

NACS

Network of
Anti-Corruption
Specialists

Workshop on Institutional Risk Assessments – carried out by Government Ministries

Competing Minds, Co-operating People

NACS is a network of senior anti-corruption specialists around the world.

NACS' mission is to allocate existing knowledge in fighting corruption, innovate new ideas, and create new approaches.

Innovate. NACS makes the best independent minds compete to get to the bottom of corruption issues fast.

Allocate. Once the cause is known, chances are that the solution already exists within the NACS network.

Create. Where new solutions are needed, NACS provides teams to create tested tools and implement projects.

Why Institutional Risk Assessments?

These are also known as *hot spots detection* or *red flagging* and are carried out in different socio/political/economic settings in the context of anti corruption endeavours. While anti corruption work is geared towards both preventive and curative actions, this approach/methodology focuses on the prevention phase. Once national capacity has been developed with NACS input the ownership of the process as well as the responsibility for carrying out the assessments (reviews) as well as the ensuing capacity building and strengthening measures is in the hands of the national stakeholders. The programmes and procedures including checklists deal with institutional quality control, performance, task measurement, job descriptions and internal processes and responsibilities. In carrying out self assessments, areas of accounting, internal and external auditing, overall governance, information management, budgeting financial reporting, revenue administration, procurement, foreign aid and integrity/anti corruption are all assessed as they are interlinked with this leading to a holistic approach of the executive arm of government, an important and key component of a country's National Integrity System (NIS). This self assessment methodology has been developed, applied and refined in several countries with bilateral and multilateral donor support and direct involvement. Thus the reviews allow the government entity, mostly within ministries, to enhance its capability to arm itself against violations of - or threats to - its institutional integrity. The holistic approach consists of **(1)** the identification of vulnerabilities; **(2)** an assessment of an organisation's resistance capability to compensate for these vulnerabilities; **(3)** the development of additional measures to enhance this resistance capability and **(4)** the provision of a "tool box" of check lists, examples and background information.

How and by Whom are they Conducted?

The carrying out of a review is composed of four stages with the **first** involving the preparation of the groundwork by familiarising the reviewed entity management with the main features of the methodology and allocating responsibilities for its undertaking. The **second** stage is focused on a workshop with a wider set of stakeholders, in order to identify areas, activities or processes which may be particularly sensitive to corrupt practices, malfeasance and/or wastage (hotspots). The **third** stage involves a close scrutiny of the pre identified target areas of corruption hotspots. The **fourth** and final stage produces a report reflecting the main findings, recommendations and conclusion of the review team. It addresses specifically the management of the entity with recommendations for strengthening the ministry's capacity to prevent corrupt practices while setting up a monitoring mechanism for implementation of the report measures. Key questions are whether the government entity has in place the policies, strategies, rules and regulations necessary in order to address corruption risks and whether staff is aware of those policies, strategies, rules and regulations which are supposedly in place.

A review team is assembled and trained in using the integrity audit methodology with making extensive use of an assessment framework that forms part of the methodology. The core of the review team is composed of substantive staff of the entity being reviewed. For example in entities having an inspectorate general this unit with added members from internal audit. In cases where the entity needs and solicits additional expertise it adds outside review staff from the National Supreme Audit Institution and/or an anti corruption body which can be fully integrated into the team or have an advisory role.

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Fred Schenkelaars

Fred is a Chartered Accountant with eight years of hands-on experience in private sector audit and in the public administration of the Netherlands, and 25 years with several United Nations agencies. Active in the field of development for over 30 years, he has been the global manager of UNDP's Programme for Accountability and Transparency, during which tenure (1995-2000) he developed CONTACT, the UN's diagnostic tool for financial management and integrity systems. He has been conducting numerous quick scan, diagnostic and formulation missions, and has organised training workshops in financial management and anti-corruption assessment.



Daniel Blais

Daniel is a professional accountant/auditor and law graduate. He has been involved in international financial oversight mainly with SAIs (Supreme Audit Institutions) during and after a career in academia as professor at the university level. Cumulating some 28 years of work as both staff and consultant in several multilateral and bilateral institutions, he has held a post with the United Nations Secretariat in which he was involved in accountability and transparency needs assessment, activity formulation, and activity monitoring as well as project management and evaluation issues. Subsequently he was regional project co-ordinator with UNDP's Programme for Accountability and Transparency (Central and Eastern Europe and the CIS).

Workshop on Institutional Risk Assessments

Objectives	Staff understanding of the concepts of institutional risk assessment activities; Staff is familiarized with the process of institutional risk assessment; Staff identifies the steps necessary for carrying out an institutional risk assessment; Staff is able to prepare the ground for conducting an institutional risk assessment in a particular government entity.
Outputs	List of vulnerable areas (hotspots) as priorities for institutional risk assessment ; List of existing measures reducing the risk for corruption practices; List of obstacles for applying existing measures; List of possible measures to increase resistance to corrupt practices in the identified areas; Identification of possible composition of pilot audit working group; Recommendations and follow-up mechanism.
Participants	Deputy Ministers and Heads of Agencies; Heads of Departments of Ministries and Agencies; Heads of Audit and Inspection Departments; Members of Supreme Audit Institutions; Members of Anti-Corruption Agencies.
Duration	Full Day
Prerequisites	Working Knowledge of English
Pre Workshop activities	Familiarise clients with the Anti-Corruption Audit Methodology; Allocate Responsibilities for Initializing the Audit.
Post Workshop Activities	WS report preparation; WS Report feedback; Establishment of audit working group; Preparation of ministry integrity audit matrix; Preparation of audit programmes; Conduct of audit; Analysis of audit results; Drawing up of recommendations.

Assistance in pre and post workshop activities can be provided upon request

NACS

Networked Governance

Network of Anti-Corruption Specialists (NACS)
Ettalstrasse 23b
81377 Munich
Germany
Phone: +49-89-41610435-0
Fax: +49-89-41610435-9
E-mail: mail@anticorruptionnetwork.org
Web: www.anticorruptionnetwork.org