

## **12<sup>th</sup> International Anti-Corruption Conference**

### **“Transparency Indexes for Public Institutions” Concepts behind the Colombian experience**

#### **Background**

At the beginning of the 2000 decade, Transparencia por Colombia (TxC), the Colombian national chapter of Transparency International, understood:

- In the one hand, that with the serious information available, the problem in Colombia, rather than petty corruption was located within intermediate administrative corruption and state capture. Intermediate administrative corruption associated to institutional processes such as public contracting, budget administration and human resource management.

- In the other hand, that the tools available in the international scene – such as TI’s Corruption Perception Index CPI, the National Integrity Systems NIS case studies, the World Bank Institute Good Governance surveys and other specific case or sector studies-, had been good enough for awareness raising, offering a general approach and mainstreaming the issue of corruption-, but in order to move forwards the anticorruption agenda at country level, there was a clear need for more specific, dynamic and comprehensive tools.

In conclusion, TxC decided to undertake a long-term strategy to measure risk of corruption based on Intermediate administrative corruption associated to institutional processes and ranking so public institutions at different country levels. And to leave state capture measurement to be undertaken with other tools, very much aware of its difficulty.

## Conceptual Framework

Initially conceived as *Integrity Indexes*.

Even though Integrity is a characteristic of individuals, an institution that favours integrity: (i) creates conditions that encourage in its members virtues inherent to integrity and, (ii) develops mechanisms that enable the reflection of the concept of integrity by its members on a fair administration.

A higher level of institutional integrity is associated to a lower level of corruption risks. Corruption risk is understood as the probability of corrupt practices occurring in an institutional environment.

The concept of *Integrity* that TxC used to build the Index is a combination of John Rawls and Transparency International notions. It borrows from Rawls elements inherent to integrity and from Transparency International institutional nature aspects. Even though, it may be inferred that the integrity of individuals does not suffice for the integrity of institutions, for TxC an institution shows integrity only if it is capable of channelling the feelings of integrity of its members towards the accomplishment of goals that are fair to the extent they are unbiased. TxC acknowledges with Rawls, that integrity is a quality of individuals, but this starting point does not invalidate the extension of the concept to institutions.

In summary, an institution favours integrity, firstly, *if it creates the conditions that encourage in its members those virtues inherent to integrity* (truth, candidness, cautiousness, clarity, commitment and authenticity) and, secondly, *if it develops mechanisms that enable the reflection of the concept of integrity by all of its members on a fair administration* (unbiased and efficient).

As a very interesting evolution of the systematic Integrity Index releases political impact, the discussion with higher officials in the government as well as in the Watchdog agencies, got more and more centred into the definition of Integrity and its pertinence for qualifying public institutions. Since TxC rather than being a Think Tank or an Academic group has a more pragmatic approach, decided after a careful discussion about pros and contras, to continue with the tool as

it was conceived but calling it Transparency Index. In this manner the public opinion debate was able to continue centred in the objective performance of the institutions rather than in the concept behind the tool

So currently the tool has evolved to Transparency Index, where a transparent institution is the one that:

- has clear rules for the fulfilment of its responsibilities and abides rigorously by them
- ensures accountability by those who serve or represent others (public servants)
- provides public information that is comprehensible, timely and verifiable
- includes citizen participation in the formulation of public policy and in the oversight of its implementation.

## **What does TxC measure with the Index?**

Levels of transparency in national, departmental and municipal public institutions in Colombia, through the application of indicators that help identify corruption risks.

- Evaluated Areas:
  - Visibility: Determines the level of publicity and accountability of the institution about its mission, its procedures and its performance.
  - Sanctions: Establishes the number of sanctions imposed by watchdog agencies on public servants.
  - Institutionality: Determines the level of organization, rules, controls established by the institution in order to pursue its goals.

- Additional Area evaluated in the Municipal Index:
  - Citizen Participation: Evaluates the efforts made to promote citizen participation in public decisions and performance oversight.
- Visibility: Understood as publicity of public actions and as access to official information by citizens. The greater the visibility, the better the exposure of official actions, the improved access to information and better surveillance; consequently, less corruption risks.
- Sanction: Timely and effective punishment for the faults of public servants, including fiscal and disciplinary sanctions imposed by watchdog agencies and internal control departments. High sanction levels will increase the costs of corrupt practices for public servants and private agents. By modifying the cost-benefit ratio of performing corrupt actions, the incentives to perform such acts will be reduced.
- Institutionality: the existence of procedures and processes defined in a clear and simple manner and strictly applied, enable a smaller discretionallity margin, therefore reduce opportunities for corruption.
- Citizens Participation: An administration with close involvement by citizens, where their opinion is taken into account and where citizens are able to exert social control, also reduces the discretionallity margin and prevents corruption.
- The index initially combined indicators based on objective data with others based on perception information. Afterwards it was decided to calculate it only with objective data, and use the perception for contrasting purposes.

## **How are the results being received?**

- By the evaluated Institutions:
  - Notorious respect for the public exposure associated to the results.
  - Debate about the methodology, that has served as an input for the tool's adjustment
  - Use of the results to take institutional measures that allow them to get better results in the Index

-Value assigned to the fact that the tool is implemented by an independent CSO

- By other Civil Society Organizations:

- Reluctant to accept reliability of official data.

- Insistence on measurement of corruption rather than corruption risks.

- Interest in association with the chapter to use the results for public debate, in particular at the sub-national level

## **Challenges**

- To find new areas and more acute indicators that induce renewed efforts of improvement on the part of the public institutions.

- To depend less on the measurement of formal aspects and find the way to move towards the measurement of practices (try to approach state capture)

- Gain many more allies from civil society into this initiative, to reinforce the indexes' capacity to mobilize public debate on the need for anticorruption measures and policies

- Find a way to measure the other pillars of the NIS, where the lack of available information makes it a much bigger challenge

## **For More Information**

**[www.transparenciacolombia.org.co](http://www.transparenciacolombia.org.co)**