2014
U4 ANTI-CORRUPTION RESOURCE CENTRE
ANNUAL REPORT
Part 1: Themes, training and workshops, expert answers, staff, accounts
WE CAN’T LET CORRUPTION WIN THE RACE

Boris Divjak, U4 Director

Much research evidence shows that corruption levels globally are not dropping. As we expand our understanding of illicit financial flows, money laundering, etc., widespread petty corruption appears comparatively marginal. Aid agencies are coming up with strategies and tools to combat corruption, but the crony networks appear one step ahead. What does it take to keep corruption from destroying sustainable development?

It can be an eye-opener for many development practitioners and local partners at U4’s in-country workshops to learn exactly how much is at stake due to corrupt actions. Here at U4, we are constantly building our knowledge of how to identify and prevent corruption, and can therefore provide tailored guidance on where to start in a specific setting. No matter how bleak the outlook may seem, there are always several feasible actions where donors and other actors play an important role to help improve the situation.

SUPPORTING LOCAL PROCESSES THROUGH U4 WORKSHOPS

In Lima, Peru, participants at a U4 workshop addressed corruption in the health sector. They analysed what has and has not worked thus far. The discussion was not limited to the role of state actors in strengthening integrity and transparency, but investigated corruption risks in the medicine supply chain and public-private partnerships. A new Ministry of Health’s anti-corruption plan took shape at the event with a clear mission and agenda, and the participants from government, civil society, and donor agencies understood the purpose and action they needed to take. Three follow-up publications will support the new institutional anti-corruption plan, also with U4’s input.

ANTI-CORRUPTION GUIDELINES FOR MINERALS AND FORESTRY

Illegal logging and minerals extraction enrich the ruling elites. But to what extent does it damage the eco systems, affect the indigenous population, and exterminate endangered species? U4 took a step back from the macro calculations of the unfair income distribution from these activities to present a broader picture of costs. We looked at the forestry sector in the Democratic Republic of Congo – one of the most fragile countries with the weakest institutional capacity. The Congo River basin, alongside the Amazon, is the lung of the planet and its inhabitants. Understanding who the stakeholders are in the Congo, and what methods and sanctions can prevent unsustainable and illegal practices, is as important in forestry as in extractive resources. Our publications on e.g. forest carbon rights, investment policies, and environmental laws offer decision makers and the donor community a set of guidelines applicable in DRC and elsewhere.

MEASURING AND UNDERSTANDING CORRUPTION BEYOND PERCEPTIONS

To what extent do we understand and measure the phenomenon of corruption? Most existing measurement tools tell us how selected groups perceive corruption, without giving us any substantial information about the various forms of corruption. U4 and DFID recognised this challenge and organised a competition that culminated in the Proxy Workshop in Bergen in February 2014. Practitioners and academics came together to discuss new, innovative ways to measure corruption, such as how to use media articles and government reports to extract ‘harder’ data beyond opinions. In our Proxy Challenge series, we test new tools and methodologies that can help practitioners monitor success and demonstrate impact of anti-corruption efforts. Seeing sanctioning mechanisms in place that actually lead to corruption prosecutions inevitably helps improve perceptions.

There are no quick fixes. As laws and initiatives take years to come into place, yield results, and be evaluated – research also requires a long time-horizon. U4 and the partner agencies in Australia, Belgium, Denmark, Finland, Germany, Norway, Sweden, and the UK join a growing number of institutions and activists in a collaborative effort to achieve better governance without corruption.

*Switzerland is also likely to join the partnership in 2015.
The event in Stockholm illustrates the breadth of U4’s thematic expertise. The aim of the in-depth discussions between U4 advisors and the Swedish development aid agency (Sida) staff was to discuss how donors can address corruption issues. We tailored the event to topics that interested Sida staff, and it would not be the same if held elsewhere. But the overarching objective of reducing the negative effects of corruption on development outcomes is shared across U4’s target audience. Our diverse expertise is a strength, because we can help practitioners within many fields.

The U4 team of advisors currently work on nine specific themes, which often intersect. Corruption affects all sectors, linked to anything from illegal logging to illicit financial flows, and can occur in the aid programmes themselves. Our publication series, partnerships, and presentations at events cover topics that usually fall within one of our main themes. But the U4 online repository with over 450 publications from 2003 onwards, presents several more topics that are relevant for development practitioners and actors within anti-corruption. Examples include the United Nations Convention against Corruption, money in politics, anti-corruption agencies, public financial management, and procurement.

THEMES 2014/2015

The following pages present our thematic work in 2014, together with details of forthcoming resources and activities in 2015.

- International drivers of corruption
- Corruption in natural resource management
- Redd integrity
- Justice sector
- Evaluation & measurement
- People’s engagement
- Anti-corruption approaches in sector work
- Fragile states
- Corruption and aid
INTERNATIONAL DRIVERS OF CORRUPTION

www.u4.no/themes/international-drivers-of-corruption

Foreign bribery, tax avoidance and evasion, money laundering, and general illicit financial flows counteract the potential benefits of development aid. U4 presents the challenges and approaches that are relevant for aid agencies.

As Africa rises, new political- and business elites and tax havens emerge and threaten to retain the benefits of expansion for themselves while suppressing further progress. U4 has accumulated important insights on illicit financial flows (IFFs) and why they should be a concern for development actors. In 2014 we specifically analysed tax avoidance and evasion, foreign bribery and IFFs, but also looked to empower the donors with a better understanding of the processes and the international mechanisms as well as to assist with asset recovery.

A U4 workshop in Nepal specifically addressed IFFs in the hydropower sector. We also shared our knowledge about how financial and commercial transactions can undermine development efforts and need to be addressed. This was done at a Danida headquarters seminar, in blog posts, and other events (e.g. the UNODC Meeting on Curbing Foreign Bribery in ASEAN Countries, and at the Cambridge Symposium of Economic Crime).

Impact of foreign bribery legislation on developing countries and the role of donor agencies
This analysis of literature and practice provides insights into factors that may help developing countries benefit from foreign bribery laws and minimize negative externalities. Lack of capacity, lack of political will, and weak flows of information emerge as key obstacles.

PUBLISHED/FORTHCOMING IN 2015

Financial intermediaries – anti-money laundering allies in cash-based societies?
Passas, N. (U4 Issue)

Cashing in on regulatory simplification: Do the investment climate reforms pay off?
Coolidge, J. and Divjak, B. (U4 Issue)

Blogging

The impact of foreign anti-bribery laws on the demand-side countries

UNODC: Assessing Corruption Risk in Public Procurement
De Simone, F. (FCPAméricas Blog, May 13, 2014)

Are Foreign Bribery Laws good or bad for Developing Countries?
De Simone, F. (U4 LinkedIn group on International Drivers, Sep. 9, 2014)
CORRUPTION IN NATURAL RESOURCE MANAGEMENT

www.u4.no/themes/natural-resource-management

U4 explores how transparency and accountability institutions can be more effective in ensuring good governance of natural resources.

A U4 Brief on the impact and effectiveness of transparency and accountability initiatives in the extractives sector identifies important knowledge gaps and policy challenges that are relevant for the Extractive Industry Transparency Initiative (EITI). EITI aims to increase public awareness around management of non-renewable resources, to reduce opportunities for corruption, and to prompt greater oversight of the industry. Several forthcoming publications deal with further issues related to extractives, as well as wildlife trafficking and illegal fishing.

In 2014, we held workshops on corruption risks in the mining sector, and on illicit financial flows related to hydropower in Ethiopia and Nepal, respectively. You can read more about these events under training and workshops.


The Extractive Industries Transparency Initiative: Impact, effectiveness and where next for expanding natural resource governance?

The last decade has witnessed a proliferation of initiatives to improve the governance of the extractives sector. Starting with the Kimberly Process Certification Scheme in 2003 and continuing with the Global Witness/Publish What You Pay Coalition and the Extractive Industries Transparency Initiative (EITI), several bilateral and multilateral donors have dedicated significant funding to improving transparency and accountability in the management of oil, minerals and gas. A driving motivation behind such efforts was to increase public awareness regarding the management of non-renewable natural resources, to reduce opportunities for corruption between the public and private sector, and to prompt greater external oversight of the industry.

FORTHCOMING IN 2015

Corruption and wildlife trafficking
Wyatt, T. and Cao, A. N. (U4 Issue)

A meta-study on corruption’s role in wildlife trafficking based on available literature, interviews with experts, and a case study of Vietnam. The study will highlight concerns for bilateral donors in regards to conservation, environment and law enforcement programmes.

Anti-corruption measures and mining in protected conservation areas
Beevers, M. (U4 Brief)

Protected areas are increasingly threatened by global demand for land and natural resources, including the large-scale mining of minerals and metals. Corruption is sometimes to blame. Government officials grant permission for companies to mine illegally or ignore the impacts of large-scale mining adjacent to protected areas. Governments also alter environmental laws or the status of protected areas to allow for large-scale mining, which opens up the potential for corruption. International donors play a key role in addressing corrupt practices and guarding against future corruption that threatens protected areas.

Anti-corruption and the role of junior mining firms
Dougherty, M. (U4 Issue)

Mainstreaming anti-corruption in the extractives sector
Williams, A. (U4 Issue)

State-corporate crime and the international fight against IUU fishing
Standing, A. (U4 Issue)
In May, U4 participated in a panel debate on “Climate finance integrity: How can we deal with corruption risks and what can we learn from REDD+?” We held a seminar in Oslo on “The political economy of REDD+ and corruption: Lessons from U4’s REDD Integrity project.” Both events brought together practitioners working on governance, anti-corruption and forest/climate aid. We also continued to provide inputs to the UN-REDD Programme work – commenting on their global guidance document on REDD+ corruption risk assessments. U4 also gave inputs to Transparency International’s UNDP-supported e-learning module on REDD.

A review of existing donor corruption risk assessments (CRAs) for REDD+ programmes resulted in a publication that introduces development practitioners to how CRAs can be approached. We have also produced political economy country studies assessing anti-corruption options for REDD+ implementation. The studies now cover Kenya, the Philippines, Indonesia and the Democratic republic of Congo. Forthcoming are studies on Vietnam and Tanzania. We also released a REDD+ synthesis report that collects the most important lessons and policy advice for practitioners.

**The political economy of REDD+ in Kenya: Identifying and responding to corruption challenges**
This U4 Issue, based on primary research in Kenya, describes the main corruption challenges in the forestry sector and concerns regarding the integrity of a national REDD+ initiative.

**Using corruption risk assessments for REDD+: An introduction for practitioners**
This U4 Issue considers two recent approaches to corruption risk assessment for REDD+ in the Democratic Republic of Congo and the Philippines. The intention is to provide development practitioners who may be unfamiliar with the study of corruption, or with the methods employed by CRAs, an overview of the approaches currently available for REDD+ schemes.

**The political economy of corruption and REDD+: Lessons from the Philippines’ pilot sites**
This U4 Issue draws on fieldwork from two REDD+ pilot sites to assess current governance and anti-corruption safeguards related to benefit-sharing, land tenure rights for indigenous peoples, and private sector involvement.

**Corruption risks and experiences in REDD+ financial benefit sharing mechanisms**
Financial benefit sharing is designed to distribute REDD+ revenues to forest users in order to provide them with more lucrative income-earning opportunities than those gained by felling trees.

**PUBLISHED/FORTHCOMING IN 2015**

**REDD integrity: An evidence based approach to anti-corruption in REDD+**
Addressing corruption in REDD+ requires a broad approach to accountability and not one merely focused on protecting REDD+ financing.

**Forest carbon rights and corruption: What donors can do to minimise the risk**
Downs, F. (U4 Brief 2015:1) 4 p.
Assigning forest carbon rights is crucial for any effective REDD+ system.

**Towards REDD+ integrity: Opportunities and challenges for Indonesia**
This U4 Issue assesses the extent to which recent reforms in Indonesia address corruption risks in REDD+.

**National-level corruption risks and mitigation strategies in the implementation of REDD+ in the Democratic Republic of the Congo: An overview of the current situation**
DRC’s poor governance climate creates a significant challenge in future progress towards implementing REDD+.

**Accountability and corruption in the design of REDD+: The case of Tanzania**
Standing, A. (U4 Issue)

**Anti-corruption and REDD+: Lessons from Vietnam**
Huynh, T. (U4 Issue)
Justice sector institutions are crucial in ensuring that individuals and institutions remain accountable towards the law. But the justice sector is also often part of the corruption problem and needs reform.

U4’s justice sector publications map a broad variety of interventions and evidence of their impact.

In Zambia, we facilitated the first U4 in-country workshop on judicial integrity (June 2014). While the workshop was geared to Zambian needs and objectives, the issues discussed are relevant in many countries and can serve as a framework for future workshops on judicial integrity. We are planning a follow up publication analysing formal and informal mechanisms that cause delays, and factors that successful reform initiatives have in common.

Following an e-discussion on judicial integrity in late 2013, we produced a summary (downloadable from the theme page) with country experiences and expert views on challenges to strengthening judicial integrity. U4 has also been invited to serve on an advisory committee to guide the development of a corruption risk assessment methodology for the judiciary under the auspices of UNDP Asia Pacific.

Corruption risks and assessment tools in the criminal justice chain
This U4 issue provides an overview of where corruption is most likely to arise in the investigation, prosecution, trial, and incarceration stages of the criminal justice process. Each chapter provides a summary of the principal decision makers involved, the tasks they perform, the tools available to assess corruption risks at that stage, and, where sufficient experience exists, an evaluation of the usefulness of these assessment tools. While some basic risk management approaches are presented, the emphasis is on analysis and assessment of problems.

Unblocking the bottlenecks: Using political economy analysis in addressing judicial delays
Messick, R. (U4 Brief)
Drawing on examples from developed and developing countries, this Brief will show how political economy analysis can help reform the formal and informal mechanisms that cause the delays that are often a major source of corruption in court systems.

The case for asset declarations in the judiciary: Identifying illicit enrichment and conflicts of interests
Not all countries with an asset declaration regime in place require members of the judiciary to make such declarations. A closer analysis shows that asset declaration regimes do not pose a significant risk to the independence and security of judges. On the contrary, the author finds that anti-corruption benefits provide strong reasons to require judges to file asset declarations along with other public officials.

Mitigating corruption in informal justice systems: NGO experiences in Bangladesh and Sierra Leone
Informal justice systems are the principal mechanism for dispute resolution in many societies, but like formal mechanisms they too suffer from transactional corruption, distorting justice processes and outcomes, and the perpetuation of power relationships. As shown by experiences in Bangladesh and Sierra Leone, non-governmental organisations can work with, adapt, or modify informal justice systems to reduce corruption and unfairness.

The fish’s head: Appointment and removal procedures for anti-corruption agency leadership
Schütte, S. (U4 Issue)
Describing appointment and removal processes affect the actual and perceived impartiality of institutions such as anti-corruption agencies. The paper distinguishes main types of appointment processes, reviews eligibility criteria, tenure and removal procedures. It also points out actual and potential consequences of the various models for the operational independence and impartiality of these agencies.

Mapping anti-corruption tools in the judiciary: Gaps compared to other sectors?
Jahn, P., Jennett, V. and Schütte, S. (U4 Issue)
The focus of judicial sector reform programmes has shifted away from the goal of solely maintaining the rule of law, to a greater emphasis on increasing citizens’ access to justice. U4 has surveyed its partner agencies on anti-corruption tools applied at the sector level, and looked at which of these are being applied, or could be applied, within the judiciary.
EVALUATION AND MEASUREMENT
www.u4.no/themes/evaluation-and-measurement

We need to improve the global body of evidence on transparency, accountability, integrity, and anti-corruption. U4 is searching for good proxy indicators for corruption and ways to measure the cost-effectiveness of integrity initiatives.

The current evidence gap is partly due to the difficulty of comparing highly diverse programmes that are implemented in different contexts and in different time periods. But this is a universal challenge for all sectors. The challenge of measuring corruption also plays a part, but less than traditional wisdom dictates. This year, we have shown how cost-effectiveness and cost-benefit methods can be used to provide policy makers with the kind of information that improves reforms.

The Proxy Challenge – a competition launched in 2013 by U4 and partners – culminated in the Proxy Workshop in Bergen in February 2014. Practitioners and academics came together to discuss new, innovative ways to measure corruption. Afterwards, we worked with three of the competing teams to develop their ideas into U4 Briefs. At the event, U4 also presented methods and guidance for improving evaluations and measurement tools that inform governance and anti-corruption efforts. Plans for the 2016 Proxy Challenge are in motion.

2014 was a year of extensive training, communication and knowledge production around the Evaluation and Measurement theme. We made headquarter visits to Stockholm and Copenhagen, and presented on corruption risk management at U4 workshops in Bangladesh and Yemen. U4 staff have also engaged with audiences at several external events, such as the OECD, Bergen Research Summer School, the International Conference on Governance, Crime and Justice Statistics, the Evaluation Conference in Norway, and at the Symposium on Economic Crime at the University of Cambridge.

New ways to measure institutionalised grand corruption in public procurement
Public procurement – one of the largest areas of public spending worldwide – gives public officials wide discretion. It is therefore also one of the government functions most vulnerable to corruption. By making use of big data generated by governments on contracts, companies, and individuals, it is possible to develop a new generation of quantitative indicators to guide policy intervention and support control of corruption.

The Revolving Door Indicator: Estimating the distortionary power of the revolving door
When people move between positions as regulator or legislators and positions in private companies within the same sector, this can lead to conflicts of interest, regulatory capture, and economic distortions. The Revolving Door Indicator is proposed as a proxy for corruption risks and economic distortionary effects.

The Kinship in Public Office indicator: Kin connectivity as a proxy for nepotism in the public sector
Using kinship connectivity as a proxy for the prevalence of nepotism can help policymakers design and measure the impact of anti-corruption initiatives, beyond more easily quantifiable forms of corruption such as bribery and embezzlement of funds.

Cost-effectiveness and cost-benefit analysis of governance and anti-corruption activities
Cost-effectiveness and cost-benefit analysis methods are currently underutilised in evaluations of governance and anti-corruption reforms in developing countries. This limits opportunities to inform policy, and may lead to sub-optimal reform choices and programme designs. The paper provides guidance on which anti-corruption interventions are suited for cost-effectiveness or cost-benefit analysis.

Evaluation of anti-corruption reforms and programmes – don’t give up before you even try!
Johnsøn, J. (BetterEvaluation blog, June 4th, 2014)
The challenge of measuring (some types of) corruption does not necessarily translate into poor evaluability. When we move from an abstract, country-level measure of corruption to specific outcomes of relevance to an initiative, it becomes easier to identify good indicators.
http://betterevaluation.org/blog/anti-corruption-evaluation
U4 and the TALEARN Community of Practice have developed an online platform for knowledge management: the TALEARN Knowledge Repository. This gives easy access to existing knowledge on citizen participation where it has particular relevance for increasing transparency and accountability. The repository connects available knowledge to current and future research and practice. It also facilitates collaboration and dialogue between interested actors. Another function of the initiative is to identify knowledge gaps and means to fill them. You can access it at www.tapparticipation.org.

In April, U4 organised a workshop in Benin on “Strengthening anti-corruption at the local level through enhanced integrity, social accountability and people’s engagement.” You can read more about this workshop under training and workshops.

We continue our work on how to engage with state accountability institutions in 2015 with a webinar and an online discussion in March – organised together with the Global Partnership for Social Accountability, the World Bank, and the Civil Association for Equality and Justice (ACIJ, Argentina). The discussion will also continue at a workshop by U4 and the University of Bergen in April: Institutions of Accountability: The “In-betweens”.

PUBLISHED/FORTHCOMING IN 2015

**Dying for information: Right to information and whistleblower protection in India**

Pande, S. (U4 Brief 2015:3) 6 p.

India’s Right to Information Act is one of the most powerful in the world, but the increasing attacks on users of the law suggest a need for further measures. The results of an analysis of newspaper reports indicates the need of a greater focus on how right to information laws are used and increasing awareness of reprisals against users. Donors can engage, through evidence-based dialogue and support, with the issue of reprisals without over-reaching their mandates. Civil society action can help to challenge the impunity of attackers and to build an international coalition to protect whistleblowers.

- **People’s engagement in service delivery through ICTs**
  
  Ostling, A. (U4 Issue)

  We are planning to hold a webinar to discuss the draft paper and specific case studies in late 2015.

- **Community court watch in Afghanistan**
  
  Wardak, A., Taxell, N. and Schütte, S. (U4 Practice Insight)

- **How citizens gain accountability: Implications for international actors**
  
  Beyerle, S. (U4 Issue)

- **Digital participation**
  
  Ostling, A. (U4 Brief)
Lessons and advice on integrating anti-corruption into sectors can be applied across sectors even if the experiences presented are drawn from one sector. Our work on mainstreaming anti-corruption – including several forthcoming publications – deals with issues such as identifying and addressing corruption risks in sectors, the use of information and communication technology (ICT) for anti-corruption in service delivery, enhancing sector transparency and accountability, and more.

In 2014, we held sector-specific workshops in Bangladesh (health and education), Kenya (natural resources), and Peru (health). The latter had a direct impact on the revision of the Ministry of Health's anti-corruption plan. We also delivered a general online course on anti-corruption in sectors, as well as specific courses on the health and education sectors.

U4 continues to collaborate with OECD under the Effective Institutions Platform to advance work on accountable and inclusive institutions. This work explores how Supreme Audit Institutions engage with different stakeholders in order to enhance their effectiveness and improve government accountability.

Mainstreaming anti-corruption initiatives: Development of a water sector strategy in Mozambique

The National Water Directorate in Mozambique is one of the few public sector departments in the world known to have allocated its own resources to developing a sector-specific anti-corruption strategy. Its experience offers valuable lessons. Sector strategies need strong political commitment, at sector and central government levels, since multi-stakeholder processes are complex and time-consuming. The implementation of sector strategies must include sector-level human resources and management systems.

PUBLISHED/FORTHCOMING IN 2015

Corruption in the construction of public infrastructure: Critical issues in project preparation

Corruption in the construction of public infrastructure has particularly serious implications for developing countries. Inappropriate project choice, high prices, poor quality, excessive time and cost overruns, inadequate maintenance, and low returns, among other challenges, impact negatively on economic growth and poverty alleviation. Corruption during the early stages of the project cycle, when projects are appraised, designed, and budgeted, may open up doors for additional corruption later on.

Mainstreaming anti-corruption in the extractives sector
Williams, A. (U4 Issue)

People's engagement in service delivery (health and education) through ICTs
Ostling, A. (U4 Issue)

Harnessing the power of communities against corruption: Contextualizing social accountability in sectors
Báez Camargo, C. (U4 Practice Insight)
FRAGILE STATES
www.u4.no/themes/fragile-states

If aid agencies focus mainly on their internal integrity systems instead of working with civil society and government systems to reduce corruption, they may, ironically, do considerable harm.

The statement above was, in short, the conclusion in a U4 Brief about “do no harm” as a principle of anti-corruption reform in fragile contexts. U4 also conducted a workshop on strategies and approaches for anti-corruption in Yemen. The workshop extended into donor coordination around future work on corruption diagnostics and political dialogue. The event—a collaboration between U4 and Integrity Action—received positive feedback from the participants. We also assisted UNDP in developing its strategic approach to corruption risk management in fragile contexts. A practitioners’ guide on the topic will be published in 2015.

Participants at the U4 workshop on Anti-Corruption Strategies in Yemen. Held in Amman, 30 September and 1 October, 2014.

CORRUPTION AND AID
www.u4.no/themes/corruption-and-aid

U4’s speciality is to provide anti-corruption knowledge that is useful for aid agencies, policymakers and practitioners. We therefore also look specifically at donor integrity systems, joint donor responses to corruption, and collective action.

Can integrating gender into anti-corruption work can improve the outcomes from anti-corruption aid? U4’s annual seminar in late 2014 asked this question, as well as whether gender affects corruption levels overall. How to consciously consider gender issues for the benefit of anti-corruption aid will require further research and publications—forthcoming from U4 in 2015.

2014 also saw the beginning of a partnership with the Developmental Leadership Programme to explore whether applying a collective action lens to corruption means that donor efforts to support anti-corruption initiatives should take a different direction.

FORTHCOMING PUBLICATIONS IN 2015

Doing the wrong things for the right reasons? “Do no harm” as a principle of reform
This Brief explores what “do no harm” means for corruption control in fragile settings and analyses how aid agencies translate the concept into practice. Efforts to control corruption can do harm if they overwhelm a society’s capacity to absorb aid, if they are captured to damage rivals, or if they obstruct the peacebuilding process. Programmes and policies should aim to avoid such outcomes. However, a survey of practitioners shows that agencies give priority to minimising their own fiduciary risk, which is a skewed and narrow understanding of the “do no harm” principle. Policy and practice need to be much better aligned.

The new deal as an anti-corruption tool? A case of misplaced expectations and unfulfilled potential (working title)
Zaum, D. and Johnsen, J. (U4 Brief)
This Brief will offer an analysis of how the new deal policy instrument facilitates or prevents engagement on corruption issues in fragile states.
Collective donor responses: Barking or biting?
In 2006, the OECD Development Assistance Committee Ministers of Development expressed a desire to move towards more effective collective responses to corruption. However, donors have continued to struggle with responding robustly to corruption cases. Donors cannot afford to continue to respond in a haphazard, inconsistent, and poorly planned fashion. Attention should be invested into how to respond to corruption cases in a manner that has a strategic focus beyond getting the money back. This means preparing a coordinated response, acting consistently and predictably; and maintaining a dialogue with multiple partners including non-state actors.

Donors and “zero tolerance for corruption”: From principle to practice
Taxell, N and De Simone, F. (U4 Brief 2014:2) 4 p.
Bilateral donors often use “zero tolerance for corruption policies” to signal a tough stance against corruption, but staff often experience a lack of clarity on how to apply these policies in practice. Some multilateral development banks have had long experience in applying zero tolerance to corruption policies. Their experience indicates that the strict application of these policies—that is, the full investigation, prosecution, and sanction of all instances of corruption, no matter how minor—is usually not feasible. Zero tolerance policies should translate not to zero appetite for risk, but rather to adequate risk management processes.

Corruption and collective action
Increasingly it is argued that anti-corruption efforts have not worked because they are based on inadequate theory, suggesting that collective action theory offers a better understanding of corruption than the principal-agent theory usually used. This paper, published in collaboration with the Developmental Leadership Programme (DLP), argues that both theories are in fact valuable. But both miss out an important third perspective, which is that corruption can serve important functions, solving difficult problems that people face, especially in weak institutional environments. Effective anti-corruption initiatives are so hard to achieve because they often require insights from all three of these perspectives.

GENDER AND ANTI-CORRUPTION
Gender has been mainstreamed in donor programming for many years. In a similar fashion, there is a growing recognition of the importance of also mainstreaming anti-corruption. But what about mainstreaming gender into anti-corruption?

Little explicit thinking has however taken place on how to integrate gender into anti-corruption. Does gender affect levels of corruption and does applying a gender lens bring any benefits to anti-corruption aid? Sida and the U4 Anti-Corruption Resource Centre posed these questions during an open seminar in Stockholm on November 7th.

Women and men are not different
It is often argued that women are less corrupt than men. This assumption is based on findings that women tend to be more altruistic, risk averse and less trusting of strangers. The recommendation has therefore been that simply increasing the proportion of women in positions of power would lead to a decrease in corruption. While there is anecdotal evidence that for example in Latin America increasing the number of female traffic officers has decreased corruption, systematic research shows that context and opportunity rather than gender explain the attitudes of women and men towards corruption. That said, there is also no evidence to suggest that women are more corrupt than men, and pursuing gender parity in positions of power is an end in itself.

Women suffer more from corruption
Seminar participants agreed that it is more relevant to understand whether and how corruption impacts women and men differently, than whether men or women are more corrupt.

When officials request bribes for delivering services on health, education, water, and similar – there is more often a woman than a man at the other end, footing the bill. Poverty levels matter, too. Corruption deals a bigger blow to those with fewer resources: the segments of society dominated by women and children. Sexual favours and extortion is another area linked to “payment” for services where women are the most vulnerable party. Corruption in the police and the judiciary can maintain gender imbalances by failing to enforce laws that protect women.

As we look more at corruption through a gender lens, it is also important to avoid doing unintended harm. There is also potential for anti-corruption initiatives specifically worsening women’s situation. For example, women are often overrepresented in the informal sector, and imposing more regulation to curb corruption can have the unintended consequence of squeezing them out of their livelihoods. Mainstreaming gender in anti-corruption allows us to target anti-corruption towards improving the lives of women.

Community driven development: Lessons from Kenya and Indonesia
Ensminger, J. (U4 Issue)

Are men and women equally corrupt?
Boehm, F. (U4 Brief)

Who suffers more from corruption: Men or women?
Boehm, F. (U4 Brief)

The bug within
Taxell, N. (U4 Brief)

The challenge of per diems misuse: Training and travel as extra pay
Tostensen, A., Søreide, T., and Aagedal Skage, I. (U4 Brief)
Transparency International operates the U4 helpdesk which is available for partner agency staff who need quick assistance with questions related to corruption and development. We have published over 250 Expert Answers on our website, including the following from 2014:

**Published Expert Answers 2014**

- Links between illicit financial flows and peace and security
- NGOs anti-corruption policies
- Mainstreaming anti-corruption into global programmes: Literature review
- Local-level complaint mechanisms in developing countries
- Overview of corruption and anti-corruption in Bosnia Herzegovina
- Overview of corruption in Nigeria
- Anti-corruption instruments of the African Union and Regional Economic Communities
- Local content policies and corruption in the oil and gas industry
- Post-Soviet countries: Literature review on corruption and public financial management
- Good practice in mitigating the risk of corruption in the extractives sector
- Anti-corruption training in sectors – current approaches, experience and evidence about effectivenes
- Approaches to curbing corruption in tax administration in Africa
- Ethiopia: Overview of corruption in land administration
- Right to Information laws: impact and implementation
- Zambia: Overview of corruption and anti-corruption
- Combating illicit financial flows: The role of the international community
- Overview of corruption in the telecommunications sector
- Integrity issues related to lawyers and law firms
- Tanzania: Overview of corruption and anti-corruption
- Corruption risks in climate finance
- Literature review on social norms and corruption

**Helpdesk for U4 Partners**

- Raise any question related to corruption/anti-corruption
- Receive a tailor made, expert response within 10 working days
- Receive assistance within 48 hours in case of urgency
STAFF

BORIS DIVJAK  
U4 Director  
Macroeconomist with experience in anti-corruption, private sector development and multi- and bilateral donors.

ARNE STRAND  
Acting Director until Sept. 2014  
Deputy Director and Senior Researcher at CMI. Political scientist focusing on peace, conflict and aid, with a particular emphasis on Afghanistan.

ALED WILLIAMS  
Senior Advisor  
Political scientist and researcher with more than 10 years of experience working on anti-corruption issues.  
Themes: Natural Resource Management / REDD Integrity

ARANZAZU GUILLAN MONTERO  
Senior Advisor  
Development practitioner and researcher with over ten years of experience working on governance and anti-corruption, and transparency and accountability.  
Themes: Anti-corruption Approaches in Sector Work / People’s Engagement

SOFIE ARJON SCHÜTTE  
Advisor  
Researcher and development practitioner with 10 years of experience working on anti-corruption reform in Indonesia and Asia.  
Themes: Justice Sector / Anti-Corruption Agencies

FRANCESCO DE SIMONE  
Advisor until October 2014  
Political scientist and anti-corruption expert with six years of experience working with Transparency International (USA), and the Inter-American Development Bank, and U4.  
Themes: International Drivers / Aid / Procurement

KENDRA DUPUY  
Advisor  
Political economist focusing on the extractives industries and company-community relations, corporate social responsibility, benefit-sharing mechanisms, and transparency.  
Themes: Natural Resource Management / REDD Integrity

NILS TAXELL  
Senior Advisor  
Development practitioner and researcher with more than 10 years of experience focusing on governance, anti-corruption, fragile states and aid effectiveness issues.  
Themes: Aid / People’s Engagement / UNCAC

JESPER JOHNSEN  
Senior Advisor  
Political scientist and development researcher specialised in corruption and development, particularly evaluation and fragile states issues.  
Themes: Evaluation and Measurement / Fragile States

SARA ÖGMUNDSDÓTTIR  
Finance and Operations Manager  
Experienced corporate financial advisor responsible for contract management, financial management, training support and partner relations.

KIRSTY CUNNINGHAM  
Communications Advisor  
Research communications specialist with nine years of experience working on U4’s information and communication tasks.

LISA ARNESTAD  
Online and Publications Coordinator - part time on U4  
Maternity leave May 2014-August 2015.  
Experienced information designer with responsibility for designing and publishing U4 and CMI’s publications and other materials.

PERNILLE JØRGENSEN  
Design and Publications Coordinator - part time on U4  
Experienced multimedia designer, specialised in visual identity, branding and web solutions. Responsibility for designing and publishing U4 publications and all in-house market materials.

MARIANNE SKJOLD OVALDSEN  
Graphic Designer until January 2014 - part time on U4  
Experienced graphic designer, specialised in visual identity and branding, with responsibility for designing and publishing U4 publications and II in-house market materials.

Helpdesk - Operated by Transparency International

MARIE CHÊNE  
Knowledge and Policy Manager

MAIRA MARTINI  
Knowledge and Policy Officer

ROBIN HODESS  
Policy and Research Director

Affiliated staff

KAREN HUSSMANN  
Senior Resource Person / Independent Consultant

VERA DEVINE  
Resource Person / Independent Consultant

ANDRÉ STANDING  
Research Affiliate

LIZ HART  
Independent Consultant

FRÉDÉRIC BOEHM  
Independent Consultant

Other CMI staff supporting U4

ROBERT SJURSEN  
IT Programmer

INGVILD HESTAD  
Head of Communications

DEPARTURES IN 2014/2015

FRANCESCO DE SIMONE  
October 2014

ARNE STRAND  
October 2014

SAMIRA LINDBERG  
(Helpdesk) October 2014

MARIANNE SKJOLD OVALDSEN  
January 2015
U4 has over 10 years’ experience running anti-corruption online training. In 2014, we offered courses covering the essentials and how to mainstream anti-corruption, as well as sector-specific modules on natural resources, health and education. In 2014, U4 in-country workshops covered the same topics as online training, but also judicial integrity, illicit financial flows, and citizen engagement in confronting corruption.

ONLINE TRAINING

U4 regularly runs online courses for U4 partner agency staff. The courses are pre-paid so employees can sign up without arranging any funding (one exception is the Essentials online course where there is a fee for GIZ staff). Other participants can also join when invited by a U4 partner.

ONLINE COURSES 2014

ESSENTIALS OF ANTI-CORRUPTION

This five-week course is aimed at practitioners who would like to get a general understanding of the implications of corruption for development outcomes.

WEEKLY OUTLINE

1. Definitions, examples and consequences of corruption
2. Explanations, analytic tools and measurements
3. Responses to corruption at the domestic level
4. International drivers of corruption and global responses
5. Anti-corruption on the donor agenda

“The course has a very well and clear structure which allows participating even with a full time job. The course reader is excellent and accessible for persons who have none or little experience in the field of anti-corruption.”

— Participant feedback

CORRUPTION IN NATURAL RESOURCE MANAGEMENT

This four-week programme provides information and key lessons for anti-corruption engagement around natural resources.

WEEKLY OUTLINE

1. Introduction to corruption in natural resource management
2. Corruption in the oil sector
3. Corruption in the forest sector
4. Anti-corruption approaches for natural resource sectors

“To be able to access the course around the clock using internet is marvellous! Would also add that this course format provides a unique way to instantly link up with professional peers all over the world. Physical distance means nothing.”

— Participant feedback
CORRUPTION IN THE HEALTH SECTOR

This is a three-week course on causes and consequences of corruption in the health sector, vulnerabilities in drug supply systems, informal payments, and strategies to minimise the problems. It is offered in collaboration with Boston University, School of Public Health, and is aimed at practitioners in the health sector.

**WEEKLY OUTLINE**

1. Problems, consequences and reform
2. Informal payments
3. Pharmaceutical systems corruption

“The course provided relevant and useful reference material, was interactive, and it can be replicated to address the corruption situation in our country.”

— Participant feedback

INTRODUCING ANTI-CORRUPTION APPROACHES INTO SECTOR WORK

This three-week course responds to a growing demand for knowledge on how to systematically integrate anti-corruption into specific sector projects and programmes to improve sector governance.

**WEEKLY OUTLINE**

1. Why? Background and rationale
2. How to? The building blocks
3. Applying what you have learned

“The case study is one of the very interesting aspects of this course. It helped a lot to know how to design and integrate an anti-corruption lens in the sector and our work.”

— Participant feedback

MONEY IN POLITICS: CURBING CORRUPTION IN POLITICAL FINANCE

A four-week course on the challenges arising from political and party finance, including lobbying. This is a useful course for practitioners dealing with governance programmes, and those interested in understanding how electoral and political processes can interfere with development outcomes.

**WEEKLY OUTLINE**

1. Introduction: Why money in politics?
2. What regulators aim for
3. Lobbying, politics and corruption
4. International standards and cooperation

“Regulating political finance and lobbying were my favorite topics, because both themes are subject of intense debate nowadays in Brazil. It was really interesting to learn from the experts and classmates about experiences abroad.”

— Participant feedback

CORRUPTION IN THE EDUCATION SECTOR

This is a four-week course on methodologies to address corruption in the education sector. It is offered in collaboration with the International Institute on Educational Planning-IIEP, UNESCO, and is aimed at practitioners in the education sector.

**WEEKLY OUTLINE**

1. Including corruption in education sector dialogue
2. Promoting the use of methodological monitoring tools
3. Introducing successful country strategies
4. Self-study assignment

“A strong structure. I felt progress in my understanding of the subject. The experts are very knowledgeable, which is particularly important in order to use the model they created.”

— Participant feedback
IN-COUNTRY WORKSHOPS

Every year, the U4 team and the partner agencies agree on locations and topics for in-country workshops. The selection is based on applications from embassies and field offices explaining how a U4 workshop can benefit ongoing processes for advancing anti-corruption efforts in the country. Over the past decade, we have organised over 50 workshops. We always tailor them to each country and sector context, involving speakers with local expertise.

MALAWI

Corruption risks in the Malawian Health Sector
LILONGWE, 17 – 18 FEBRUARY 2014

The request for the workshop came at a challenging time for Ministry of Health (MoH). At the national level, the ‘cashgate’ scandal, which surfaced in September 2013, generated concerns among donors and within the country regarding the way in which the national budget (and donors’ budget support) is administered. The scandal highlighted the weaknesses of the Malawian financial management system, and its vulnerability to fraud, corruption and diversion of funds. Concerns were also raised in relation to the financial management of the MoH.

Integrity issues in the Malawian MoH are complex and persistent and their solution is linked to a variety of broader reform processes in human resources management, public financial management, and decentralisation. Participants seemed to be well aware of the main problems, and also put forward possible solutions. Indeed, some of these solutions have already been implemented or are in the process of being implemented, while others have been discussed repeatedly. Some have failed and others have not been taken on, because of lack of political will, weak capacity, or lack of government ownership.

It was recommended that donors continue pursuing the anti-corruption agenda on two fronts:

1. Following up on the government action plan issued in the aftermath of the ‘cashgate’ scandal over the medium and long term.

2. Continue to promote governance reforms at the MoH. The workshop provided some starting points to be further considered and elaborated by the donors and the MoH, among others advocating for the inclusion of civil society procurement monitoring and sanctioning clauses in the revised public procurement act; exploring the possibility of leveraging local and traditional governance (chiefs) and social (churches) structures for monitoring; continue supporting initiatives and projects aimed at restructuring the rewards and sanction mechanisms for MoH staff. One crucial aspect is ensuring the sustainability of such reform efforts.

DEMOCRATIC REPUBLIC OF THE CONGO

Transparency and accountability in the education sector
KINSHASA, 12 – 14 NOVEMBER 2014

This workshop explored challenges in, and strategies for, accountability and transparency in the management and financing of the education system in the DRC. The workshop developed concrete recommendations and implementation strategies for different stakeholders (government, civil society, development partners).

The stakeholders who participated in the workshop developed a list of key recommendations and identified steps to realise these recommendations. The stakeholders also engaged in dialogue and shared information between each other regarding education financing.

BOSNIA AND HERZEGOVINA

Anti-Corruption framework
SARAJEVO, 10 DECEMBER 2014

We held a one-day in-country workshop in Sarajevo on demand from Sida, Norad and GIZ to empower their embassy- and agency staff with a better understanding of the anti-corruption framework and tools in the wake of the creation of a new national strategy in Bosnia and Herzegovina. The Partner agency staff were challenged to think beyond the public sector and expand the anti-corruption agenda to include also other agencies: the ‘in-betweens’, NGOs, media, etc. Discussions focused on what projects the embassies should support to boost a coordinated national effort, and the U4 presentation “tools’ pros and cons” presented alternatives for agency staff to work with and prioritise.

Nepal workshop: Discussions evolved around the underperforming hydro power sector and the related problem of illicit financial flows. Photo: Ikerender at flickr.com
ETHIOPIA

Anti-corruption approaches for natural resource management, with special reference to the mining sector
ADDIS ABABA, 4-5 MARCH 2014

The workshop explored why natural resource sectors present particular corruption challenges, with reference to Ethiopia’s emerging mining sector activities. Participants considered current initiatives for addressing corruption (e.g. EITI), based on what different stakeholders have so far attempted in Ethiopia and in other African contexts. Around 30 participants joined from U4 Partner Agencies, the World Bank, the Ethiopian Ministry of Mines, the Ethiopian Federal Ethics, as well as representatives from NGOs, academia, and the private sector.

Yara International, a key private-sector player in the country’s emerging mining sector, provided an overview of their recent experiences with corruption and internal approaches to anti-corruption. Important dialogue occurred between Transparency Ethiopia and a member of parliament around the legitimacy of national NGOs in addressing issues of corruption in Ethiopia and the recent law on civil society. Participants engaged in developing their own “theories of change” for tackling corruption in the Ethiopian mining sector, and informal discussions among Ethiopian delegates occurred in a small group immediately following the workshop on the implications of these.

ZAMBIA

Judicial Integrity
LUSAKA, 18-19 JUNE 2014

The aim of the two-day workshop was to support the Zambian judiciary, government, CSOs and cooperating partners in addressing judicial integrity as part of justice sector reform. The main objectives were to:

• learn about common corruption risks in the justice sector and the judiciary in particular as well as international standards for integrity and accountability;
• discuss the challenges to judicial integrity in Zambia; and
• review possible solutions in view of good practices in other countries and within Zambia.

Presentations and discussions of this first U4 workshop on judicial integrity have made very clear the need for a solid evidence-base to inform reforms in Zambia. Perceptions of corruption in the judiciary need to be recognised and can be a starting point, but analysis should go further and include “hard data” such as actual durations of court proceedings, and be accompanied by a political economy analysis of who benefits from current bottlenecks and how this can be addressed.

It is also important that findings are made publicly accessible. At the time of the workshop, neither the Bribe Payers Index by TIZ nor the Corruption Vulnerability Assessments by the ACC were published. Due to the variety of local languages, efforts should be made to translate key publications into local languages.

As a follow-up of the workshop, U4 will publish a Brief on the political economy of delays of court processes, one of the main challenges in Zambia’s judicial system.

NEPAL

Anti-corruption approaches for natural resource management and illicit financial flows
KATHMANDU, 4-5 JUNE 2014

The workshop focused on the still underperforming hydropower sector in Nepal and the problem of illicit financial flows connected to the sector. A core objective was to develop a common understanding among participants of the corruption challenges faced in the sector and how related illicit financial flows impact on wider development goals. In addition to bringing together formal state institutions tasked with anti-corruption, the workshop involved hydropower industry actors and investors, governance-focused NGOs and an investigative journalist working on corruption in the hydropower sector in Nepal.

A main outcome was the realisation that the empirical evidence base on illicit financial flows emanating from the Nepalese hydropower sector needs strengthening. Although there are considerable grounds for concern about the issue, detailed work is needed to further substantiate this and provide direction for mitigation actions. A donor technical working group on anti-corruption has been launched, which will provide a forum to further develop capacities on the issue of illicit financial flows.

YEMEN

Anti-corruption strategies and approaches
AMMAN, 30 SEPTEMBER – 1 OCT 2014

U4 brought together more than 40 participants from the government, civil society and the aid community in Yemen to promote strategic dialogue around greater emphasis on corruption control in the country. The event created a welcomed opportunity to take stock of existing initiatives, in light of international and regional experiences, and the recent episodes of violence in Yemen. Participants stated that they left the workshop with a greater understanding of the interlinkages between corruption and fragility, and were better able to identify entry-points and methods for social accountability and community-driven measures to support anti-corruption efforts at the central and local level. The aid community also used the event to promote own coordination.
IN-COUNTRY WORKSHOPS 2014 CONTINUES

KENYA

Anti-corruption in the health, water, and agriculture sectors
NAIROBI, 10-11 JUNE 2014

The core objectives of this workshop included sensitising development partners about the negative impact of corruption on development, mapping the landscape in terms of the relevant actors in Kenya working on anti-corruption, mapping anti-corruption work and instruments in each sector, and formulating recommendations for best practices for anti-corruption in each of the three sectors. The workshop brought together donor agency practitioners and civil society experts from the three sectors.

The main outcome of this workshop was improved knowledge about the corruption risks in the health, water, and agriculture sectors in Kenya. Group work produced insights into these risks, and suggestions for how corruption risks might be mitigated in the future.

BENIN

Strengthening anti-corruption at the local level through enhanced integrity, social accountability and people’s engagement
GRAND POPO, APRIL 22-24, 2014

The workshop aimed to take stock of anti-corruption and social accountability initiatives at the local level in Benin, understand good practices in people’s engagement, and help identify potential areas of collaboration around local good governance. Around 60 participants explored how to create synergies between the supply and demand sides of accountability, and looked at initiatives for enhancing cooperation between different actors.

The event was a first step in sharing good practices and lessons learned at the local level, and identifying common interests and potential synergies between different actors. The Ministry for Decentralisation and Local Governance in Benin prepared a background study on the state of corruption and anti-corruption – particularly at the local level. Six organisations and institutions at the workshop presented good practices of accountability and participation at the local level. Participants identified specific areas for future action of different stakeholders, and the workshop will contribute to a future U4 publication on decentralisation and social accountability.

The background study and presentations of good practices are available on bit.ly/1FHQeXn

BANGLADESH

Strengthening integrity and transparency in the health and education sectors
SAVAR, MARCH 31-APRIL 2, 2014

The three-day workshop discussed the relevance and impact of corruption in Bangladesh’s health and education sectors, and deepened knowledge of good practices in education and health governance. The event drew lessons for corruption prevention, and promoted coordination among relevant stakeholders. Around 34 participants collaborated to map corruption risks, analyse corruption problems, and develop suggestions for good sector-level integration of anti-corruption measures.

U4 will organise a follow-up workshop for the health sector in 2015, to concentrate on a narrower spectrum of strategic issues and actors. It will cover instruments and mechanisms for increased transparency and accountability (e.g., transparency of health care financing and ICTs).

PERU

Strengthening integrity and transparency in the health sector
LIMA, JULY 1-2, 2014

The workshop supported the Ministry of Health – in coordination with different donors – in the revision of the anti-corruption plan. Around 40 participants engaged in identifying corruption risks and vulnerabilities in the health sector, analysing the challenges and opportunities for integrating anti-corruption measures, understanding the pros and cons of different anti-corruption approaches in the health sector. They discussed the role of state and non-state actors in strengthening integrity and transparency, and explored corruption risks in the medicine supply chain and Public-Private Partnerships.

The workshop had a direct policy impact in the development of the Ministry of Health’s anti-corruption plan. It benefitted from the preparation of a background study (managed by the Ministry with support from the Belgian cooperation, GIZ and U4) on corrupt practices in the health system. As spin-offs from the workshop, U4 is planning two future publications. In coordination with the Ministry in 2015, involved actors will also disseminate (particularly through the forum for political dialogue between the Peruvian government and international donors) the following resources:

- Diagnostic study
- Workshop report
- The new Institutional Anticorruption Plan 2015-2016,
## ACCOUNTS 2014

### 2014 INCOME STATEMENT

<table>
<thead>
<tr>
<th>U4 INCOME STATEMENT</th>
<th>WORKPLAN 2014</th>
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<tbody>
<tr>
<td></td>
<td>IN ORIGINAL CURRENCY</td>
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<tr>
<td></td>
<td>2014</td>
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<tr>
<td>EUR</td>
<td>GBP</td>
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<tr>
<td>Australian Department of Foreign Affairs and Trade (DFAT)</td>
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<td>UK AID-Department for International Development (DFID)</td>
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<td>German Agency for International Cooperation (GIZ)</td>
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<tr>
<td>Ministry for Foreign Affairs of Finland (FORMIN)</td>
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<td>The Norwegian Agency for Development Cooperation (NORAD)</td>
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<td>Swedish International Development Cooperation Agency (SIDA)</td>
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<td>Swedish International Development Cooperation Agency (SIDA) additional funds</td>
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<td>Ministry for Foreign Affairs of Denmark (Danida)</td>
<td>7 333</td>
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<td>Other</td>
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<td>Total</td>
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<tr>
<td>Total income from partners</td>
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<td>U4 transferred balance from 2013</td>
<td></td>
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<tr>
<td>Grand total income</td>
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1 Invoice sent in 2014, funds not paid yet.

### 2014 FINANCIAL STATEMENT

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<tbody>
<tr>
<td>Balance transferred from previous year</td>
<td>577 551</td>
<td>381 869</td>
<td>45 245</td>
<td>35 755</td>
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<tr>
<td>U4 Expenditure</td>
<td>124 476 79</td>
<td>13 436 032</td>
<td>1 591 947</td>
<td>1 258 055</td>
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<td>Total Expenditure</td>
<td>124 476 79</td>
<td>13 436 032</td>
<td>1 591 947</td>
<td>1 258 055</td>
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<td>Funds claimed and received</td>
<td>12 251 997</td>
<td>12 158 053</td>
<td>1 440 528</td>
<td>1 138 394</td>
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<tr>
<td>Funds claimed but not received</td>
<td>2 045 643 2</td>
<td>242 375</td>
<td>191 540</td>
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<td>Total funding</td>
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<td>Balance year end</td>
<td>381 869 1</td>
<td>1 149 532 3</td>
<td>136 200</td>
<td>107 634</td>
</tr>
</tbody>
</table>

1 A slight change in transferred balance is due to invoices sent in 2013 and paid in 2014. On the day of payment the exchange rates have been higher than estimates.
2 Invoice sent in 2014, funds not paid yet.
3 Preliminary figure for underspend as U4 has not full funding security on funds claimed and not received for the 2014 workplan. 4 Average exchange rate 3Q and 4Q 2014 NOK/EUR 8.45 Average exchange rate 3Q and 4Q 2014 NOK/GBP 10.7.
Anti-corruption resources, training, and helpdesk for development practitioners

The U4 Anti-corruption Resource Centre (U4) brings together the best research and practical experience to equip development practitioners and policymakers with resources and tools to minimise the impact of corruption.

The centre was established at the Chr. Michelsen Institute in 2002. CMI is one of Scandinavia’s leading independent development research institutes, located in Bergen, Norway. U4 is funded jointly by several bilateral aid agencies. These agencies are the U4 partners who also form the Steering Committee for U4.

U4 produces papers on various anti-corruption topics available for free at www.u4.no. We also conduct training (in-country workshops and online courses) for U4 partner agencies and their local partners. The U4 helpdesk provides tailored answers to questions faced by individuals in the partner agencies.