

# U4 Expert Answer



## Examples of donor agencies' online reporting mechanisms

### Query

**Can you provide examples of donor agencies that have online whistleblowing systems for reporting corruption in development cooperation? What resources are needed to establish and maintain the system and follow up on the tips received? What are the criteria for submitting a tip? Are anonymous tips accepted? What information is needed? What information about the cases is published online?**

### Purpose

Our Ministry for Foreign Affairs is planning to establish an internet-based whistleblowing system for corruption in development cooperation and has asked for a brief feasibility analysis (one-pager).

### Content

1. Overview of issues for setting up an anti-corruption complaints mechanism
2. Examples of donor agencies' complaints mechanisms
3. References

### Caveat

This answer was treated as an urgent request and provides preliminary information on donor agencies' complaints mechanisms, in particular drawing from a previous U4 answer made on donor disclosure policies of corruption cases.

### Summary

This answer provides examples of donor agencies' online corruption reporting mechanisms as well as general recommendations on how to make these effective. Recommendations are mostly drawn from the literature on anti-corruption complaints mechanisms, which is partially relevant also for online reporting mechanisms.

Many donors have established complaints mechanisms in recent years to allow for the reporting of wrongdoings in development cooperation. Such mechanisms typically offer several options for reporting corruption, including online reporting. In general, the technical option chosen for reporting matters less than the safety, independence and protection offered to whistleblowers. It is also important to communicate and provide whistleblowers with some guarantee that the report will be acted upon, to build trust in the credibility of the reporting system.

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*U4 is a web-based resource centre for development practitioners who wish to effectively address corruption challenges in their work. Expert Answers are produced by the U4 Helpdesk – operated by Transparency International – as quick responses to operational and policy questions from U4 Partner Agency staff.*

## 1 Overview of issues for setting up an anti-corruption reporting mechanism

### Overview of key features of donor agencies' online reporting mechanisms

Reporting mechanisms are an important feature of donor agencies' integrity management systems, as they increase accountability and promote detection of fraud and corruption affecting aid-financed projects and programmes. Many donors have established such mechanisms to allow their staff and third parties to report suspected misconduct.

Within this framework, online reporting tools are usually one of the different options provided to potential whistleblowers to report wrongdoings safely. A 2012 OECD report encouraged reporting and stressed that whistleblower protection mechanisms should include one or more channels through which information on both internal and external matters, can be submitted securely. This approach has been adopted by most of the donor agencies' reporting channels and that were reviewed within the framework of this query (OECD 2012).

According to experts consulted in preparing this query, potential whistleblowers may not report corruption out of fear or because they lack confidence that their report will be acted upon and have an impact. Irrespective of the channel for reporting, effective complaints mechanisms need to ensure the safety of the whistleblower and keep the information secure, including by providing for anonymous reporting or adequate confidentiality guarantees. It is also important to communicate regularly with the whistleblower and keep him/her informed on follow-up to the reports to build trust in the mechanism.

#### *Reporting channels*

Most donors provide different avenues for reporting fraud and corruption to a specialised unit or integrity body within the agency, through phone, e-mails, mail, personal contact or online forms. An online or telephone hotline is often established to facilitate the reporting of wrongdoing, especially related to corruption.

Some agencies such as NORAD and SIDA also provide an external reporting mechanism, with third-party firms tasked with receiving allegations to ensure safe and independent reporting of cases. USAID partners with civil society organisations at the country level for receiving complaints.

#### *Acceptance criteria for corruption reports*

In most of the cases examined, there is no public mention of specific criteria used to assess cases or accept reports on the website of the various agencies. Some agencies state that reports need to involve the agency's funds, assets or interests (including reputation); this is the case for DFID or SIDA. Others, such as the World Bank, put a greater emphasis on the type of offences that can be reported through this mechanism and provide guidance on what should be reported.

Most agencies allow anybody to report on fraud and corruption occurrences they may know or have witnessed; there are typically no explicit restrictions in this regard on the websites of the various agencies.

Some agencies, such as the Inter-American Development Bank and DFID, impose a duty to report fraud and corruption-related offences on their staff. In practice, it is not clear whether introducing a duty to report is an effective approach to encourage reporting, especially in the absence of corresponding strong whistleblowing protection policies.

#### *Confidentiality*

Whistleblowers are in most cases allowed to report anonymously on wrongdoing they may be aware of or witness. However, agencies usually discourage anonymous reporting, as it makes it difficult to follow-up and investigate cases. Instead, confidentiality is promoted, by guaranteeing some level of protection against retaliation, usually linked to whistleblowing and data protection policies. It is however important to note that in practice development agencies' ability to protect whistleblowers from retaliation is often limited.

#### *Information requested*

There are typically no strict criteria on the type of information needed to submit a report. To the extent possible, agencies try to collect information on:

- Who was involved
- What type of offence was committed
- When did it happen

- Where did it happen, which project, country, etc
- Who else might have information on the case
- Who will know that the person made a report
- How does your allegation relate to the agency funds
- Supporting documentation

### *Resources needed for operating the reporting mechanism*

There is very little information publicly available on resources for managing and operating online reporting mechanisms; given the short notice for this HAD, no additional information could be retrieved other than what was publicly available. More research is needed to properly answer this question. In any cases, the mechanisms should have enough resources to receive, handle, investigate and/or refer the cases to the relevant authority/body. Particular attention should be given to effective communication with the whistleblower, who needs to be informed that his reports has been received and is being followed-up upon, and to keep him informed of the various steps of the process.

### *Number of allegations and reports*

Generally, agencies don't systematically publicly report on numbers of cases received through the mechanism and the nature of the cases reported.

General information can be found on numbers of cases handled by the various anti-corruption bodies in their annual reports, but these rarely provides specific information on which cases were reported through the online mechanisms, with which outcome.

More targeted research would be needed in this regard.

### *Key underlying principles*

Irrespective of whether the reporting occurs online or not, there are a number of considerations that need to be taken into account to ensure safe and effective reporting of allegations and gain the trust of potential whistleblowers. The mechanism should be (Chene 2013; 2007):

**Safe:** the reporting system should be non-threatening and provide adequate guarantees for the safe handling of complaints, associated with strong whistleblowing provisions and data protection guarantees.

**Independent:** the institutional set up should ensure independence and neutrality of the investigators from interested parties.

**Accessible:** the reporting system should be simple, flexible and accessible to the targeted audience, with clear rules on how to report. This may involve providing for more than one channel for reporting, beyond online reporting.

**Enforcement:** Adequate resources should be allocated to the handling and investigation of complaints. A reliable mechanism should provide adequate responses and effectively address concerns raised, solve problems and monitor the effective enforcement of sanctions and penalties.

**Transparent and accountable:** Stakeholders should be made aware that the reporting mechanism exists, and ideally also be involved in its design. There should also be clear rules about transparency and disclosure of information about the reports received and the decisions they trigger, while making sure that witnesses and whistleblowers are protected. In principle, it should be possible to strike a balance between the benefits of full disclosure of investigative findings and the need to keep confidential the identity of the whistleblower, although this may not always be the case.

### *How to make corruption reporting systems effective: lessons learned*

A TI report on government anti-corruption hotlines highlights a set of key operational, administrative, institutional and political recommendations for online anti-corruption reporting mechanisms (Transparency International 2009).

**Operational:**

- Promote public awareness of the reporting service
- Create a client-friendly and responsive environment
- Ensure staff training
- Allocate sufficient and discrete funding

**Administrative:**

- Protect the rights of sources to remain anonymous and file reports confidentially
- Standardise procedures for handling and processing reports
- Set clear time limits for responding to queries and reports

- Establish and define in formal and legal terms when a case is considered resolved
- Set up data management systems
- Regularly publish data on reporting system performances

Institutional:

- Clearly establish investigative responsibilities

Political:

- Promote the reporting mechanism's independence from political or administrative interference
- Establish linkages with civil society

## 2 Examples of donor agencies' online complaints mechanisms

### Multi-lateral agencies' reporting mechanisms

#### *Asian Development Bank (ADB)*

The Office of Anticorruption and Integrity (OAI) is the initial point of contact for allegations of integrity violations involving ADB-related activities or ADB staff.

Please see: <http://www.adb.org/site/integrity/how-to-report-fraud>

#### *Channels for reporting*

There are several ways in which corruption can be reported, including an online tool. Concerns of corruption, fraud, conflicts of interest occurring in ADB financed project can be reported to the Office of Anti-corruption and Integrity (OAI) by e-mail, fax, mail, telephone. There is also a web form that can be used for reporting, accessible here: [Complaint Form](#).

#### *Confidentiality*

Reporting can be done anonymously, but the Bank advises that anonymous reports are more difficult to investigate. ADB makes specific mention of their whistleblower and witness protection policy.

#### *Information requested*

Instead of strict criteria, the website provides broad guidelines of relevant information to report, including:

- Who do you think committed the [integrity violation](#)? Who else was implicated? Who else might have been involved?
- What happened? Describe the events fully and using as much relevant detail as possible.
- When did it happen? Provide dates, time, and number of times the violation occurred.
- Where did it happen? Include not only the city and country, but, if possible, an actual address, the name of the building, the office number.
- How does your allegation relate to ADB business? Was ADB staff involved?

#### *Disclosure and Number of cases*

In 2011, OAI received 225 new complaints of integrity violations. Investigations resulted in the debarment of 31 firms and 34 individuals.

#### *Inter-American Development Bank (IDB)*

The Office of Institutional Integrity (OII) is the body responsible for handling allegations of fraud and corruption.

#### *Channels for reporting*

The OII receives corruption allegations from anyone. Anonymous reports are also accepted, by mail, fax, telephone, in person or through an online platform: <https://www.idbfc.org/>. Bank staff are obligated to report any possible violation of the IDB Group's anti-corruption regulations.

There is a web form to submit complaints online: [Form to submit allegations](#). Reports can be submitted in English, Spanish, French or Portuguese.

Public data shows that the OII receives allegations of possible Prohibited Practices mainly from three sources: (i) third parties; (ii) Bank-staff; and (iii) anonymous. Of the cases opened in 2012, 55 per cent originated from an allegation submitted by IDB Group staff, 37 per cent from third parties, and 8 per cent from anonymous sources. Third party sources include, among others, executing agencies, other public officials, bidders, contractors, consultants, employees of NGOs, and the media.

The 2012 OII annual report provides a breakdown of the reporting mechanisms that were utilised to submit allegations of fraud and corruption in 2012, showing that the website and email are, as in past years, the principal methods of contact.

### Confidentiality

Whistleblowers can identify themselves or report anonymously. If they identify themselves, their identity is kept confidential by the OII, except as needed to permit an investigation to be undertaken (if appropriate), and to respond to the concerns presented. Anonymous report should be submitted through the web form.

The Website advises that it is impossible for the Bank to protect whistleblowers (see the [whistleblower protection](#) policy) to an individual who chooses to report anonymously. Similar to the ADB, the IDB points to the difficulties of pursuing anonymous reports and calls for providing as much details as possible about the suspected acts of fraud and corruption.

### Information requested

Whistleblowers are requested to submit as much detail as possible, including the following:

- If available, name and number of IDB Group-financed project.
- Who do you think committed fraud or corruption? Who else might have been involved?
- What happened? Describe the events with as much relevant detail as possible.
- When did it happen? Dates, time, how many times, etc.
- Where did it happen? Include not only the city and country, but, if possible, an actual address, the name of the building, the office number, etc.
- Who else might have information?
- Who will know that you made a report?

### Disclosure/Number of cases

Each year, the OII produces an [annual report](#) of its activities, which includes data on allegations of corruption. The Annual report 2012 states that 127 new cases/allegations were made in that year.

The IDB's Sanctions Committee publishes a list with the names of all firms and individuals that have been found to have engaged in fraud, corruption, collusion, coercion or obstruction (known collectively as prohibited practices).

The information published includes the name, type and nationality of the entity, affiliation, project country and grounds for the sanction as well as the sanctioning period. This list is at:

<http://www.iadb.org/en/topics/transparency/integrity-at-the-idb-group/sanctioned-firms-and-individuals,1293.html>

For more information on the IDB reporting system please see:

<http://www.iadb.org/en/topics/transparency/integrity-at-the-idb-group/how-to-report-fraud-and-corruption,2872.html>

### World Bank

The Integrity Vice Presidency (INT) is an independent unit within the World Bank Group investigating and pursuing sanctions involving allegations of fraud and corruption related to Bank Group-financed activities. Sanctionable practices investigated by INT include fraud, corruption, collusion, coercion and obstruction.

### Channels for reporting

Allegations can be reported to the INT by phone and mail. INT has also recently launched an [Integrity app](#) that can be used to report concerns of fraud or corruption in World Bank financed projects, send images related to those concerns and access information about the World Bank's integrity program.

### Confidentiality

Reports can be made anonymously. However, the INT warns that anonymous allegations are often more difficult to pursue. The World Bank commits not to disclose the whistleblowers' name in any court nor any information that may help reveal the identity of the whistle-blower outside of the investigative team and its managers and attorneys, unless the Bank determines that the whistle-blower has made an intentional misrepresentation or omission, or the Bank is required to do so by law.

### Information requested

The more specific the information provided, the better INT is able to follow up on allegation. The World Bank asks whistle-blowers, to the extent possible, to share basic information - who, what, where, when and how? - and also try to include details such as:

- Project name
- Supporting documents
- Names of witnesses

The INT also asks the whistle-blower to provide information on how he/she can be reached for further information or clarification.



### *Disclosure and Number of cases*

According to the 2012 INT [annual report](#), over the four years during which the whistleblowing policy has been in effect, 275 Bank staff have made disclosures to the integrity unit. In 2012, the INT dealt with a total of 79 cases, 36 of which were carried over from the prior fiscal year and 43 cases that were opened during FY12.

## Bilateral donor agencies' reporting mechanisms

### *Belgium*

#### *Channels of reporting*

The Belgian Development Agency (BTC) has an integrity website, known as the Integrity Desk, which provides a channel for reporting alleged cases of corruption: <http://www.btcctbintegrity.org>. The site, which has been operational since March 2012, also provides an overview of related policies and activities. No case information is disclosed through this platform. Reporting can be done by staff and third parties (including suppliers, partners and beneficiaries) through a web interface. To ensure the integrity and independence of reporting, the website is hosted outside the agency and is administered by the internal auditing department.

#### *Confidentiality*

Reporting can be done confidentially but anonymous reports are not followed-up upon: All relevant national data protection laws apply in terms of privacy of the filing and requests to review the files.

#### *Disclosure and Number of cases*

No external disclosure and information on cases can be published that would make it possible to identify the parties that are involved in the allegation.

#### *Remarks*

The site was not functioning at the time of compiling this answer, so no further information could be provided.

### *DANIDA*

#### *Reporting channels*

The agency has an online reporting form (in English) which allows anyone to provide information on an

alleged case: <http://um.dk/en/danida-en/about-danida/danidatransparency/report-corruption/>.

A Web form can be filled and sent online. In terms of process, DANIDA requests an e-mail address to be able to follow up on the case. When a report is filed, the complainant receives an automatic acknowledgement of receipt from the system. The agency seeks to process the report within two weeks and provides a notice that the report is being processed.

#### *Information requested*

The form requests information on:

- Name (optional)
- E-mail address
- Type of illegal activity
- Country where it took place
- Description of what has happened and how it came to the complainant's awareness
- Who is involved and if possible the relation to the Danida activity or Danish Embassy if any
- Existence of documentation of the occurrence
- Witnesses that could confirm the report
- Report of the occurrence to other authorities or Danish institutions in relation to the case. If so, who and when.

#### *Confidentiality*

Reports can be made anonymously. The Ministry of Foreign Affairs/Danida handles reports confidentially and guarantees that reports will only be handled by the competent individuals in the Ministry of Foreign Affairs and Danida's anti-corruption team. All reports are handled confidentially and according to the country's Access to Public Administration Files Act <http://www.erhvervsstyrelsen.dk/file/50040/AccessPublicAdministrationFilesAct.pdf>.

For more information, please see:

<http://um.dk/en/danida-en/about-danida/danida-transparency/report-corruption/about-reporting-corruption/>

#### *DFID*

DFID's Counter Fraud and Whistleblowing Unit (CFWU) receives all allegations of fraud and corruption, including those reported by whistleblowers that are internal and external to the agency. All suspicions of fraud or corruption must be reported by DFID staff.

Reports, including those logged anonymously, can be received via email, writing or by calling a UK hotline or through a web form: <http://devtracker.dfid.gov.uk/fraud/?country=Laos>. The CFWU has a dedicated secure email address for raising all concerns and suspicions of fraud: [fraud@dfid.gov.uk](mailto:fraud@dfid.gov.uk). All cases are accepted that involve DFID funds, assets or interests (including its reputation).

## NORAD

### Reporting channels

Allegations are administered by NORAD's fraud unit, which specifically oversees suspicions of financial irregularities.

NORAD offers two major channels for reporting irregularities: 1) through the agency's whistleblowing channel by phone or mail or 2) through the external whistleblowing channel (a third-party firm), by phone, mail, email or through an electronic reporting form.

More information is available at: <http://www.norad.no/en/about-norad/whistleblowing>.

### Confidentiality

Whistleblowers have the right to remain anonymous. They can also choose to be anonymous vis-à-vis Norad while allowing their identity to be known to Kluge Advokatfirma DA, the firm managing the external whistleblowing channel.

Reported cases of corruption are covered by the agency's whistleblower policy. All case reports are first handled by the third party firm. [www.norad.no/en/aboutnorad/whistleblowing/\\_attachment/398726?\\_download=true&\\_ts=13c15d18188](http://www.norad.no/en/aboutnorad/whistleblowing/_attachment/398726?_download=true&_ts=13c15d18188)

## SIDA

### Reporting channels

SIDA has also established an online whistleblowing system for reporting suspicion of corruption or other irregularities, including anonymous reports, by staff and third-parties: <https://www.Sida.se/English/Contact-us/Whistleblower/>. Reports can be made by e-mail or submitted through the web form.

Sweden's Data Inspection Board handles the receipt of reports from PriceWaterhouseCoopers, which is the

firm that first receives complaints through SIDA's whistleblowing reporting channels: <http://www.datainspektionen.se/in-english/>. Sida has an investigative unit that then takes on the reports and launches an investigation.

In terms of acceptance criteria, the agency can only investigate allegations of corruption or fraud with an impact on Sida funds.

### Confidentiality

If whistleblowers choose to remain anonymous, the information will be sent encrypted. [The processing of personal data \(pdf\)](#) describes how the system handles personal data.

### Information requested

The report should include the following information:

- Name (optional)
- Contact information (email address or telephone number. Optional)
- Type of action reported
- Where it has taken place
- When it took place
- Who is involved and who has committed the alleged acts.
- Any relevant documentation
- Any other action in relation to the case.

For more information, please see: <https://www.sida.se/English/Contact-us/Whistleblower/>

## USAID

The Office of the Inspector General hotline receives complaints of fraud, waste, or abuse in USAID agencies' programs and operations, including mismanagement or violations of law, rules, or regulations by employees or program participants. OIG oversees the programs and operations of USAID, the Millennium Challenge Corporation, the United States African Development Foundation, the Inter-American Foundation, and upon request, the Overseas Private Investment Corporation.

Complaints may be received directly from employees, program participants, or the general public. Reports can be made by telephone, e-mail, sending the completed PDF form ([complaint form pdf](#)) by fax or by mail or through the online complaint form that can be accessed [here](#).

At the country level, the Office of the Inspector General sometimes partners with civil society organisations for operating anti-corruption hotlines, for instance in [Haiti](#) or [Pakistan](#).

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