessment at the Ports Sector', Apapa, Lagos 3-5 April 2013.



The MACN had conducted a mapping exercise to identify countries most prone to corruption. Hot spots included Nigeria, Ukraine, Egypt, China, Algeria, Tunisia, India, Venezuela, Russia, Argentina and Brazil. Following a request for partnership from MACN to improve national capacities in addressing port-sector corruption, UNDP (HQ) conducted an analysis of current political situations and on-going anti-corruption environments in the countries identified. Nigeria was selected for the initial pilot assessment with the aim of developing and implementing a full-fledged national programme for corruption prevention. The pilot in Nigeria made use of the CRA methodology developed earlier for the MDG-related sectors and with the support of the UNDP.¹² With this support, the Independent Corrupt Practices and Other Related Offences Commission (ICPC), the Bureau for Public Procurement (BPP), and the Technical Unit on Governance and Anti-Corruption Reform (TUGAR) implemented the initiative collaboratively.

2.2 Units of Assessment and Stakeholders

The CRA in Nigeria's ports sector focused on the ports themselves as a unit of corruption risk analysis. This sector includes 17 organisations or umbrella organisations from public and non-governmental entities to the private sector. Box 2 gives a list of the stakeholders.

Box 2: Stakeholders in the Ports Sector

- Nigerian Ports Authority
- Nigerian Agricultural Quarantine Service.
- Terminal operators
- National Drug Law Enforcement Agency (NDLEA)
- Nigeria Immigration Services
- State Security Service
- Port Health Services
- Shipping companies
- Nigerian Customs Service
- The Nigerian Maritime Administration and Safety Agency (NIMASA)
- COTECNA and other Inspection companies
- Standards Organisation of Nigeria
- Freight Forwarders (ANCLA)
- TRUCKERS
- National Agency for Food, Drug, Administration and Control (NAFDAC)
- Nigerian Shippers Council
- Manufacturers Association of Nigeria

The use of the ports “sector” as the unit of risk analysis requires that organisations engaged in port-related activities be involved.



2.3 Assessors

From the start, the ports CRA methodology foresaw a process of external assessment with some self-assessment elements. This process required external certified risk assessors to work in close collaboration with experts from within various ports-related agencies. Twenty assessors were selected to carry out the exercise with the support of international and national experts. These assessors had already participated in corruption risk assessment training organized earlier by the UNDP and TUGAR (see Section 3.5). Port sector officials facilitated and collaborated on the CRA process, although there was no official self-assessment unit set up.

2.4 Three Levels of Risk Identification

As applied in the Ports, the CRA addressed three sectoral levels: macro-environmental, organisational, and personnel. The macro-environmental level focused on the political, economic, social, technological, and legal environmental factors that influenced potentially corrupt behaviour.

The organisational level focused on the structure of the individual organisations involved in the assessment, examining their practices, processes, and internal ethical control mechanisms. Emphasis was on indications of red tape and facilitation payments; inadequate port facilities and equipment; excessive monopoly; discretionary power; weak enforcement of internal controls; lack of clear anti-corruption statements or policies; absence of mechanisms for complaints; and lack of disciplinary sanctions.

The personnel level identified staff who were at risk and others who could help the organisation take action to remove corrupt staff members or minimise corruption opportunities. The scope of assessment at this level, nonetheless, is reportedly limited. The assessment did not cover staff files and did not make comments on corruption risks at the individual staff level.¹³

Data Collection

Assessors collected both qualitative and quantitative data. In the process of collecting information, the assessors adopted the tools appropriate to each level of corruption assessment, as well as to each CRA step at which they were currently working.

The data collection process was not without its challenges. Three main groups of problems were encountered in the course of the risk assessment.¹⁴ The first of these was the lack of willingness to participate from some port agencies. Some stakeholders refused to get involved in the process while others engaged only reluctantly. To address this problem, additional assistance was sought from ICPC, TUGAR and the Nigerian Ports Authority (NPA). Another problem was the unavailability of manuals, guidelines, and process maps that would enable tracking the degree of compliance of the port agencies with their legal obligations and process requirements. To address this problem, assistance was sought from NPA, which provided process maps on cargo clearance and ship movement in the ports.

¹³ Palicarsky, C. and Ekwekwu, C., Final Report; ICPC, BPP, and TUGAR, "Report of Corruption Risk Assessments in the Ports Sector in Nigeria," www.tugar.org.ng/index.php?option=com_phocadownload&view=file&id=2:report-of-corruption-risk-assessment-in-the-ports-sector&Itemid=295

¹⁴ See Palicarsky, and Ekwekwu, Final Report," p. 10.



The issue of gaining access to process maps, manuals, and guidelines of other ports stakeholders remained critical and unresolved throughout the process. A third problem was that assessors were unable to prepare a clear and accessible process map that reflected the actual situation (based on any existing process maps with additions from real-life experience from clients) that would serve as a clear description of all processes for different business processes in the ports. This task was recommended for each of the ports as part of the advised integrity plan.

Benchmarking to Identify Risks

Corruption risk assessment methodology emphasises the need to use organisational standards as reference points when assessing risks related to management practices, internal ethics, and processes. In the Ports, there were no manuals, guidelines, or process maps for assessors to determine the degree of a given ports-related agency's compliance with or deviation from legal obligations.

2.5 Risk Cataloguing, Prioritisation and Control

Notwithstanding such data collection challenges, assessors were able to gather considerable information on each of the ports they assessed. Red flags from each port were compiled and prioritised to form a list of risks as related to assets. Box 3 summarises key findings at the sector level based on findings from all ports, as well as control measures.¹⁵

Box 3: Key Risks at the Ports Sector – Level and Control Measures

RISKS	CONTROL MEASURES
Environmental Level	
Weak inter-agency coordination	Design and adoption of cooperation protocols
Local communities extorting money from port operators	Awareness-raising in local communities and promotion of CSR programmes amongst port operators
Cultural issues making corruption an acceptable means for social advancement	Awareness-raising through education programmes
Serious security problems generating additional costs for entrepreneurs	Improved security plan
Indications of state capture (particularly in Onne and Warri Ports) Intels (terminal operators) collecting pilot charges, and related risks	Development of clear rules touching on public/private partnerships and concessions, particularly private companies exercising state functions
Large-scale red tape	Simplification of procedures; use of a single process card with all port clients
Absence of effective or functioning complaint mechanisms; no whistle blower protection	Development of a mechanism to ensure clients' unobstructed access to ICPC/EFCC in order to report irregularities and suspicions of corruption

¹⁵ For details see, Final Report, pp. 7-30.



Information technology not used to avoid human contact or to streamline procedures	Introduction of a port-wide IT system to reduce paperwork (see port of Durban as example)
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Organisational Level

Unpredictable and unclear decision-making process	Development of standard operating procedures, operations manuals, and guidelines to reduce ad hoc discretion in decision-making
General organisational ineffectiveness	Improved organisational effectiveness of key port agencies through training and development of the Standard of Operation and Manuals
Absence of functioning internal accountability and transparency mechanisms	Strengthening of internal control units and introduction of organisational transparency strategies
Lack of detailed anti-corruption policy	Design of specific organisational anti-corruption policies, including measures like regular rotation of officers in risk-prone postings
Lack of internal communication strategies to ensure tone at the top	Design of internal and external communication strategies on corruption issues
Absence of specific organisational policies on issues such as conflicts-of-interest	Development of specific organisational policies on these issues

Personnel Level

Lack of training on ethics and anti-corruption issues	Design of training programmes, curricula and pedagogical tools, and organisation of training
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2.6 From Risk Assessment to Integrity Planning

The Risk Catalogue based on earlier data collection and risk control measures was used as the basis for an integrity plan for the Ports. As summarised in Box 4, the proposed integrity plan included thematically grouped measures to be carried out over both shorter and longer-term periods. The key dimensions of the integrity plan for coming years were capacity-building to strengthen transparency and accountability; development of standard operating procedures for the Nigerian ports sector in line with international best practices; establishment of a complaints mechanism for potential or actual acts of corruption; and use of IT to increase transparency and accountability. In the long run, the focuses were on integrating port sector integrity plan monitoring with the monitoring framework of the proposed National Strategy to Combat Corruption; legislative amendments to address identified gaps in legal frameworks and improve port security; and establishment of CSR programmes.



Box 4: Ports Sector Integrity Plan Contents

Component 1 –

- Capacity-building programmes to strengthen transparency and accountability
- Design and adopt protocols for cooperation between port agencies.
- Strengthen organisational effectiveness of key port agencies by providing support for drafting standard operating procedures (SOP) and manuals for every aspect of port operations to reduce discretion in decision-making.
- Support all agencies operating at the port to develop their anti-corruption policy.
- Support the design of internal and external communication strategies for port agencies.

Component 2 –

- Development/clarification of standard operating procedures for the Nigerian ports sector in line with international best practice
- Review and update procedures of port agencies.
- Design and implement a transparent compliance system for all port agencies.
- Strengthen internal control units and design organisational transparency strategies.

Component 3 –

- Establishment of a complaints mechanism for potential or actual acts of corruption
- Develop a mechanism for complaints handling and resolution.

Component 4 –

- IT components to reduce human contact and increase transparency and accountability
- Facilitate an introduction of a port-wide IT system to reduce paperwork.
- Analyse the flexibility of the ASSYCUDA IT system deployed by the Nigerian Customs Service (NSC) to identify shortcomings and solutions.
- Support NCS on the use of existing information on infractions by clearing agents and profiling records in NCS to implement existing sanctions, which includes revocation of licenses, where necessary, after due investigation.
- Establish a system of sanctions to regulate the conduct of clearing agents at ports.
- Support ICPC to implement its system review mandate specifically on the procedures for licensing, regulation and implementation of sanctions against errant clearing and forwarding agents, and the process for disposing of cargo seized by the customs service.
- Propose a clear set of rules with regard to public/private partnerships and, in particular, to private companies exercising state functions at the ports.



Component 5 - Long-term Components

- Incorporate monitoring of the Port Sector Integrity Plan within the monitoring framework of the proposed National Strategy to Combat Corruption.
- Propose legislative amendments to address identified gaps and inherent corruption risks in the legal frameworks.
- Facilitate the formulation by stakeholders of measures to improve port security.
- Support establishment of CSR programs by terminal operators

Source: 'Ports Sector's Integrity Plan', presented at the Validation Workshop, Lagos, July 24-25, 2013.

The integrity plan for the ports sector has yet to be implemented. Nonetheless, it confirms the possible linkages between risk control measures at the organisational level and the formulation of a sectoral integrity plan. If successful, the implementation of the integrity plan will contribute considerably to Nigeria's anti-corruption strategy at the national and sectoral level.

2.7 Lessons from the Assessment

In the ports sector, although the CRA was comprehensively conducted, there were methodological areas that could be further improved to guarantee good results and to sustain the process. The first area to be strengthened would be stakeholder participation to identify the unit(s) to be assessed and the methods to be used. Given that stakeholder participation is crucial for every component of CRA, it is advisable to have a systematically developed chart of their roles in the process. The second area to be strengthened is the identification of the three levels of risk. Given that corruption in the ports sector has been rampant, there are challenges in distinguishing corruption risks and actual corrupt practices. As the CRA in principle focuses on the former rather than the latter, care should be given in methodologically separating the two when reporting findings.

The third area to be further strengthened is integrity planning at the sub-sector level. Despite a successful top-level integrity plan for the ports, the logic of risk assessments requires that participating organisations within the sector also conduct their own integrity planning. Their plan will specifically correspond to the risks identified for their unit. The final area for improvement deals with strengthening the system of regularly reviewing the risk catalogue at sub-sectoral and sector-wide levels. Doing so will allow assessors to track the status of both previously-identified and newly-emerging risks, which, in turn, may require another round of reviewing and reinforcing integrity plans.

Facilitating Corruption Risk Analysis and Integrity Planning in Nigeria

3 part three





Facilitating Corruption Risk Analysis and Integrity Planning in Nigeria

Part 3 examines factors that facilitated the development of CRA and reinforced its legitimacy. These included aspects of legal frameworks for CRA and integrity planning, enabling institutional mechanisms, strategies for partnerships, communications, and capacity-building.

The CRA as piloted in Nigeria would not have taken off had it not been assisted by a supportive legal and institutional environment. The CRA process directly involved public sector organisations and a review of their structures, processes, and personnel. Supportive legal frameworks and anti-corruption agency mandates to enforce cooperation and participation from public organisations and access to information about operations was crucial. Sustained collaboration additionally enlivened and legitimised the CRA agenda, while stakeholder knowledge and skills on the CRA approach helped contribute to the completion of the different steps of the CRA.

3.1 Legal Frameworks Facilitating CRA and Integrity Building

Existing legal frameworks both at national and international levels legitimised the development of CRA and the integrity-building project. At the national level, there were a number of legal stipulations that directly and indirectly endorsed the methodology of CRA and integrity planning. These included the 1999 Constitution of the Federal Republic of Nigeria (as amended), the Corrupt Practices and Other Related Offences Act 2000 (ICPC Act 2000), specific legal frameworks within each sector, and Nigeria's draft Anti-Corruption Strategy. Key frameworks at regional and international levels were the African Union Convention on Preventing and Combating Corruption, the Economic Community of West African States Protocol on the Fight against Corruption, and the United Nations Convention against Corruption (UNCAC); Nigeria's approach toward CRA analysis and integrity-building is in line with national and international anti-corruption approaches. As CRA and integrity building have a direct bearing on the organizational processes of public and private sector organisations, and also because analysis requires the collection of data that might be considered classified, it would not have been possible to work on the necessary CRA dimensions and initiate integrity planning without these supportive legal frameworks.

Key legal frameworks in Nigeria include provisions that support the examination of risks at the organisational and personal levels. One of the fundamental objectives and directive principles of state policy, as contained in Section 15 (5) of the 1999 Constitution of the Federal Republic of Nigeria is that 'the state shall abolish all corrupt practices and abuse of power'. The 1999 Constitution also contains provisions governing the conduct of public officials, and a breach of the code is subject to enforcement by a special institution called the Code of Conduct Tribunal. The 1999 Constitution also contains provisions governing the conduct of public



officials, and these provisions are further elaborated in the Code of Conduct for Public Officers. Fundamentally, public officers are prohibited from putting themselves in positions where personal interest would conflict with professional duty and responsibility. Additionally, the ICPC Act 2000, includes gratification, bribery, fraud and extortion in the offence of corruption, while the Nigerian National Assembly in 2006 passed the Advance Fee Fraud and Other Fraud Related Offences Act 2006 to reinforce the combatting of fraudulent activities. These legal provisions serve as reference points for the assessment of risks at the organisational and personnel levels. In practice, CRA as applied to the ports sector discussed in Part II identified and analysed risks related to bribery, extortion (i.e., facilitation money), and fraud as well as violations of the conflict-of-interest rule and violation of the code of conduct on the part of ports officials.

The focuses of CRA and integrity planning as piloted in Nigeria are also aligned with, and thereby legitimised within the framework of, international anti-corruption conventions and protocols of which Nigeria is a signatory. For example, UNCAC's emphasis is on the organisational and personnel levels of risk and the tools used to support corruption prevention in these areas. The CRA directly and indirectly generates risk control measures and integrity plans that address issues falling under public sector reforms, codes of conduct for public officials, and procurement and financial management.

The linkages between the CRA and integrity planning with existing national legal frameworks and international conventions of which Nigeria is a member are positive environmental factors that legitimise and sustain further pilot and replication efforts.

3.2 Enabling Institutional Mechanisms

In response to corruption problems in the country, several public strategies and campaigns to curb corruption have been launched during the last three decades. With the arrival of the ICPC Act in 2000 and the Economic and Financial Crimes Commission (Establishment) Act in 2002, two main agencies were created with respective mandates regarding corruption: the Independent Corrupt Practices and Other Related Offences Commission (ICPC), and the Economic and Financial Crimes Commission (EFCC). Additionally, the existing Code of Conduct Bureau (CCB) was energised and its processes strengthened, and further still, other agencies, such as the Bureau of Public Procurement (BPP), also became responsible for partial or sectoral anti-corruption work. Nigeria also established the Nigeria Extractive Industries Transparency Initiative (NEITI), which is the Nigerian subset of the global Extractive Industries Transparency Initiative (EITI) and aims to improve transparency in payments and receipts between extractive industrial companies and government entities as well as to furnish legal instruments in the fight for increased general transparency in Nigeria's oil, gas and solid minerals sectors. The Technical Unit on Governance and Anti-Corruption Reforms (TUGAR), located within the NEITI secretariat, plays an active role in anti-corruption work with its specific mandate to design strategies to research, monitor, coordinate and evaluate anti-corruption and other governance initiatives.

The frameworks of ICPC and BPP supported the development of CRA and integrity planning, as well as the use of CRA results. In the process of piloting the CRA approach and integrity planning, TUGAR actively played a coordination role within the framework.



Institutional Mandates for the Conduct of CRAs and Integrity Planning

The development of the CRA evolved within ICPC corruption prevention mandate—which is “to examine the practices, systems and procedures of public bodies and where, in the opinion of the Commission, such practices, systems or procedures aid or facilitate fraud or corruption, to direct and supervise a review of them” (ICPC Act, 2000, section 6b)—and that of TUGAR, which includes the responsibility “to construct country specific indicators and tools for governance and anti-corruption monitoring.” Furthermore, the undertaking of risk assessments is considered one of the tools that will aid the initiation and performance of procurement audits and the prevention of fraudulent and unfair procurement in line with the functions of BPP as stipulated in Section 5n and 5p of the Public Procurement Act, 2007.

ICPC supported the pilot of CRA and integrity planning and benefitted from CRA results. An independent agency set up under the Corrupt Practices and -Other Related Offences Act 2000, ICPC has three key mandates on education, prevention and enforcement against corruption, and these have in turn become the three strategies adopted by ICPC. The educational approach focuses on mobilizing the public to join the fight against corruption at various levels. Integrity education has been one of the key strategies for this approach. The prevention strategy focuses on examination of the practices, systems and procedures of public bodies where, in the opinion of the Commission, such practices, systems and procedures aid or facilitate fraud or corruption, and to direct and supervise a review of them. Additionally, it is responsible for instructing and assisting officers and agencies on the design of measures to cope with fraud. The enforcement approach involves receiving reports of corrupt acts from the public, investigating such reports and prosecuting offenders. The tripartite statutory mandate of ICPC, particularly corruption prevention, formed the pivot of the pilot of CRA and integrity planning. The ICPC mandate also supports the utilization of results from corruption risk assessment to further the objective of institutional reform.

TUGAR has responsibilities and functions that have allowed it to facilitate the development of the CRA and integrity planning. Specific aspects of TUGAR’s mandate that supported the CRA process were:

- Monitoring, tracking, and evaluating governance and anti-corruption initiatives at all levels of governance
- Data-collection and coordination
- Development of specific indicators and tools for governance and anti-corruption monitoring
- Initiating and leading discussions about the development of a national and comprehensive anti-corruption strategic action plan

¹⁶ The IATT is a coordinating platform for various government agencies with anti-corruption or accountability mandates in Nigeria. It works to ensure collaboration and cooperation amongst the agencies to share information, share knowledge, build capacity, and enhance the processes of prosecution, investigation, research, and prevention, among others.



Since 2009, TUGAR has launched nation-wide surveys on corruption. Conducted in two phases, the surveys so far have involved a total of sixteen states. The aim is to develop an anti-corruption database in the country. Survey results support evidence-based anti-corruption policy-making.

Nigeria's Public Procurement Act (PPA) also serves as a framework for CRA in the field of procurement. The PPA addresses conflicts of interest for procurement officials, establishes process requirements for competitive bidding, defines bid security, ensures clarified tendering procedures and mobilisation fees, and provides for an audit process. Nigeria's procurement framework and the PPA are standard reference points for the CRA focus on procurement in sectors, ministries, departments and agencies.

Inter-Agency Coordination for the CRA and Integrity Planning

Nigeria's legal and institutional frameworks against corruption could be rated "strong" given their comprehensiveness. Nonetheless, the different anti-corruption agencies are each governed by their own legal charter distinct from the others and certain political issues must be considered in the debate of whether or not to merge these disparate agencies.

Within this context, the question remains how to incorporate diverse agency efforts into a common strategic framework. TUGAR, to a large extent, fulfils such a coordinating role through its Inter-Agency Task Team (IATT)¹⁶; although TUGAR is essentially a research and evaluation organisation, it also aims to build synergy among the various anti-corruption initiatives. In furtherance of this, TUGAR played an important coordinating role in the process of the CRA and integrity-planning pilot in collaboration with ICPC and BPP, to ensure that timely progress was achieved.

3.3 Partnerships

Partnership is a crucial element for successful anti-corruption activities, inasmuch as the more systemic corruption becomes, the more pressing it is to involve wide-ranging stakeholders. Thus, partnership in support of CRA and the integrity-planning process piloted in Nigeria could be considered beneficial. The range of partners who participated was diverse, from national and international actors to partners from various sectors. There was also a progressive evolution of the partnership structure from CRA inception to application in the case of the ports. Integrity planning, the ultimate outcome of the CRA process, has opened up an opportunity for another phase of partnership in support of integrity implementation and enforcement.

The CRA and the integrity planning pilot have shown that the key foundation for partnership is a common understanding of corruption's negative impact and a clear vision of the steps required to confront it.

CRA Stakeholders



CRA partnerships involved national and international partners as well as public, non-governmental, and private actors working together in five different groups. The first of these groups included international organisations with anti-corruption programmes. UNDP-Nigeria supported the CRA pilot in select MDG-related ministries, departments and agencies; it collaborated with the UNDP Global Programme on Anti-Corruption for Development Effectiveness (PACDE, 2008-2011), which provided support for strengthening national, institutional and systemic capacities for implementing anti-corruption initiatives. The second group of collaborators comprised the Nigerian anti-corruption agencies ICPC, TUGAR and BPP. TUGAR not only played a coordinating role in the implementation of the project but in turn was among its beneficiaries. ICPC is Nigeria's key anti-corruption agency, with a mandate to work across sectors and ministries. The third group consisted of private-sector actors who saw a need for the control of risk in the ports. For the CRA component in the ports sector, another crucial international partner was the Maritime Anti-Corruption Network (MACN), established in January 2011 by shipping companies to collaborate on strategies to address corruption threats in maritime industries. In their industry, MACN members promote corporate best practices for tackling bribery, facilitation payments and other forms of corruption. The fourth partnership group drew participants from public sector organisations that nominated their own contact points and assessors and facilitated CRA and integrity planning. For the ports work, key national partners have continued their involvement in the process. Sub-sector stakeholders in the ports participated as well, with 18 stakeholders in both sector and sub-sector working groups. The fifth group of partners included other non-governmental and private-sector organisations that were interested in using the CRA methodology to better manage and track corruption risk. Throughout the process, national and international experts were also crucial contributors to implementation of various CRA and integrity planning components. Overall, these networks of partnerships helped launch the CRA agenda and sustain the process.

Common Understanding and Vision

Relevant stakeholders share a common understanding of the impact of corruption in Nigeria. They also see CRA and integrity planning as an approach with the potential to prevent corruption. Box 5 summarises key partner views on the importance of CRA and integrity planning in the ports sector.

¹⁷ This section is drawn from Report of the Inception Meeting on the Corruption Risk Assessment at the Ports Sector held at the Rockview Hotel, Apapa Lagos 3 – 5 April, 2013, and Francis Ezem, "Why We Back Anti-Graft War in Nigeria's Port System – UNDP", National Mirror, 9 April 2012. See: <http://nationalmirroronline.net/new/why-we-back-anti-graft-war-in-nigerias-port-system-undp/>



Box 5. Summary of Partner Views on CRA and Integrity Planning in the Ports Sector¹⁷

UNDP: The UNDP has supported the CRA initiative since its inception in 2011 because the initiative corresponds with the mandate of its three core partners: ICPC, BPP and TUGAR. Support for this exercise also derives from the UNDP commitment to respond to priorities set by the Nigerian Government, including fighting corruption and achieving the country's broader development goals, one of which is to increase direct foreign investment, to which the port industry is crucial.

TUGAR: The main objective of the CRA is to identify gaps and vulnerable areas prone to corruption, offer recommendations and, jointly with relevant agencies, develop integrity plans that would strengthen transparency and accountability and enhance service delivery.

ICPC: CRA is a corruption-prevention tool mandated by the ICPC. The objectives of the CRA project in the ports sector are to study the procedures at the ports, map out corruption risks and design a comprehensive integrity plan to help the ports system address existing and future corruption-prone processes.

Maritime Anti-Corruption Network: The UK Bribery Act 2010, a very strict piece of international legislation, places the burden of proof on companies to show they have adequate procedures in place to prevent bribery. The pilot assessment in Nigeria was the first such demonstration, and MACN plans to extend this to other ports around the world.

Nigeria Customs Service: CRA is welcome. The Nigeria Customs Service has taken the initiative in combating corruption, including establishment of automated systems to ensure less contact with staff and thereby reduce opportunities for corruption of their functions.

Nigerian Ports Authority: The NPA has a zero tolerance policy for corruption in the Nigerian ports.

Office of the Special Adviser to the President on Monitoring and Evaluation: The Office welcomes initiatives that seek to ensure necessary reform in the ports.

Manufacturers Association of Nigeria. The Association calls for the carrying out of CRAs in the airports also.

Partnership Formation

In the medium and long term, the implementation of the CRA initiative has consolidated various partnerships. Specifically:

- Amongst involved anti-corruption agencies (i.e. ICPC, TUGAR and BPP and ICPC): A key challenge to fighting corruption in Nigeria has heretofore been low level of coordination and co-operation among anti-corruption agencies. This initiative strengthened collaboration and cooperation among these three agencies to work toward joint goals and objectives.
- Between anti-corruption agencies and service delivery sectors: Although there had been interactions between them prior to the launching of the CRA initiative, the CRA implementation strengthened their engagement and highlighted the crucial linkage between combating corruption and improving service delivery towards achieving the MDGs.



- Collaboratively between the national anti-corruption agencies and UNDP: Beyond financial support to the initiative, the UNDP Nigeria Country Office, the UNDP Regional Centre and PACDE worked collaboratively with national partners involved in the initiative by providing technical assistance such as drafting and reviewing documents, facilitating training sessions, coordinating crucial meetings and engagements, and ensuring that the process benefitted from international best practices and similar initiatives around the world. For this initiative, the UNDP was able to draw lessons and best practices from other countries and leverage upon their long-standing dialogue with the Nigerian government at both national and sub-national levels as an impartial facilitator on development issues. Furthermore, the UNDP facilitated dialogues and engagements with key stakeholders including with MACN. For this initiative, UNDP brought to bear its specialty of promoting public accountability in the service of effective development and publicizing the importance of preventing corruption for improved service delivery and progress towards MDG fulfilment.
- Between the national anti-corruption agencies UNDP and MACN, particularly as regards the private sector dimension that MACN brought to the process

Box 6 summarises the steps of CRA and integrity planning where partnership

Box 6: Partnership Formation Opportunities

- Launching of the CRA and integrity planning concepts
- Adaptation of CRA methodology to the peculiarities of Nigeria
- Recruitment of potential risk assessors
- Fieldwork and information-gathering by corruption risk assessors
- Analysis of the information gathered and development of a draft report with practical recommendations and an integrity plan
- De-briefing and validation meetings with stakeholders
- Finalisation, printing and launching of the final assessment report
- Implementation of the integrity plan
- Integration of the port sector integrity plan into the overall anti-corruption agenda



Partnership building was a crosscutting endeavour throughout the duration of the project. Fundamentally, the key activity was to introduce the objectives and potential benefits of CRA, with particular emphasis on the exercise as a preventive measure to address corruption vulnerabilities rather than an investigation of actual corruption cases. To launch the initiative, the Inception phase in 2011 concentrated on setting up an atmosphere of sound cooperation. During this phase, meetings with government partners were organised to discuss the processes and key activities that would adapt the CRA to the context of Nigeria. The value of the CRA was, to some extent, reiterated during its preliminary application to the health, education and water sectors, the recruitment of risk assessors for training, and during various stages of the risk assessment work in the ports sector as well as the presentation of results and the integrity plan.

3.4 Information-Sharing and Advocacy

In the process of piloting CRA and integrity planning, key stakeholders have adopted various methods to promote information-sharing and advocacy. Information-sharing has introduced CRA and integrity planning as mechanisms for corruption prevention while also opening up opportunities to discuss and compare them with other corruption prevention approaches and to further fine-tune steps and tools. Advocacy has served to promote the use of CRA and integrity planning as well as partnership-building for the CRA and integrity planning process.

Information-Sharing

The UNDP teamwork forum for CRA is the main channel for information-exchanges related to CRA.¹⁸ Participants have been those with experience conducting governance and corruption assessments elsewhere. The subjects brought up by the forum have revolved about comparative CRA methodology and composition. The methodological discussion has helped clarify what CRA is and is not. Some key issues brought up have been whether the CRA method is the same as a corruption assessment or if it is a governance assessment instead; how to apply CRA to the study of a sector; and how to approach the assessment of corruption risks at an individual level. The teamwork forum has also been useful in sharing information about experiences on risk assessment elsewhere.¹⁹ Overall, the teamwork forum was a useful channel for introducing Nigeria's experiences to the corruption prevention community of practice. These discussions were crucial in that they helped place the Nigerian experience in a larger perspective. They supported reflection on model practices based on this experience, and also generated feedback that supported further fine-tuning.

¹⁸ This is an online network created by the UNDP as a tool for the sharing and storing information, knowledge, experiences and lessons learnt by its staff members, staff from other United Nation agencies, consultants, alumni, retirees and trusted partners from all over the world who are invited. For more information, see <http://teamworkdefinition.com/undp/teamworks/>. For the CRA project in Nigeria, see <https://undp.unteamworks.org/node/253012?destination=node%2F253012>

¹⁹ A study entitled Vulnerabilities to Corruption in the Health Sector: Perspectives from Latin American Sub-Systems for the Poor (with a Special Focus on the Sub-National Level), shows how vulnerabilities may be studied in different settings. Although the approach adopted in Latin America was useful for the pilot project in Nigeria, especially in terms of its focus on the poor, its overall approach was quite different.



Advocacy

The CRA and integrity planning pilot processes received noteworthy reinforcement in the form of advocacy work, often conducted in conjunction with publicity for particular initiatives and results. The key advocacy opportunities arose upon completion of the following outputs:

- Draft methodology on risk assessment
- Red flag reviews in the three MDG-related sectors: Health, Education and Water
- Selection of trainees for the CRA course
- Selection of assessors to work on the ports sector
- Draft CRA findings on ports
- Integrity planning

UNDP-Nigeria, TUGAR, and ICPC played a crucial advocacy role. Advocacy work was seen clearly in the process of assessing corruption risk and integrity planning for the ports sector. It took place in conjunction with consultation workshops and through direct visits. Targets included three key groups of stakeholders: government and regulatory agencies; shipping companies, terminal operators and owners of private jetties; and clearing agents, major importers and exporters. For certain forums, members of the Media were invited to attend. The messages focused on corruption as a common problem, administrative procedures as the main areas where corruption risks occurred, the need for capacity building, challenges related to conflicting legal frameworks, and the absence of complaint mechanisms. Box 7 summarises some of the key issues discussed with ports sector stakeholders.

The advocacy process, to some extent, has been successful. In various stakeholder circles the foregoing debriefing ignited enthusiasm for expanding the process. Additionally, advocacy forums helped pave the way for assessors to work with the ministries, departments and agencies selected for corruption risk assessment. Overall, advocacy forums have helped promote and sustain the process while also potentially expanding it.



3.5 Capacity-Building

In addition to favourable legal frameworks, institutional mechanisms, and partnerships, the successful completion of the CRA in the ports sector owed much to the involvement of the assessors who received training in CRA methods organised by the UNDP-Nigeria in collaboration with the UNDP Virtual School. Within the CRA training framework, 100 people participated, 69 of whom were later certified by UNDP Virtual School and ICPC as assessors.²⁰ The team of corruption risk assessors deployed to conduct the CRA in the ports sector came from the group of certified assessors.

The capacity-building component comprised three principal varieties of sound practice: emphasis on practical results in CRA training, the synthetic nature of the training materials, and multiple training methods.²¹ The CRA training was designed to promote and consolidate knowledge of the phenomenon of corruption on the one hand, and the skills and tools needed to perform corruption risk assessments on the other. The materials used for the CRA training represent a collaborative project between ICPC, TUGAR and the UNDP Virtual School. The training course focused on four key topics: concepts of corruption and approaches to the analysis of corruption phenomena; corruption in the Nigerian context; corruption risk assessment methods and tools; and integrity planning. The training programme consisted of both on-line and on-site sessions.²² The capacity-building effort, jointly supported by the UNDP-Nigeria and the UNDP Virtual School undoubtedly provided a foundation for the conduct of the CRA in the ports sector afterwards.

3.6 Conclusions

The Nigerian experience indicates that having a good CRA methodology by itself is not sufficient to bring about the CRA undertaking and subsequent integrity planning. There is also a need for the presence of enabling legal frameworks, institutional mechanisms, partnerships, and capacity. Mostly, for the CRA and integrity planning to become entrenched, it is imperative that existing legal frameworks support and legitimise the various components of the CRA process. In the case of Nigeria, ICPC's corruption prevention mandate in MDAs and focus on integrity, TUGAR's mandate to conduct monitoring and evaluation of MDAs, and BPP's mandate on procurement are favourable conditions that

²⁰ Of the 69 certified assessors, 33% were female. Sixty-four assessors were from the government sector. These were affiliated with public organisations such as ICPC, TUGAR, BPP, NEITI, EFCC and the State Audit, which are fully or partially responsible for anti-corruption work. Assessors were also drawn from ministries responsible for planning, finance, justice and budget. Still others came from the MDG-related sectors of health, education and water, as well as from social and civic organisations. Five assessors were from the NGO sector and one from the development sector.



Box 7. Messages on Corruption Risks in the Ports Sector Discussed with Stakeholders

- Corruption was a problem in both public agencies and private companies.
- The process from berthing a ship to release of its goods from port was tedious and cumbersome, requiring fifty-five different signatures.
- Government agencies were faced with capacity issues. Cobalt, the sole inspection agent for non-oil exports, had a monopoly, and its certificate was internationally unrecognised despite the time required to get it. The reason was that Cobalt did not test and analyse products but only carried out physical inspections of quantity.
- Legal conflicts existed between different ports-related agencies.

The complaint system in the Nigerian Customs Service was ineffective.

Emergent Sustainable Approaches to CRA's Implementation

4 part four





Emergent Sustainable Approaches to CRA's Implementation

4.1 Prioritization

After the conduct of the CRA, it was apparent that there were so much institutional reform measures to initiate and implement, and that prioritization would be a critical success factor. Prior to the CRA, none of the Port institutions had robust Anti-Corruption Policy. Thus, the Port Committee identified these as the pioneer initiatives. With peer support, these documents were negotiated and produced between 2014 and 2015. All of the Agencies are expected to have adopted their ACPs and SOPs by the end of 2016. Their production is further justified by the premise that for reforms to be sustainable, they needed to be framed around legal frameworks and operational guides that are seen as binding on the stakeholders. To this end, the Port Sector Steering Committee prioritized the development of ACPs and the SOPs for each of the MDAs in a coordinated manner. The two documents are seen by users of port services as veritable tools for monitoring compliance and for enhancing the responsiveness of the agencies. The prioritization of these documents across the Agencies is seen by stakeholders as having contributed to the development of operational measures to ease business processes and to increase in the level of public confidence and trust among stakeholders in the maritime industry.

4.2 Ownership and Integrated Planning

The writing and adoption of the ACP and SOPs was well coordinated through the Port Sector Steering Committee. The drafting and review of the documents were done by focal officers of each of the Agencies, in close coordination with other members before the drafts were submitted for the approval of the Heads of the Agencies. The immediate effect was the enhancement of inter-agency collaboration and service delivery among the Port Agencies in the actual implementation of the legal and normative documents. This is further reinforced by the integrated nature of port activities across different agencies. Specifically, there was increased in operational collaboration such as joint messaging and communication mechanism, joint complaint management mechanism, integrated budgeting and planning, joint boarding and bursting of vessels, joint advocacy, awareness and sensitization programmes on the ACPs and SOPs, joint training and other forms of capacity building, etc.



4.3 Result Orientation

Organization-specific, actionable results were clearly identified from the beginning of the implementation process. These results, which emanated from inclusive processes, enumerated short, medium and long term goals, as well as the methodology for their attainment. The methodology of engagement also focused on the demand and supply sides to corruption in the Port Sector. It was clearly stated that in addition to reforming the corruption-inducing systems and processes in the concerned institutions, the CRA would also address the overt reliance of discretion in decision-making and spell out clearly, all the steps and procedures for complaint handling. The ultimate objective is for the CRA to create a supportive business and regulatory environment and increase the level of trust and confidence of stakeholders and the general public in the Port Institutions. The Port institutions also view the CRA implementation as an opportunity to increase competition in the maritime industry, compel fair trade and infuse global best practices. The institutional mechanisms established through the ACPs were logically linked to ensuring the implementation of SOPs, reporting on progress made to the Steering Committee, and sharing good practices to enhance peer learning.

Lessons Learned

5 part five





Lessons Learned

The CRA approach and integrity planning as piloted in Nigeria represent model corruption prevention practices. Overall, CRA is an evidence-based methodology with actionable short and long-term follow-up activities. Together, CRA outputs show potential for improved organisational performance as a key outcome. Nonetheless, the process does not take place without challenges. Predominantly, relative to the sensitive nature of corruption, stakeholder commitment and capacities are limited. Other challenges include initial struggle to institutionalise integrated planning and foster inter-agency collaboration, inadequate sensitization of staff of the respective Agencies and how the CRA implementation would affect their workflow, poor port-users' knowledge of the opportunities presented by the initiative and inadequate institutional frameworks for the protection of whistleblowers. Most of the challenges were appropriately addressed through series of joint training, sensitization and advocacy sessions, and through confidence-building measures by the Steering Committee. There are lessons to be drawn from the CRA and integrity planning process as piloted in Nigeria, and reflection on these should support further implementation and replication of the CRA approach both in Nigeria and elsewhere.

5.1 Key Model Practices

The corruption risk assessment and integrity planning piloted in Nigeria from 2011 and focused on the development of the CRA methodology, capacity building, and the application of CRA in the ports sector, demonstrated a number of model practices. Taken together, the concept and its resulting integrity planning, objectives, components and tools constituted a rigorous approach to preventing corruption. Key model practices were:

- Focusing on organisation for specific, actionable results.
- Developing risk assessment methods and tools systematically.
- Interweaving risk assessment with concepts of corruption, the context of corruption in Nigeria, the organisation's standards, and integrity planning.
- Building capacity for risk assessors with an emphasis on concepts of corruption, the context of corruption in Nigeria, and risk-assessment methods and tools.
- Pursuing a consultative partnership strategy from the launch stage right through integrity plan formulation to implementation.
- Consolidating partnerships between the Nigerian Government, UNDP and MACN, representing the government sector, an international organisation, and the private sector.
- Ensuring supportive legal and institutional frameworks for programme launch and expansion.
- Considering the need for information-sharing and advocacy.

The CRA process also raised some caveats to the goal of preventing corruption. Risk



assessment and integrity planning are neither “one-time projects” nor “one-size-fits-all.” As the nature of risk is always to change, risk control measures may also spawn new corruption risks. To curb corrupt practices successfully, CRA and integrity planning need to be on-going and integrated into the daily operation of an organisation. While CRA seems to be successfully applied to Nigeria's ports sector, it should not be assumed that the steps taken could be automatically replicated in other sectors. Care should be given to each of the steps and inputs received from stakeholders in the sectors or organisations under assessment.

5.2 Outputs and Outcomes of CRA and Integrity-Planning

The CRA approach brings about outputs and outcomes with some unique strengths: specificity, connectivity, sequencing of steps, action-ability, monitor-ability, and measurability. The strength of specificity stems from the CRA focus. Relying on an organisation as the unit of analysis, CRA targets specific units where corruption risks may occur. This approach is somewhat different from other analytical approaches that focus on the phenomenon of corruption from the broader perspective of the political economy. This novel approach also includes a discussion of interconnectedness between organisations of various types and their hierarchical positions within a sector or ministry. Results of a CRA may also be connected to other focuses of organisational assessment as well as with an overall governance and anti-corruption assessment. The CRA clarification of the unit and the level of assessment helps identify risk areas and actionable risk control measures. The CRA approach is a process supported by stakeholder participation from various groups. Sequencing of steps is crucial, given that the “how-to” aspect of CRA and integrity planning has so far been unsystematic. The logic of CRA emphasises that risks may evolve over time; thus, there is a need to track the changing likelihood and impact of risk. This logic supports the development of a long-term, systematic risk-monitoring system. The CRA's qualitative and quantitative data collection serves as a basis for development of a risk database in support of measuring previously-identified and newly-emerging risks over time. A risk database can inform policymaking as the impact of policy changes on risks can be assessed ex-ante and policy changes can be designed in such way that they minimise risks.

From this perspective, CRA outputs and outcomes contribute to detecting potential risks that existing globally-oriented tools used to measure governance and corruption at national and cross-national levels have remained unable to apprehend. Although information collected from such globally-oriented tools does allow monitoring and measurement of national and international corruption trends over time, this information falls short in several ways. First, information from globally-oriented tools is not sufficiently specific to serve as a national anti-corruption or integrity-building policy input. Additionally, information from these tools does not indicate the inter-connectedness of varying factors that contribute to assessment results; as a result, it is of limited use in formulating actionable policies.



5.3 Challenges

Despite a certain degree of progress and success, the CRA and integrity planning and implementation process has faced two sets of challenges. The first deals with the concretisation of the technical aspects of the CRA process itself while the second deals with the presence of enabling conditions that support the CRA process.

Challenges to the CRA Process

The CRA process consists of multiple components, including planning the unit of assessment; analysing the identification of tri-level risks; risk analysis itself; risk prioritisation; and formulating measures for risk control, integrity planning, and stakeholder participation. The Nigerian experience has indicated that none of these components unfolded without challenges. In practice, there were multiple ways of planning the unit of analysis, whether to target a sector as a whole, a set of key organisations involved in the delivery of sectoral work, or sub-national organisations.²³ There were also challenges related to identifying which aspects of the organisation would be assessed, whether the focus should be on structures, technical processes, management practices, human resource management, or finance. The identification of risks at - the three levels may meet with challenges, especially whether the necessary distinction between governance risks, corruption, and corruption risks is clearly made. There are also challenges in the process of data collection resulting from either a lack of systematic data recording on the part of the units under assessment or a lack of regulations on access to public information. Furthermore, while integrity planning is considered a logical path toward the development of risk control measures, there are challenges to the process. Attempts to generalise risks may make integrity measures less relevant to participating organisations. The logic of CRA requires that risks be regularly assessed. This requirement implies that an integrity plan may have to be updated periodically in order to keep pace with the changing status of given risks. However, a potential lack of investment in risk-tracking mechanisms could turn the integrity plan into an inflexible, long-term blueprint.

Challenges Related to the Enabling Conditions

The second set of challenges has arisen due to the presence of enabling conditions. These took the forms of extraordinary sensitivity to the issue of corruption; organisational and institutional capacity limitations in applying CRA and integrity planning methods; and issues of timeliness in standardising CRA for the public sector.

Across nations, corruption in the public sector directly involves those in positions of power. Therefore, addressing the phenomenon of corruption is not always a welcome undertaking. Nevertheless, the linkage between corruption and those in power is not always rational. In many settings, anti-corruption efforts have become

²³ The UNDP supported the preparation of a series of risk analysis reports for the three sectors of water, education, and health care. These reports differ in their consideration of the unit of assessment.



LESSONS LEARNED

instruments in internal political competition and thus contributed to political instability. The fact that anti-corruption rhetoric has already been used in the collapse of so many authoritarian regimes in the 21st century makes this subject even more sensitive.

Additional challenges are related to timely standardisation of the CRA in the public sector. Unlike in the private sector, where the application of a risk analysis may depend upon the individual structure of the private entity and its strategic preferences, in the public sector some level of uniformity of steps, methods and risk indicators is crucial for long-term management purposes. The starting point, at the very least, is to ensure that existing legal frameworks favour the launch of the CRA process and integrity planning. Legal frameworks that support information access will also play a supportive role. A subsequent step is to ensure that regular CRAs are embedded in national public administration reform plans or anti-corruption and integrity building strategies. Finally, legal frameworks that enforce the use of CRA will sustain CRA efforts.

The development of an institutional mandate for the management of CRA as well as a clarification of coordination roles will help reinforce and sustain CRA and integrity planning in the long run. CRA and integrity planning involve the assessment of many aspects of an organisation's internal operations. As public sector management follows particular hierarchical chains of command, having a clear chain of accountability related to the conduct and reporting of CRA will help facilitate and sustain implementation.

Finally, even when there may be enabling legal and institutional mechanisms as well as full commitment to the CRA and integrity planning process, limited capacity may still be a challenge. The question of capacity is multi-faceted. On the one hand, it is a question regarding lack of knowledge, skills and conducive attitudes on the part of corruption risk assessors and politicians concerned with integrity-building. On the other, it is one that pertains to limitations in the institutional framework supporting risk assessment, mandating use of the results and honouring the need to monitor outcomes. Financial capacity is another challenge, as the various steps of risk assessment and integrity planning require various inputs to succeed. Training has often been considered a panacea to capacity limitation, yet in practice there are challenges even to the training process. To be successful, a collective corps of experts working in the areas of corruption, risk analysis and localisation must be mobilised to help develop materials and an actual training process. For training to be results-oriented, public institutions must be interested in CRA and nominate assessors to undertake it. Next, potential candidates must meet basic qualifications and participate fully in the learning process. Overall, capacity-building should be conceived of as a results-driven, multi-step process. Mobilisation of expertise from various groups of academics and practitioners is another key measure that could help sustain the CRA process and integrity planning.

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