Corruption Prevention and Promoting Transparency: Challenges and Opportunities in the Digital Age

Submitted by: UNDP

**Best Fit Practices and Experience Sharing
Workshop on Corruption Prevention
Mechanisms in APEC Economies
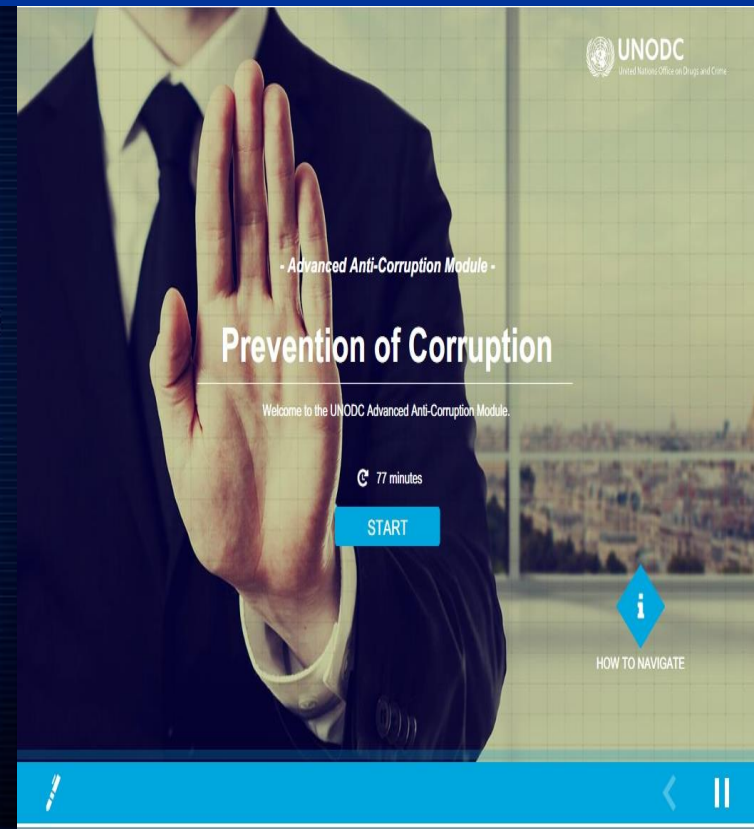Port Moresby, Papua New Guinea
24 February 2018**

Photo courtesy: shapingtheodds.com

Presentation By Anga Timilsina, Global Programme Advisor, Anti-corruption, 24 February 2018, Port Moresby, PNG

Outline

1. Global trend on digitalization

2. Challenges and opportunities

3. Digitalization and corruption prevention

4. Few examples: How UNDP has been helping economies with digitalization and corruption prevention

5. Take away messages (questions for discussion)

The rise of the digital age and digitalization

- The exponential growth in digitalization, ICTs and internet connectivity – backbone of 4th industrial revolution
- Transforming policy landscape, business models and social norms

Number of countries with CIOs

Year	Number of countries
2008	29
2010	32
2012	60
2014	82
2016	111

Countries with Open Government Data Catalogues in 2014 and 2016

UNITED NATIONS
E-GOVERNMENT
SURVEY 2016
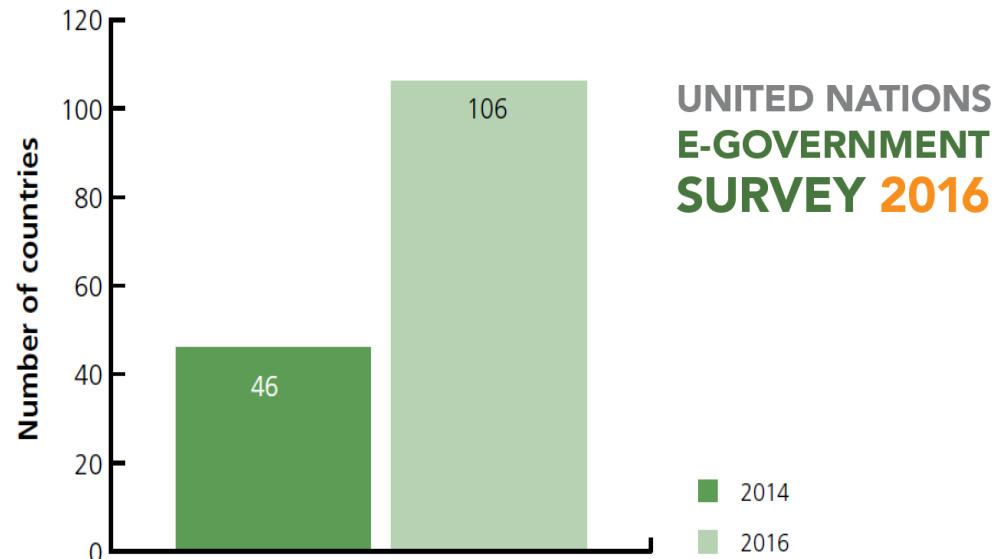
Digitalization is a broad concept

Digitization
"Converting into digital format"

Digitalization
Access to digital form

Digital transformation
"Usage of digital means"

Digital technologies
"ICTs; software, hardware, etc."

Digitalization on a population level
(e.g., e-citizenship)

Digitalization on a government level
(e.g., e-government)

# Digitalization – challenges and opportunities

Opportunities

- Greater efficiency & quality of public services
- Global interconnectedness
- Prevention of corruption
- Transparency and accountability
- Promoting participation and citizen engagement

Challenges

- Digital divide; info security
- Misuse of citizen engagement tools (e.g., fake news)
- Misuse of open data (e.g., privacy & data protection issues)
- Issue with the disruptive digital innovations (e.g., blockchains and bitcoins)

Digitalization and prevention of corruption

Correlation between CPI and WDC Index (corr = 0.88)

$R^2 = 0.7812$
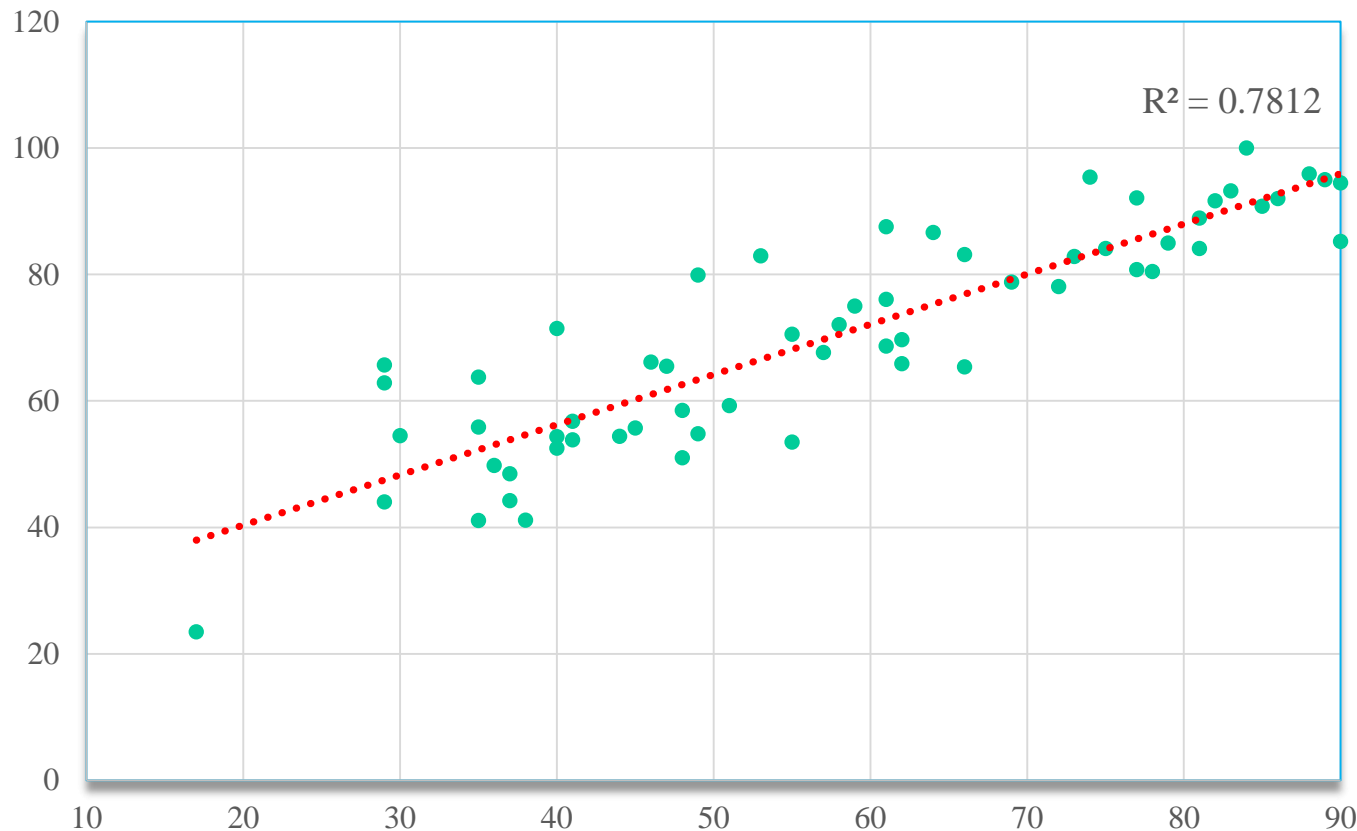
Economies	DGR	CPI
Singapore	100	84
USA	95	74
Hong Kong	92	77
Canada	92	82
Taiwan	88	61
New Zealand	85	90
Australia	85	79
ROK	83	53

Figure 5.9. Correlation of E-Government Development Index (EGDI), in 2014 and 2016 and the Corruption Perception Index (CPI)
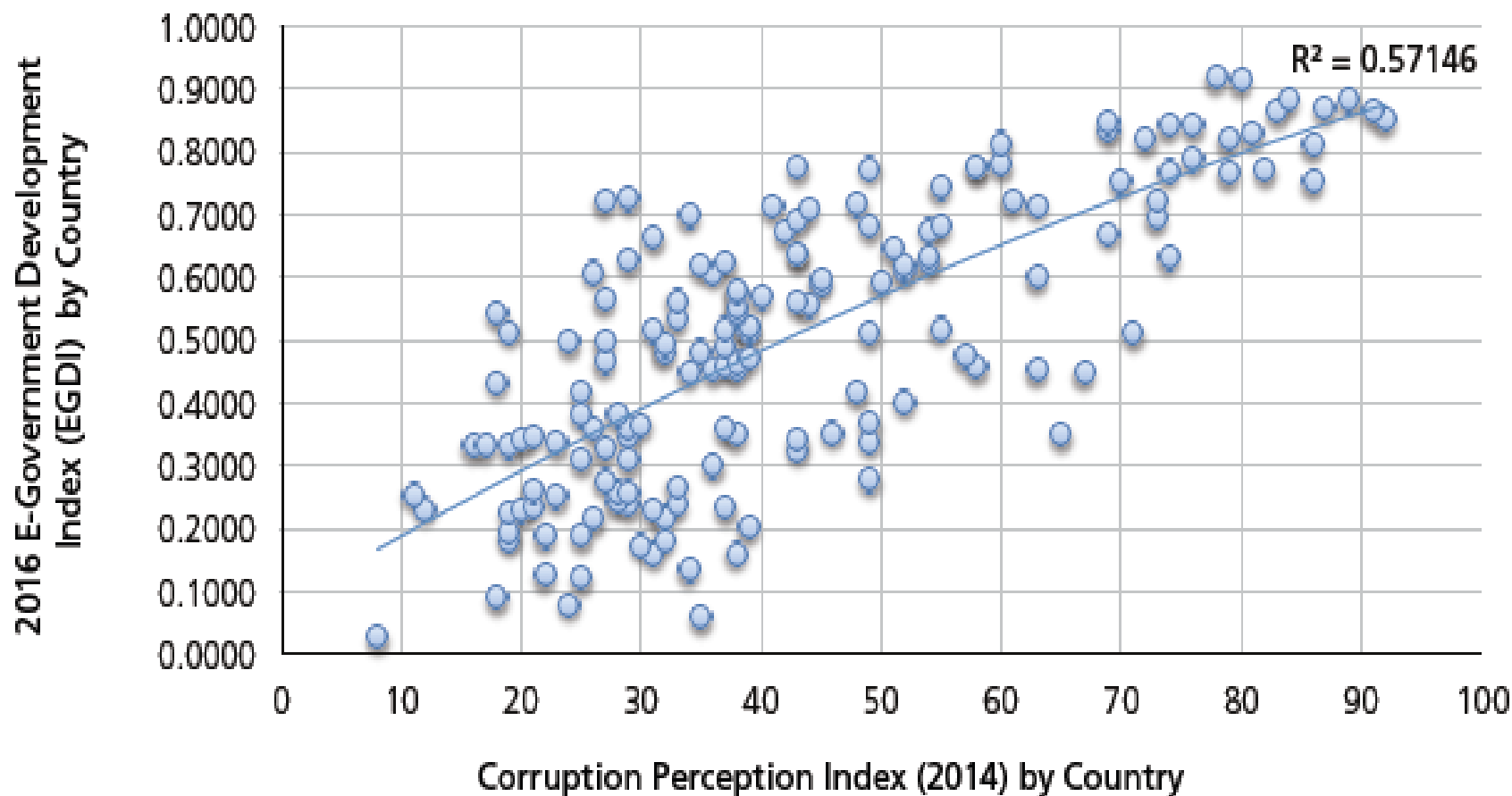
Republic of Korea:
Trends on E-Goverment and E-Participation

E-Goverment values: 0.74 (2003), 0.87 (2005), 0.83 (2008), 0.88 (2010), 0.93 (2012), 1.00 (2014)

E-participation values: 0.48 (2003), 0.87 (2005), 0.98 (2008), 1.00 (2010), 1.00 (2012), 1.00 (2014)
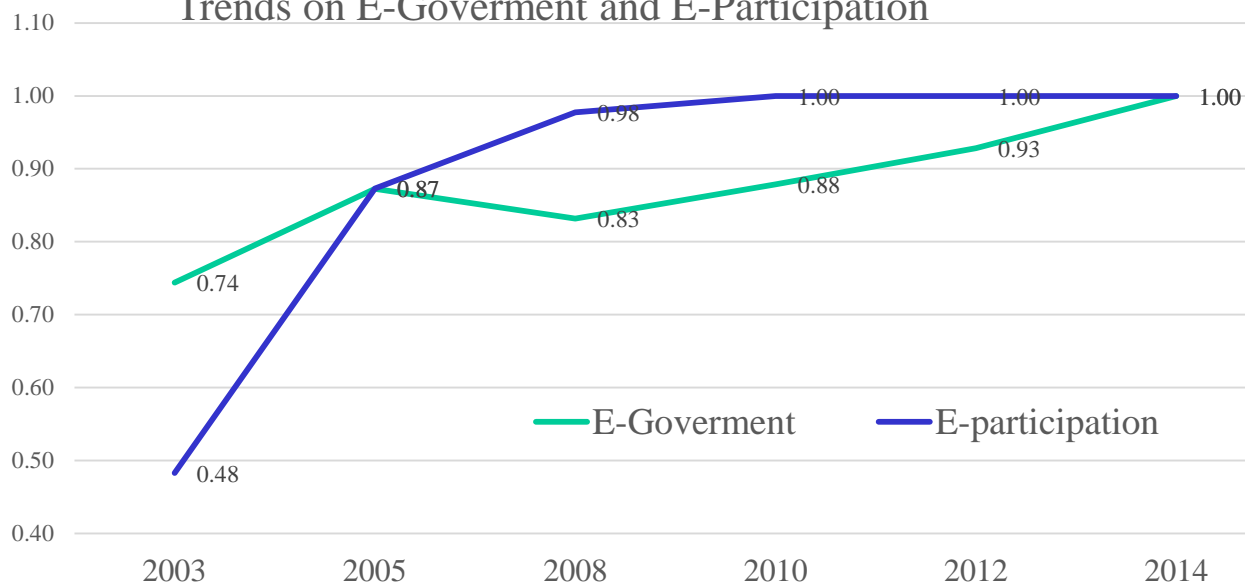
Example: Republic of Korea

Integrity levels have continued to improve in the public sector

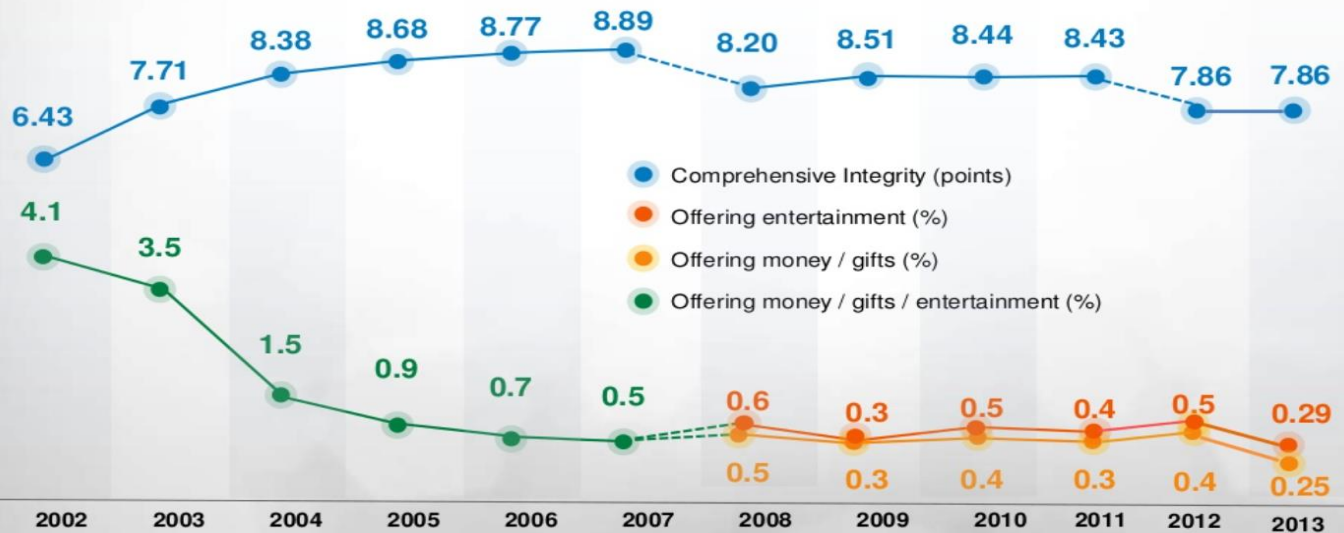Integrity Index and rate of offering money, gifts and entertainment to public officials

Comprehensive Integrity (points): 6.43, 7.71, 8.38, 8.68, 8.77, 8.89, 8.20, 8.51, 8.44, 8.43, 7.86, 7.86

Offering money / gifts / entertainment (%): 4.1, 3.5, 1.5, 0.9, 0.7, 0.5

Offering entertainment (%): 0.6, 0.3, 0.5, 0.4, 0.5, 0.29

Offering money / gifts (%): 0.5, 0.3, 0.4, 0.3, 0.4, 0.25

Legend:
- Comprehensive Integrity (points)
- Offering entertainment (%)
- Offering money / gifts (%)
- Offering money / gifts / entertainment (%)

2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013

*Time series interrupted in 2012 due to modification of the model

Theory: Digitalization, economic growth and prevention of corruption
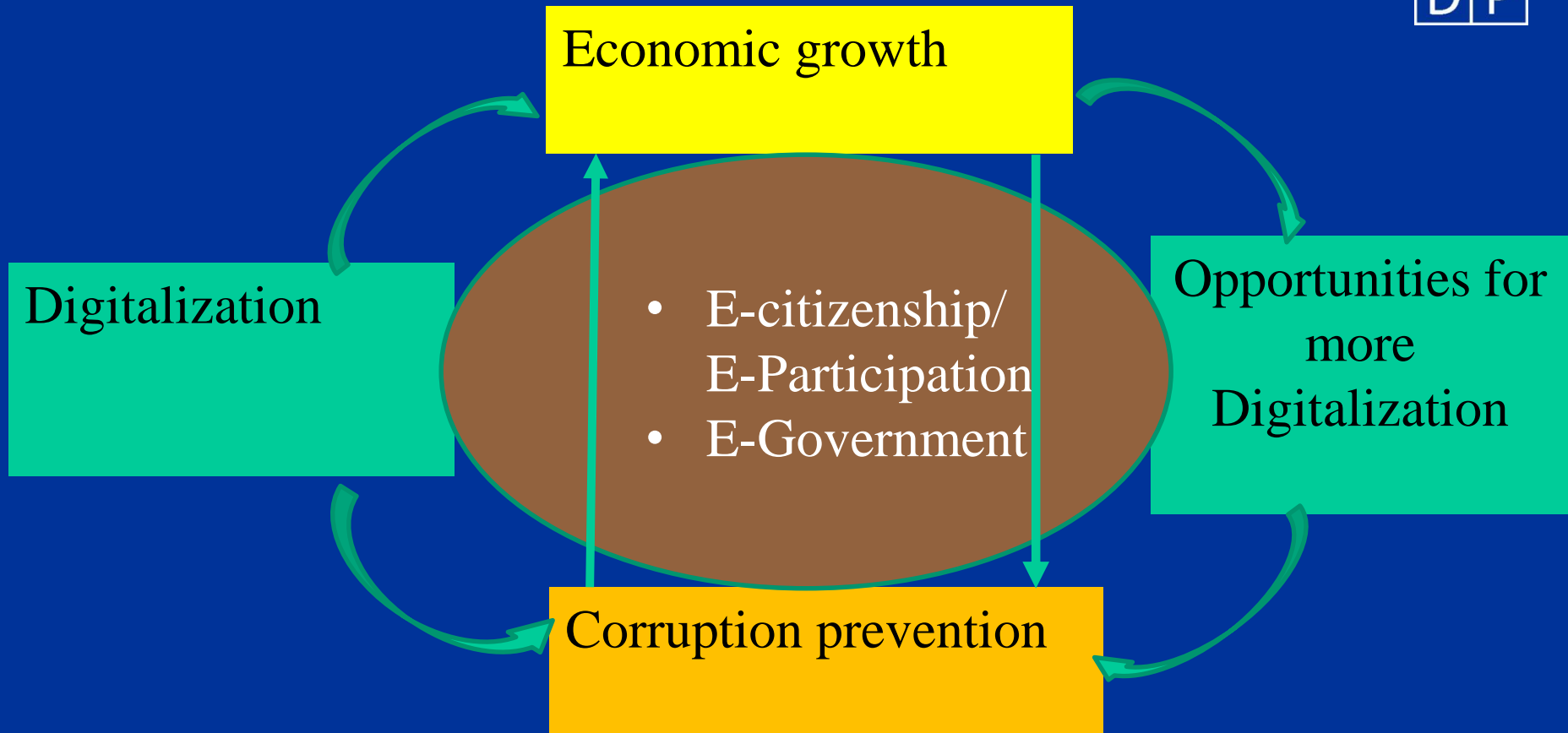
(1) Promoting transparency & accountability (e.g., use of open data)
(2) Citizen engagement for anti-corruption culture (citizen feedbacks)
(3) Greater efficiency and quality of public services (e.g., ICTs)

Evidence: The Effect of Digitalisation on Corruption – A Longitudinal Global Analysis (Robert Haafst 2017)

To prevent corruption, digital transformation is the key (e.g., Republic of Korea)

Timeline of Informatization Development in Korea (1987~Present)

Stage	Computerization		Establishment and Expansion of Infrastructure		Utilization Expansion and Integration
	1987 ~ 1991	1992 ~ 1994	1995 ~ 2000	2001 ~ 2007	2008 ~ Present
Goal	Construction of basic database		Establishment of infrastructure foundation	Expansion of Internet use	Integration of Information Resources Advanced utilization of knowledge and information
Plan	National Basic Information Systems		Framework Plan for Information Promotion, Cyber Korea 21	e-Korea Vision 2006 u-Korea Master Plan	Framework Plan for National Informatization
e-Government	National Basic Information Systems		Ministerial Informatization / Informatization of Local Governments' Administration	11 e-government Initiatives 31 e-government Roadmap Projects	Utilization of National Knowledge Resources Integration of Nationwide Information Resources
Information Infrastructure			High-speed IT Network		Broadband Convergence Wibro, RFID/USN

Digital Society Development of Korea

Examples: How UNDP has been helping economies with digitalization and corruption prevention

1. Albania – Open data portal where citizens can receive information on all municipality services (solving the issue of increased bureaucracy around access to public data)

2. PNG – Phone Against Corruption (corruption reporting tools based on mobile messaging)

3. Kosovo: Public procurement data visualization website (analyzes public procurement data and provides a red-flag system for transactions with potential corruption risks)

4. Thailand and Vietnam – Transferring and adapting Seoul Metropolitan City's good practices on clean construction

5. The Philippines – Partnership with google to create the DevLIVE platform, which will enable citizens and the government to mitigate corruption in SDG-related infrastructure projects

Take away messages

1. Corruption prevention is more than just awareness raising or education (e.g., digitalization is a powerful tool for ACAs to prevent corruption).

2. To have a sustained impact of digitalization on corruption prevention, it requires the digital transformation (needs sustained investment to change the culture both in the population and in the government) (e.g., e-procurement)

3. From the corruption prevention point of view, what is the right balance between investing on e-citizenship vs. investing on e-government? Does this balance differ by the categories of economies?

UNDP Partners

DFAT, UNODC, UN-DESA, UN Global Compact, WHO,
UNESCO, UN WOMEN, UN-REDD, US State Department,
Principality of Liechtenstein, Norad, DFID, SIDA, GIZ, OECD,
Asian Development Bank, Transparency International,
U4 Anti-Corruption Resource Centre,
Basel Institute on Governance, Integrity Action,
Anti-Corruption and Civil Rights Commission (ROK),
as well as other
bilateral, multilateral and civil society partners.

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Thank you !

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