WIN Water Integrity Network
Fighting corruption in water worldwide

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Policy Brief

Preventing corruption in the water sector

Photo: Simola Marco, WIN

Water integrity – a priority

Good governance is crucial to ensure sustainable and equitable use and distribution of water, and to secure effective delivery of water supply and sanitation. Transparency, accountability and integrity are critical governance components without which corruption issues cannot be successfully addressed. As the world is rapidly facing the imminent issue of water resource scarcity, it is of outmost urgency to improve the governance and integrity of the water sector.

Understanding corruption and its impacts

It is crucial to understand that corruption has a negative impact on social and economic development. Within the water sector particularly corruption is:

- *Discouraging investments.*
- *Undermining performance and effectiveness* of both public and private sectors which leads to inefficient and unequal allocation and distribution of water resources and related services.
- *Decreasing and diverting government revenues* that could be used to improve water and other services, especially for poor people.

- *Making existing legislation, rules and regulations ineffective*, thereby causing increased water pollution and over-abstraction of ground and surface water.
- *Diluting the integrity of the public service sector,* since discretionary decision-making creates unpredictability and inequalities and can circumvent the rules of law and justice.

Identifying water corruption risks

The risks and drivers of corruption in the water sector must be understood and assessed in order to effectively mitigate corruption risks and implement targeted actions to improve integrity and governance.

The water and sanitation sector is complex and is characterised by a number of factors which increase the risk of corruption, such as large-scale construction and monopolies and high demand for water services, which reinforces the power positions of suppliers and encourages bribery. When such risks are combined with weak governance systems, they provide a fertile breeding ground for corruption. In order to understand the roots of corruption and to be able to identify and assess water integrity risks, diagnostic and mapping tools are essential.

Water integrity tools are instruments and specific methodological approaches to improve integrity and to reduce corruption in the water sector. A wide range of tools and methodologies are available to identify corruption risks and integrity levels in specific contexts. Diagnostic tools assess corruption risks in processes which take place in the water sector and with regards to roles and responsibilities between stakeholders. It is particularly important to i) understand how the sector is performing, ii) define what is being measured ii) keep in mind that corruption can have a broader impact on the quality of the service delivery; and iv) measure the damage done by corruption and from there take steps to reduce the incentives of being corrupt. These kinds of exercises form the basis for putting in place relevant and nation-specific policies and actions to prevent corruption.

Diagnostic water integrity tools help national governments develop evidence-based strategies to address corruption risks in the water sector. From these, anti-corruption action plans can be created to increase integrity and to reduce corruption risks, which can be monitored using concrete indicators on transparency, accountability, participation, and equity.

It is a prerequisite that the processes aimed at addressing the issue are designed by high level government officials, so that the proposed solutions are endorsed at political and senior policy making levels. It is also crucial to implement the process in collaboration with other stakeholders so that findings and conclusions resulting from diagnostic studies or water integrity scans can be validated. National ownership is important to help make sure that follow-up actions are not just identified but actually implemented at relevant levels of the water and environmental sanitation services sector.

Increasing access to information

Access to information and data, open budget processes and increased awareness of anti-corruption approaches among stakeholders further improve accountability and transparency within the water sector.

Public information sharing is a key to improve transparency in the water sector. Moreover, access to information is central to enhancing inclusiveness and reducing poverty, and is one of the key factors in the promotion of more effective multi-stakeholder participation in decision-making. Raising awareness and facilitating constructive multi-stakeholder dialogue about corruption helps to focus attention of the public as well as water sector professionals on more pro-active use of improved access to information and data.

Transparent and open budget processes enable stakeholders to identify priority areas, potential funding gaps and track resource allocations. According to the *2010 Global Annual Assessment of Sanitation and Drinking-Water* (published by UN-Water), budget transparency is not prevalent in sanitation and drinking-water. While financial information for central governments and external donors tend to be more readily available, it is often more difficult to report on subnational and local government expenditures.

The establishment of public information sharing mechanisms needs to be supported by a capacity to maintain information up to date and to ensure quality so that information sharing is effective. Thus, there is a need for a basic allocation of resources and appropriate communication channels. This requires a concrete engagement from not only the government but from all of the water sector parties.

KEY RECOMMENDATIONS

Good governance is not possible without all actors of society engaged in the decision-making processes and clear political commitments to integrity and transparency in the water sector.

Concrete solutions and recommendations have been identified to promote water integrity, transparency and good governance. **Clear political commitment** is critical to ensure that the following actions will result in positive impacts on water governance:

1. *Design and implement sound policies* which establish mechanisms for information provision on water budgets, legislations and policy-making.

2. *Design and implement diagnostic studies* to identify water integrity risks.

3. *Integrate corruption risk assessments into policies* and national water action planning.

4. *Encourage stakeholder participation* to create an equitable and transparent water sector.

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