Anti-Bribery Standards, Systems and Strategies for Optimising Engineering Projects Delivery

Authors: Martin Manuhwa

1 WFEO, cac@wfeo.org; 2 FAEO, mmanuhwa1@yahoo.com; 3 ECZ, benrafemoyo@ecz.co.zw

Abstract:
Corruption is one of the greatest obstacles to the development of safe and adequate infrastructure. Project funds are diverted to corrupt officials, funders, contractors, consultants, suppliers and agents. Corruption occurs in all nations, both developed and developing countries, in public and private sectors, as well as non-profit organisations (GIACC, 2010). The problem of corruption within or across nations is not a recent phenomenon, nor is it exclusively a Third World problem.

Solutions - Methods / Results - Findings
The total loss and impact to corruption is difficult to quantify. Corruption imposes great human, economic and project cost losses to the public. The harmful effects of corruption are most severe on the poor in the developing world like who are in most cases hardest hit by economic decline, are most reliant on the provision of public services, and are least capable of paying the extra costs associated with bribery, fraud, and the misappropriation of economic privileges. Consequently, tackling corruption in the construction sector requires the elaboration of a comprehensive strategy that involves efforts from all stakeholders, including public sector, private companies and consumers. The study was a mixed methodologies survey which balanced qualitative and quantitative methods. This was meant to triangulate data obtained from a wide range of stakeholders concerned with corruption in the construction and engineering sectors in Sub-Saharan Africa. It employed three instruments in its approach: i.e. the Infrastructure Anti-Corruption Index Survey Questionnaire, the Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire and the contextualised qualitative interview questionnaires. The first instrument was administered online to gather data regarding the identity of the respondents and their views/beliefs and perceptions of corruption. The second instrument was partly self-administered but was designed to measure effectiveness of methods in place at various stages of construction projects to avert corruption. A cognitive interview approach was used to ensure reliability, validity and integrity of the data collected.

Some of the most effective anti-corruption strategies as proposed by stakeholders were to increase political accountability, strengthen civil society participation, create a competitive private sector, improve public sector management as well as put in place institutional restraints on power. The WFEO national members are therefore, urged to support the ISO37001 as a requirements standard so as to effectively minimise corruption.

Keywords: anti-bribery standards, anti-corruption strategies, infrastructure projects delivery, optimisation of policies.

Graphics:

Box 1: Thirteen features that makes infrastructure projects prone to corruption
1. Size of the project – projects vary considerably in size. Large complex projects such as hydro electric dam create ample opportunity to hide corrupt acts.
2. Uniqueness of the project – projects are often one-offs which makes it difficult to compare costs, which in turn makes it easier to inflate costs or hide corrupt actions.
3. Government involvement – governments either own infrastructure or regulate its development. Where there are insufficient controls it can be relatively easy for officials to extract bribes.
4. The number of contractual links – these provide opportunities to offer a bribe for a contract award or for payment to be made.
5. A high number of project phases makes oversight difficult.
6. Project complexity creates uncertainty in how to manage problems. This creates opportunities to submit unjustified claims or inflate claims for payment.
7. Projects come at irregular intervals, creating pressure to win new contracts.
8. Work is concealed – many (physical) components in construction are concealed by other components. Lack of strong supervision creates the opportunity to conceal defective work or use cheaper components.
9. A culture of secrecy – there is no culture of transparency in the sector.
10. Extranational interests – companies often have entrenched positions in the market place, often cemented by bribery.
11. No single organisation governs the industry – each of the myriad professions or trade have different codes of conduct and levels of enforcement of these codes.
12. Cost of integrity – corruption is an accepted norm with organisations unwilling to change the status quo as they risk losing out to less scrupulous competitors.
13. Lack of due diligence by financing bodies: on the participants of an infrastructure project allows corruption to continue.