

U4 Helpdesk Answer

U4 Helpdesk Answer 2021:21

Best practices in devolution and decentralisation programmes that may reduce corruption

It is difficult to identify universally applicable best practices in decentralisation or devolution programmes that address corruption. Evidence suggests that interventions in different programmes have ambiguous and mixed effects, and that success often depends on contextual factors such as depth of democracy and political will. Moreover, anti-corruption tends to be a secondary objective in most donor-driven decentralisation and devolution programmes, making it difficult to determine effective best practices. Nevertheless, this paper seeks to explore potential ways in which corruption can be reduced as a result of decentralisation or devolution programmes. It analyses various common interventions by donors to support devolution and decentralisation, such as improving democratic processes, institutional and legal capacity for local governments, supporting local-level public financial management, as well as a number of social accountability mechanisms.

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Query

Please identify best practices in decentralisation/devolution that tend to be effective in reducing corruption, particularly at the sub-national level.

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Background

Decentralisation refers to the transfer of “a range of powers, responsibilities and resources” from central government to sub-national governments. (OECD 2019: 1). There are different forms of decentralisation such as devolution, delegation and deconcentration (Independent Evaluation Group 2008: 4; see also UNDP 1999: 6).

Devolution involves the transfer of authority, financial and human resources from the national or central government to a sub-national government that enjoys some political autonomy from the former. Meanwhile, delegation and deconcentration involve distribution of some functions and responsibilities from a central government to a local one with less autonomy (see

MAIN POINTS

- There is no clear-cut evidence between the relationship between corruption and decentralisation or devolution.
- Evidence for what works to limit corruption in decentralisation and devolution processes appear equally ambiguous and context-specific.
- That said, there are a number of tools that can be applied to support anti-corruption in decentralisation and devolution processes.
- These include mechanisms that seek to create institutional change from above as well as interventions that contribute to accountable governance from below.

Independent Evaluation Group 2008: 4; see also UNDP 1999: 7; Duri 2021: 2-3). The main distinction is that while devolution often produces more autonomous political arrangements that give mandate to devolved entities, the other forms of decentralisation distribute particular functions and responsibilities to sub-national governments with less autonomy from a central government.

Both decentralisation and devolution have been regarded as important measures towards good governance and more locally oriented development in low- and middle-income countries (OECD 2019: 2). Proponents highlight a number of benefits, such as the belief that devolution and decentralisation

place decision-makers closer to their constituents, making it easier for government to respond to the needs and demands of local citizens (Kolstad et al. 2014: 3). It also results in reduced excessive bureaucracy (Fonshell 2018: 6), thereby minimising chances of corruption associated with red tapes in government (see Guriev 2004).

As the government moves closer to the people, it also becomes easier for citizens to assign responsibility for specific policies to the right policy-makers (Ringold et al. 2012: 5; Kolstad et al. 2014: 3). Greater proximity between citizens and governments could make it easier for citizens to monitor governance processes and demand more accountability (Kolstad et al. 2014: 3; PwC 2016: 1). This may deter officials from engaging in corruption due to fear of public indignation and sanctioning through several mechanisms including protests, local elections, or social sanctions (Kolstad et al. 2014: 3)

However, there are several reasons to be cautious about viewing decentralisation as a panacea to anti-corruption. The transfer of powers, responsibilities and resources to sub-national governments can open up new opportunities for state capture and corruption (see Duri 2021: 5). For instance, enforcing anti-corruption policies can potentially be more difficult in a more fragmented political system, and it may be easier for certain groups to capture policies and institutions within sub-national governments than it may be to capture an entire state (Kolstad et al. 2014: 3). Moreover, regional and local governments might not have strong integrity frameworks in place and could lack the capacity to control spending and procurement, monitor financial movements and avoid conflicts of interests (Kolstad et al. 2014: 3).

Overall, the effect of devolution and decentralisation on corruption is unclear and ambiguous. In some contexts, decentralisation and devolution have led to better synergies between citizens' demands and local governments' initiatives, whereas in other contexts they have led to increased clientelism and state capture (Lecuna 2012: 59; Ardigo 2019: 2; Duri 2021: 4-5).

This ambiguous association between corruption and decentralisation or devolution, it can be argued, speaks of the importance of programmes either directly or indirectly supporting decentralisation being sensitive to the nature of governance and corruption challenges. This Helpdesk answer seeks to identify ways in which corruption has been addressed in decentralisation and/or devolution programmes and assess how current practices fare in reducing corruption at the local level.

Best practices in decentralisation and devolution programmes from an anti-corruption perspective

There are existing principles and standards to reduce corruption at local government level. For instance, [Transparency International's Anti-Corruption Principles and Standards for Local Governance Systems](#) provides guidance for decentralised or devolved governments to address corruption risks (Transparency International 2015). Arguably, devolution and decentralisation programmes with an integrated anti-corruption agenda seek to strengthen adherence to at least

some of these standards for local government systems to prevent and counter corruption.

The first of these principles covers ‘overall general measures’, such as clear institutional arrangements for preventing corruption and strengthening a culture of accountability and integrity. For instance, an independent agency or institution with a specific anti-corruption mandate must be in place. It should have the independence and capacity to investigate corruption allegations, the ability to enforce regulations and, ideally, to formulate and implement wider strategies (Transparency International 2015: 10).

According to Transparency International (2015: 10), public officials should be independent and there should be clearly formulated and comprehensive procedures in place for preventing conflicts of interest (including asset declaration systems) and nepotism. Local governments need an access to information framework, widely distributed data and reporting systems, and adequate participatory mechanisms for all citizens.

In addition to these general standards, eight other identified standards for integrity systems at the sub-national level include the following:

- clear electoral procedures, such as procedures for selecting candidates, freedom of assembly, the presence of a politically independent and reliable election commission and election oversight body, and regulations covering campaign financing (Transparency International 2015: 17-19)
- clear administrative procedures for public procurement, including rules for public tendering, evaluation criteria, third-party validation mechanisms, audits, debarment and lists of sanctions for non-compliance cases (Transparency International 2015: 20-22)
- solid public financial management systems that promote transparency, accountability and citizen participation (Transparency International 2015: 23-26)
- internal controls and both internal and external audit mechanisms, disbursement checks as well as financial controls (Transparency International 2015: 27-29)
- transparent and non-political land ownership and tenure policies (Transparency International 2015: 30-34)
- stable and well-monitored local public service provision, which is a core area of work for local government (Transparency International 2015: 35)
- local justice systems that are free of political interference and capable of upholding the rule of law at the local level (Transparency International 2015: 37-39)
- complaints mechanisms, where reports of corruption can be directed. These can include whistleblower mechanisms, ombudsman offices and grievance redressal mechanisms (Transparency International 2015: 40-43)

Another practical guidance document that can be useful when designing programmes that seek to counter corruption in second or third-tier governments is provided by the [UNDP’s Guide to Corruption-Free Local Government](#) (2016). The UNDP (2016: 2) outlines seven steps to design, implement and monitor anti-corruption at the local government level. These include:

- leadership and commitment: leadership at the local level must demonstrate commitment to preventing and countering corruption, for instance, by establishing a code of ethics and/or an integrity plan that reflects a clear vision of a future with less corruption

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- risk assessment: corruption risks should be adequately understood, and measures should be taken to reflect these risks
- provide adequate resources for local governments and build strong anti-corruption partnerships with civil society organisations, media and businesses
- implement plans for improving integrity in a timely and adequate manner
- establish mechanisms for reporting, investigating and disciplining violations of integrity and ensure protection of whistleblowers
- ensure effective monitoring of the implementation for improving integrity
- integrate data collected from monitoring, record lessons learnt and adjust programming.

Another useful guidance is the [ISO 37001 standard](#), which provides an overview of best tools for bribery risk management that can be applied by organisations of all types including by sub-national governments (See Nicaise 2021). It [lays out](#) requirements and guidance for a management system designed to assist the implementing organisation to prevent, detect and respond to bribery as well as adhere with anti-bribery laws and voluntary commitments applicable to its activities.

The municipality of Granby in Canada has successfully adopted the ISO 37001 standard in its governance framework. For instance, the city council is now responsible for ensuring supervision of the anti-bribery management systems, while the executive oversees its running. In addition, a group of ambassadors and an ISO liaison committee were created to ensure effective communication from different stakeholders regarding the operation and monitoring the system. As a result of the successful implementation of the ISO standard, the municipality reportedly became more equipped to

raise concerns, enhance awareness on integrity issues as well as to ensure compliance with its values and procedures (Nicaise 2021: 15).

Donor-driven decentralisation/ devolution support programmes tend to focus on some of the above issues such as improving the performances of local governments' service delivery capacity, strengthening local governments' public financial management as well as by working to increase citizen participation and influence in policy-making (see, for example, USAID 2015). For instance, it is quite common to see programmes that seek to mobilise communities, enabling them to better monitor their local governments via the use of a social accountability mechanism (USAID 2015: 67).

In some decentralisation and devolution programmes, bottom-up, grassroots-oriented interventions (e.g. social accountability mechanisms) appear to receive more focus than more institutional and systems-oriented interventions. In Rwanda, to mention one example, a study on the lessons learnt from the decentralisation process found that the process had focused mostly on citizen participation while negating some of the corruption and accountability-risks that stemmed from higher levels of regional governments (Ndereba 2017). Attempts to create accountability through increased citizen participation have not necessarily been implemented along with attempts to improve downward accountability of high-ranking officials (Ndereba 2017).

A key observation of this paper is that curbing corruption (whether in central, second or third-tier governments) requires establishing a culture of integrity from above as well as from below (PwC 2016: 4). Mason (2021: 7) calls it the “sandwich approach” to anti-corruption: that is corruption

needs to be fought from multiple angles, with pressure on corrupt governments being applied simultaneously from both from below, above and from “the side” (i.e. through anti-corruption institutions) (Mason 2021: 7-8). According to Mason (2021: 10), donors will achieve results in countering corruption only through the “combination effect” of the various approaches. Hence, decentralisation and devolution programmes that are effective in reducing or preventing corruption could apply this notion of a sandwich approach to promote accountability from both the bottom and the top.

Supporting legal and institutional anti-corruption frameworks at the local level

As pointed out by Transparency International (2015), countering corruption in sub-national governments cannot be done without providing support to institutions that are fundamental to overall measures to curb corruption. One of the most common anti-corruption interventions donors can take is to keep investing in the capacity of anti-corruption institutions, such as anti-corruption commissions, auditors general, law enforcement and prosecution services to support devolution at both national and local levels (SDC, 2020: 15).

For instance, GIZ (2019) has been providing technical assistance and capacity building to the Indonesian Anti-Corruption Agency, the Indonesian Corruption Eradication Commission (KPK). In particular, the project focused on strengthening capacity to prevent corruption in sub-national governments in provinces where corruption risks are regarded as significant (GIZ 2019).

However, as Mason (2021: 9) points out, many capacity building programmes tend to target very specific institutions, and if capacity is built in one institution in isolation of another, the impact can be limited. For instance, a capacity building/training programme may focus on the auditor general, but the impact of just training auditors can remain limited if there is little focus on institutions, such as public accounts committees or law enforcement, that are not equipped to react to the findings of auditors (Mason 2021: 9). In other words, donor anti-corruption institutional support can tend to be somewhat siloed. According to Mason (2021) donors should ensure that they move beyond this siloed approach and instead focus on the entire “accountability chain”. This requires a range of institutions' support to make sure that corruption cases cannot just be detected but pursued, prosecuted, concluded and followed up on (for instance, through reparations). In practice, this will often require technical and financial assistance in a wide range of areas, including forensic accounting, prosecution and enforcement (Mason 2021: 9).

Supporting democratic processes in decentralised and devolved contexts

As already stated, the relationship between decentralisation and/or devolution and corruption is ambiguous and often context-specific (See Kolstad et al. 2014; Duri 2021). Using cross-sectional data from 72 countries, Karlström (2015: 2) argues that democracy is an important intermediary variable between decentralisation and corruption, and that decentralisation reduces corruption in democratic context but increases it in authoritarian contexts. Thus, a natural conclusion flowing from Karlström’s findings is that supporting democratic consolidation in

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decentralising or devolving contexts can lead to a reduction in corruption.

Foreign governments, international organisations and NGOs have often supported the more technical elements in electoral support, such as providing technical assistance and capacity building to electoral commissions or supported democratic transitions via election observation missions (Avis 2019: 6). For instance, the [Drivers of Accountability Programme](#) that supported devolution in Kenya between 2010 and 2015, and from 2016 to 2020, was aimed at improving electoral integrity as well as increasing citizen participation in democratic accountability. Another devolution programme in Kenya, the [Deepening Democracy Programme](#), aims to improve the Kenyan government's accountability to its citizens through delivery of peaceful, transparent and inclusive elections at national and county levels (Foreign, Commonwealth and Development Office 2020a).

However, experience from many years of electoral support show that elections can be a frail process and can actually reproduce corruption, clientelism and conflicts as much as democracy (Avis 2019: 3). Moreover, particularly in post-conflict contexts, democracy is much more than just electoral integrity (e.g. fair vote counting)¹ and, in recent years, best practices have come to focus on supporting more systemic democratisation (Avis 2019: 6).

An example of donor support to more systemic democratisation is the Swiss Agency for Development Cooperation (SDC)'s "systemic

approach", which takes into account both the formal and informal legal and institutional structures, the behavioural patterns and beliefs of central agents and stakeholders as well as the actual performance of implementation (SDC 2020: 20). According to the SDC's experience, governance cooperation needs to be responsive to the realities of each of these dimensions of governance to be effective (SDC 2020: 20). This will require a thorough analysis of the role of all layers of government in the democratisation process as the political economy of local-level processes.

Dahinden (2013), former head of cooperation at SDC, describes a number of recurrent issues/lessons learnt in the Swiss experience with supporting democracy in decentralising settings. For instance, democracy assistance must be responsive to context-specific factors: democracy can never be exported in its original form, and the specific modality by which support to democracy is delivered should ultimately depend on how it can most clearly strengthen local and national ownership of democratic processes (Dahinden 2013).

In contexts where democratisation is a contested process, and where institutions that must be independent are under pressure, donors can play a key role by providing these institutions with capacity or financial support (thus helping to make them independent from potential pressures) (Dahinden 2013), thereby strengthening institutions that may be crucial to addressing corruption in the country.

¹ See for instance, the Bertelsman Transformation Index for indicators on governance: <https://bti-project.org/en/?&d=G&cb=00000>

Strengthening decentralisation and devolution through budget support

One set of interventions that could support more legal and institutionally oriented change in decentralisation/devolution programmes is budget support.² Budget support from bilateral donors has decreased in recent years, with some donor agencies virtually abandoning it (DEval 2018: 2), while others (such as the European Commission) continue to support it. Although the drop in the popularity of budget support has in large part occurred due to fears of corruption, emerging – and indeed quite limited – evidence indicates that budget support has a mixed relationship to corruption (DEval 2018: 3). However, the evaluation synthesis also pointed out gaps in evidence on effectiveness of budget support, as analysed studies showed no evidence that budget support have a systematic negative effect on corruption risks, nor corroborations on whether budget support actually reduces chances of corruption (Deval 2018: 3).

With that said, some budget support proponents suggest that *well-designed* budget support programmes have the potential to strengthen institutional capacity to monitor and sanction corruption. For instance, Dijkstra (2018: 57) highlights a number of budget support programmes that contributed to stronger legislative anti-corruption frameworks, even though there was very limited progress in the overall progress against corruption. In some cases, there may be a recorded increase in corruption during a budget support

programme, but the policy dialogue can help address some of the institutional weaknesses that enable corruption (Dijkstra 2018: 57).

According to the (then) European Commission's Directorate-General for Development Cooperation³ (DG DEVCO, n.d.: 1), the EU's budget support programmes are regularly used to support different types of decentralisation processes and the Commission has identified budget support as an effective strategy for enhancing local governments' accountability, supporting democratisation in decentralised settings and reducing localised corruption (DG DEVCO, n.d.: 4). Budget support programmes can contain a number of specific anti-corruption indicators in their monitoring and evaluation frameworks (see DEVCO n.d.: 33-36 for examples) and, because policy dialogue is key in any budget support programme, anti-corruption can be mainstreamed into the project management cycle.

In particular, what DEVCO calls good governance and development contracts (GGDCs) are believed to be well-suited to cases where a partner needs more systemic governance changes in their sub-national governments (DG DEVCO, n.d.: 9). These types of budget support contracts can assist in designing and implementing legal and institutional frameworks in decentralised or devolved contexts or be used to push for more substantive reforms in line with the principles set out by Transparency International (2015). However, the exact design of budget support contracts and programmes should, according to DEVCO (n.d.: 1), always rely on contextual factors and on good background analysis.

² According to [NORAD](#) (2011): "Budget support is a term used for development assistance where funds are channeled to the partner government using the country's own allocation, procurement and accounting system." According to the EU [Commission](#), it is the "direct financial transfers to the national treasury of partner countries engaging in

sustainable development reforms. These transfers are conditional on policy dialogue, performance assessment, and capacity building."

³ DG DEVCO recently changed name to DG for International Partnerships (INIPA), but will be referred to as DG DEVCO in this case.

While acknowledging the potential of budget support to support good governance in decentralising or devolving contexts, many evaluations of budget support programmes also call for caution. Budget support can be quite underwhelming when government authorities lack genuine commitment and when policy dialogue does not centre adequately around corruption (Dijkstra 2018: 57). For instance, in Burundi, multiple donors have had different agendas with their policy dialogue (Dijkstra 2018:57). The lack of donor coordination on policy dialogue helped undermine results and could potentially have led to an increase in corruption without any real progress in anti-corruption institutional reform (Dijkstra 2018: 57).

In a different budget support programme in Burkina Faso, disappointing results stemmed from inadequate government commitment combined with limited will to address grand and political corruption issues (Dijkstra 2018: 57).

None of these above-mentioned programmes were budget support programmes explicitly in support of anti-corruption at the local level, or during a decentralisation process, but they do nonetheless provide important lessons for budget support programmes that will put anti-corruption at the centre of its policy dialogue.

Local-level public financial management reform

Public financial management (PFM)⁴ reform is an essential element in curbing corruption at the local

⁴ PFM can be defined as “the set of laws, rules, systems and processes used by sovereign nations (and sub-national governments) to mobilise revenue, allocate public funds,

level, and without robust and transparent PFM systems and procedures, decentralisation and/or devolution programmes are unlikely to bring more accountable forms of government (Smoke 2015; Transparency International 2015: 23-27). Without well-functioning PFM systems, national and local governments are unlikely to efficiently use public resources for the common good (Smoke 2015).

Support to PFM tends to be a common practice in donor-funded programmes that support devolution or decentralisation processes. An example is the GIZ’s Decentralisation and Good Governance in Rwanda programme (2016-2018), which focused on fiscal decentralisation and PFM-reform as the second of four overarching themes of intervention. The programme supported the development of legal framework and procedures for local revenue management, mainly by assisting policy-makers in more clearly assigning fiscal responsibilities between different levels of governments and by undertaking capacity development activities in PFM-related areas such as local revenue collection. To this end, the programme created clear guidelines, an easy financial reporting system and electronic solutions for accounting and disseminating revenue statistics. The programme also included training of auditors and other oversight mechanisms. According to GIZ (2017), the programme resulted in increased revenue collection by 60% over the course of three years as well as reduced the districts’ PFM related weaknesses, that may have been prone to corruption.

Another example of PFM-interventions in sub-national governments was the [Governance](#)

undertake public spending, account for funds and audit results” (Lawson 2015).

Accountability Performance Programme project in Uganda, which was funded by United States Agency for International Development (USAID) and the then Department for International Development (DFID, now Foreign, Commonwealth and Development Office). Targeting 40 Ugandan district governments and a number of municipalities, the programme sought to strengthen democratic processes in local governance, develop the capacity for citizens to participate in it and to improve PFM and accountability.

One of the programme's projects was implemented in cooperation with the Government of Uganda and a non-profit organisation, Research Triangle Institute International (RTI International), which provided technical assistance and capacity building of audit committees, with a specific focus on procurement and implementing audit protocols (DAI 2019). When the project started, it initiated dialogue with key institutions at the national level, particularly with the parliament's public account committee to improve the overlap between local and national hearings on local government officials' spending decisions. Over time, this collaboration formalised into hearings at the (national) parliamentary accounts committee at the local level. A similar logic informed collaboration between the public procurement authority and local-level input, thereby providing support to important government institutions for improved auditing and oversight on local governments (DAI 2019).

As a result of the programme's training of authorities on auditing local governments and advise on procurement processes, there was an increase from four to 23 local governments that received a rating of "satisfactory" or "highly satisfactory" from the authorities within one year

(DAI 2019). Such improvements in procurement and audited documents could be seen as step in the right direction to reducing opportunities for corruption.

A key lesson learnt from donor-supported decentralisation and devolution programmes is that implementing sound PFM systems in decentralisation and devolution programmes requires balancing a number of areas (Smoke 2015). For example, it can be critical to strike the balance between oversight from a national, central government and autonomy of a local government. Without oversight from a central government agency, there may be some risk of wasteful spending, whereas limited autonomy risks undermining the rationale behind the whole decentralisation/devolution programme to begin with (Smoke 2015).

For instance, in Nigeria, decentralisation has not always resulted in increased fiscal autonomy, and local governments (which in Nigeria are the third tier of government) are often dependent on state governments (i.e. the second tier of government) for funds. Most local governments lack any sort of fiscal autonomy, and many state governments often leave local governments with levels of funding that barely cover basic operational expenses (Hassan and Iwumadi 2018: 14). Because state assemblies have to confer power to local governments, they often end up exercising tasks that are typically associated with local governments' PFM, including usurping some of the local governments' revenue collection functions (e.g. parking tolls, local taxes). At the same time, they keep local governments underfunded. In such cases, the lack of independence and autonomy for local governments to undertake PFM has removed, rather than added, a link of accountability.

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The ability of local governments to control spending are also severely limited, and the actual audit reports are often not available (Hassan and Iwumadi 2018: 39). As a result, corrupt actors can relatively easily misappropriate/embezzle funds or have conflicts of interest without the public's knowledge (Hassan and Iwumadi 2018: 39). This translates directly into lower quality service provisions. For instance, in the area of education, where embezzlement of school funds are relatively common, teachers can experience irregular salary payments (Hassan and Iwumadi 2018: 40).

The reverse scenario, where local governments have free rein to define their own PFM practices, may not always lead to better solutions (Smoke 2015). In many cases, without the high PFM standards, it cannot be expected that local governments will be adequately capable of providing fiscal reports.

Use of social accountability mechanisms

In addition to the above-mentioned interventions (focusing on institutions, capacity building and policy dialogue) anti-corruption campaigners have advocated for a number of accountability mechanisms with the potential to strengthen the capacity of citizens to hold government entities accountable (Ardigo 2019: 3). Social accountability mechanisms is a description for approaches that seek to involve citizens directly in efforts to enable policies and services to better fit their needs (Naher et al. 2020: 77). Social accountability mechanisms presuppose that citizen participation in policy processes can lead to more transparency in government and increase incentives for a government to counter corruption.

Social accountability mechanisms constitute a “short route” to accountability between citizens and service providers (Ringold et al. 2012: 5). These direct links between communities and service providers give citizens what the World Bank has called client power: the power to directly influence service providers (Ringold et al. 2012: 5).

Accountability in this sense means that the governments' actions are subjected to citizens' oversight and that it has to justify and answer for its actions to the people whose lives' its policies affect (Ardigo 2019). Accountability needs to involve both a transfer of information, acting on that information and a way to correct course if the performance is not adequate (Ardigo 2019: 3).

It is not possible to provide clear, universal evidence of whether social accountability mechanisms work to reduce corruption or increase accountability or transparency in local governments. The reason for that is that the evidence for what works is highly context-specific (Ardigo 2019: 3). That said, there is some evidence that social accountability mechanisms can have a positive effect on better service provision at local level (see Muriu 2013).

According to the World Bank, social accountability mechanisms can be divided into two broad categories: information-based interventions and grievance redress mechanisms (Ringold et al. 2012: 6). As conveyed in the wording of the concept, information-based interventions seek to improve information flows between citizens and policy-makers, while grievance redress mechanisms typically provide an independent channel for reporting corruption. In addition to these two categories, one could arguably add a third category where citizens directly affect policy planning and formulation or monitor budget execution. It is

important to note that no one social accountability mechanism is perfect on its own, but they may become more effective when combined to strengthen each other (Ringold et al. 2012: 94).

Below is a list of current practices that can potentially be applied in decentralised settings to enhance accountability and prevent or reduce corruption.

Citizen charters

A citizen charter is a public document that clearly delineates and specifies the obligation of a local or national government towards its citizens. It provides clear information on what standards of services citizens should expect from the government, by stating available government services, the procedures involved in getting them and aspects such as potential fees (Khadka and Bhattarai 2012: 13; Burai 2020: 9). For instance, a charter can provide information on what medical facilities and services citizens can expect to be available, or the exact procedures involved in obtaining identity documents from local administration offices (Khadka and Bhattarai 2012: 14). A sub-category of citizen charters is the so-called entitlement checklists, which provide a clear overview of government entitlements (e.g. pensions, relief) (Khadka and Bhattarai 2012: 18).

Citizen charters are widespread in high-income, middle-income and low-income contexts. For instance, the Indian government has a department (the [Department of Administrative Reforms and Public Grievances](#)) dedicated to implement and monitor citizen charters. Citizen charters can also be implemented under pressure or upon the initiative of outside actors, such as NGOs or donors. An example was the [World Bank Citizens' Charter Afghanistan Project](#), which used citizen charters as a way to establish local-level

accountability mechanisms throughout Afghanistan (World Bank 2016). Another example is the implementation of ActionAid's projects in [drought affected communities in Kenya](#).

There is no clear-cut, cross-country evidence of the effectiveness of citizen charters as a tool because their efficiency seems to rely on the way that they are implemented (Nigussa 2013). For instance, Naher et al. (2020: 82) finds that citizen charters have often been implemented in a number of local governments across South and Southeast Asia with limited effect. The impact of citizen charters were often found to be limited due to a lack of awareness about them, because they were not easily accessible and because they had not been widely circulated. In most of these cases, the drafting and implementing of the citizen charter was a government led process, and the drafting of them had limited inclusion from citizens and communities (Naher et al. 2020: 82). Ironically, citizen charters did not have their intended effect exactly because the approach to them was driven too much by top-down logic.

Similarly, in a randomised control trial from the educational sector in Jaunpur district in Uttar Pradesh, Banerjee et al. (2010) tested the possibility of information-based social accountability interventions on parents' and communities' involvement in the primary school system. When it comes to primary schools, Uttar Pradesh is one of the worst performing states in India, with low levels of literacy and a prevailing issue of absenteeism among teachers (Banerjee et al. 2010). They found that merely informing citizens of the availability and procedures of public services had no significant impact on citizens' (parents) involvement in the primary school system. The authors suggest that information-based mechanisms are not sufficient for increasing citizen involvement. This could be because parents

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of school children are too pessimistic about the likelihood of their involvement leading to change (Banerjee et al. 2010: 5). Meanwhile, they found that implementing reading camps was remarkably effective, suggesting that effective collective action needs either some form of “specific pathway” for citizens to influence outcomes (Banerjee et al. 2010: 27) or a confidence that institutions involved will respond to it.

Participatory budgeting and participatory planning

Participatory planning is the involvement of target/beneficiary communities and citizens in the policies and initiatives that have an effect on them (Ardigo 2019: 15). It is, in other words, a process where citizens are involved in budgeting decisions and/or spending. This can include influencing a part of the budget and monitoring its execution using mechanisms such as social audits (Ardigo 2019: 15). The concept is relatively straightforward: planning meetings are participatory in nature and civil society organisations and citizens get a substantive and meaningful say in the planning of policies (Khadka and Bhattarai 2012: 87), as well as increase citizen oversight of public spending.

Madhovi (2020) studies the impact of participatory budgeting in Goromonzi District Council in Zimbabwe, implemented as a response to persistent fiscal issues in the local administration. These challenges included a number of revenue mobilisation issues such as non-payment of taxes and difficulties in executing, monitoring and evaluating the budget (Madhovi 2020: 141). Goromonzi District Council convened a number of annual budget consultations with various stakeholders, including development committees, businesses, churches, youth and women’s groups, representatives from informal sectors and more. During these meetings, revenue figures, draft

budgets and other key information were presented. Subsequently, participants were invited to provide input and draw up a priority list which would be used as part of the final budget review (Madhovi 2020: 151).

Overall, the use of participatory budgeting appears to have had a positive impact on public financial management in Goromonzi for two main reasons. First, the use of participatory budgeting successfully contributed to its primary objective as revenue collection increased 150% from 2014 to 2018 (Madhovi 2020: 153). Secondly, the budgeting process was perceived positively by a slight majority (55%) of participants, while 40% were dissatisfied (Madhovi 2020: 152). One of the issues Madhovi (2020: 156) pointed out was that there were still many citizens who were not part of the process, limiting the extent of true local ownership.

A review of existing evaluations on participatory budgeting (n = 24) found evidence for the suggestion that participatory budgeting *can* be a strong tool for improving transparency, accountability and improving services, but certainly does not have to be (Campbell et al. 2018). For instance, the evidence as to whether participatory budgeting led to increased participation by groups with limited participation in policy processes is very mixed. When it comes to the impact of participatory budgeting on services, the majority of evaluations have found a positive effect of participatory budgeting on both local tax revenues and public spending on public services (Campbell et al 2018: 7-9).

However, there are also negative evaluations, including some that found no effect, and one study that actually showed that low-income groups could potentially lose from participatory budgeting

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(Campbell et al. 2018: 9). When it comes to public health, evaluations of participatory budgeting have tended to show mixed but mostly positive outcomes (Campbell et al. 2018: 9). Nevertheless, one significant issue with the evidence-basis around the effectiveness of participatory budgeting is that most methodologically rigorous studies and evaluations stem from South America, and particularly Brazil (Campbell et al. 2018: 9).

Arguably, participatory planning and budgeting both run the risk of being box-ticking exercises where citizens simply approve of plans already made (Khadka and Bhattarai 2012: 87). Another risk involved in the processes is that the citizens who attend planning or budgeting processes are not actually representative of the entirety of their communities but have certain interests as well. Furthermore, involving communities in very technical decisions (that is planning and decisions that require substantial expertise) has in the past worsened the quality of a project (Ringold et al. 2012: 54). Communities, for instance, do not necessarily add value when it comes to planning the technical aspects of infrastructure projects. Here, actual engineers and project managers are better suited for the job (Ringold et al. 2012: 54).

Social audits

A social audit is a type of audit that focuses on whether an organisation (in this case a decentralised or devolved government entity) meets its social goals. Social audits are carried out in participation with community members, who get to compare the extent to which the service provided (e.g. local government services) has been delivered in line with what is expected (World Bank 2012: 9). In other words, a social audit is a type of information-based intervention in which the assumption is that direct scrutiny by communities

will incentivise policy-makers and service providers to behave with integrity and honesty (Ringold et al. 2012: 54).

Social audits have been implemented by anti-corruption civil society organisations in countries around the world, with Transparency International chapters in Guatemala, Peru, Kenya and Ghana having used the tool to counter corruption in local government. In these examples, local audit commissions and volunteers were trained in how to identify non-compliance and fiscal irregularities in their local government (Transparency International 2018: 4). In Kenya, TI Kenya implemented social audits to strengthen citizen oversight in the health and training and educational sectors in a number of counties. The process effectively uncovered a series of issues in Vihiga county such as staff shortages, budgetary challenges, ineffective compliant mechanisms and lack of public participation in decision making (TI Kenya 2020: 2-3).

In addition to these examples, evidence suggests that social audits can be an effective tool to shed light on corruption as well as a potential tool for a dialogue with local governments on how to better curb it (Naher et al. 2020: 82). In some cases, social audits have paved the way for prosecutions (Transparency International 2018). In Nepal, where the mechanism has long been used, social audit committees have been used to disseminate findings from the social audit within stakeholder communities. Local action plans have also been developed with an eye to improving the governance. This appears to have had a positive impact on service provisions and governance in the health sector (Naher et al. 2020: 82). Tambe et al. (2016: 185) shows that the development of social audit processes in Sikkim, India coincided with a fall in irregularities of devolved development funds

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from 1.74% of expenditure to 0.40%. In Ghana, social audit clubs were effective in identifying fraud with construction materials used to build schools (Transparency International 2018: 14)

Scorecards

Community score cards is a sort of survey that score citizens' satisfaction with the institutions responsible for delivering services (Khadka and Bhattarai 2012: 51). The process of using a scorecard as a social accountability mechanism should also involve some sort of meeting between citizens and governments on how to follow up on the result (World Bank 2012: 9). A follow-up meeting will often result in an action plan for how to improve services (Khadka and Bhattarai 2012: 52). Prior to such a meeting, it is important for both service receiver and provider to scrutinise the budget, so there is a common baseline understanding of the constraints involved (Khadka and Bhattarai 2012: 51).

Ideally, and when dialogue results in a consensus, community scorecards can help identify issues and be a joint way to find a way to address the issues (Khadka and Bhattarai 2012: 52). Though evidence is still limited, scorecards have been found to be useful tools to monitor and service provision (Naher et al. 2020: 90). Experimental evidence from the health sector in Uganda showed that scorecards can substantially improve provision of health services, leading to some rather impressive overall health improvements in the communities where they were implemented (Ringold et al. 2012: 54-56). However, in Rwanda, where so-called citizen report cards were used in an Enabel-funded decentralisation programme, evaluations questioned whether scorecards provided truly relevant information. The concern was that scorecards provided more of a snapshot of local

perceptions than of an objective measure (van Dijk et al. 2020: 5). Hence, scorecards may not be ideal in situations where freedom of speech and other civic rights are restricted.

Integrity pledges

An integrity pledge is a commitment/pledge by civil servants, political candidates and other members of public life to adhere to certain integrity standards (France 2019: 2). Integrity pledges sometimes contain promises of implementing particular social accountability mechanisms or living up to a certain governance principle. In theory integrity pledges can be particularly powerful tools to prevent corruption in local politics (France 2019: 5). However, there is limited empirical evidence to suggest that integrity pledges have a measurable effect on corruption. Integrity pledges are indeed non-binding and are meant to be one instrument among many others (such as asset declarations) (France 2019: 4). Integrity pledges are at best a secondary instrument to prevent corruption and should probably be thought of as a way for anti-corruption campaigners to undertake advocacy.

Complaints mechanisms

Grievance redressal mechanisms come in many shapes and forms. Grievance redress mechanisms, or complaints mechanisms, are critical "last resort" accountability mechanisms at the decentralised level (Ringold et al. 2012: 11). They are systems for reporting dissatisfaction, abuse or corruption and to demand a remedy (Ringold et al. 2012: 69). Examples include ombudsman institutions, courts, mechanisms within a responsible agency or tribunals (Ringold et al. 2012: 70)

It is essential that local authorities set up mechanisms that citizens trust and know how to use. It is also critical that access to this mechanism

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is given to everyone, as some, particularly marginalised groups, may fear potential repercussions from filing complaints (Khadka and Bhattarai 2012: 65). To ease the potential fear of an individual, a good practice is therefore to also make it possible to complain via a civil society organisation or a community based platform (Khadka and Bhattarai 2012: 66). Whether the complaint is handled inside the organisation or referred to a third party, complaints should be reviewed by some institutional structure that can guarantee independence, reliability and timeliness (Transparency International 2016: 6-8). Preferably, they should contain a mechanism for correcting course and correcting the situation that, given the complaint was fair, led to the aired grievance (see Ardigo 2014; Zúñiga 2020). Complaints mechanisms also need to be subject to compliance monitoring (Transparency International 2016: 8).

Digital complaint mechanisms are a potentially easy way for victims of corruption to report crimes anonymously and without fear of reprisal. Digital complaints mechanisms are also a strong tool for collecting data on corruption and gathering evidence and monitoring issues, such as whether service delivery requires bribes or facilitation payments (Ardigo 2019: 8). Ultimately, the data generated from them, if public, can be used to advocate for reform and for informing more systemic anti-corruption interventions.

As with all forms of grievance redressal mechanisms it is important that electronic corruption complaints lead to action, such as investigation or scrutiny. It is also critical that the reporter does not suffer retaliation for their complaints (Ardigo 2019: 8).

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The U4 anti-corruption helpdesk is a free research service exclusively for staff from U4 partner agencies. This service is a collaboration between U4 and Transparency International (TI) in Berlin, Germany. Researchers at TI run the helpdesk.

The U4 Anti-Corruption Resource Centre shares research and evidence to help international development actors get sustainable results. The centre is part of Chr. Michelsen Institute (CMI) in Bergen, Norway – a research institute on global development and human rights.

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