Capitalisation Exercise of Swiss Anti-Corruption Development Cooperation: Taking Stock and Moving Forward

Schweizerische Eidgenossenschaft
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Swiss Agency for Development and Cooperation SDC

Anti-corruption assistance in a changing context

Over the past decade, anti-corruption assistance has been taking place against a background of significant changes in the wider development cooperation dynamics between traditional, Western donors on the one hand, and partner governments on the other hand. These 'big picture' changes have an impact on the effectiveness of assistance provided, including anti-corruption assistance. There is growing evidence that the traditional role of Western donors is changing: partner governments in the Global South increasingly look to other sources of financial assistance, and as a result, possibilities for conditionality, which could previously be used to leverage partner governments to pursue difficult and often unpopular anti-corruption reforms, are diminishing. And there is also evidence that previously held consensuses among Western donors on core values around rule of law, human rights, and democracy – and how to uphold these *vis-à-vis* increasingly authoritarian governments – are becoming more brittle in practice, and obscured by other policy imperatives.

SDC's engagement on anti-corruption

This synopsis summarises the findings from a Capitalisation Exercise (CapEx) of Swiss anti-corruption assistance, commissioned in 2019 by SDC's Thematic Unit on Governance. The CapEx covered anti-corruption assistance in eight countries: **Bangladesh** (multi-donor core support to the national Transparency International chapter to advance implicit anti-corruption efforts); **Burkina Faso** (where two programmes approach anti-corruption through a good governance lens); **Guatemala** and **Honduras** (where Switzerland joined other donors in support to internationally-led anti-corruption commissions); **Kosovo** (a multi-phased strategic explicit anti-corruption programme, implemented by UNDP); **Romania** (a programme that complements capacity building to an anti-corruption institution with support

to investigative journalists championing innovative anti-corruption research techniques); **Tanzania** (an explicit anti-corruption programme including capacity building to anti-corruption law enforcement institutions, as well as innovative work on social norms); **Ukraine** (where anti-corruption is supported as part of an explicit anti-corruption project as well as mainstreamed across several sectoral programmes). The CapEx aimed to document lessons learned from past and ongoing programming and implementation of anti-corruption assistance, and to extrapolate emerging issues that merit discussion at SDC level.

SDC's new 'Guidance on Anti-Corruption' (replacing the 2006 anti-corruption strategy), and the 2020 *Guidance on Governance* reiterate the **nexus between corruption and governance**, where the fight against corruption is one of five key pillars for pursuing good governance. The CapEx confirms that this is already reflected in SDC programming in several countries – through initiatives not only far broader than those commonly associated with anti-corruption, but also through a spectrum of interventions with a more 'implicit' anti-corruption approach.

Key findings

Overall, Swiss Cooperation Offices (SCOs) have a **considerable level of autonomy, and few prescriptive limitations, on how to interpret and translate corruption, and anti-corruption, into programming choices at country level**. This is reflected in the wide spectrum of approaches practised in the countries that were part of the CapEx. These range from **explicit, multi-pronged anti-corruption programmes** (for example, in Kosovo and Tanzania); to a clear preference for **anti-corruption as an integrated component across sector programmes** (for example, in Ukraine), and where reducing corruption is seen as a means to an end; through to support to multi-donor

international anti-corruption institutions (in Guatemala and Honduras). And in Burkina Faso, anti-corruption is, more than in other countries, approached through a general good governance lens.

Where there is a preference for **mainstreaming anti-corruption**, the CapEx found that stakeholders justified such choices, at least in part, **by Swiss positioning in the wider donor landscape** (for example in Ukraine, where there is a dense presence of donors that are considered better placed to lead on explicit anti-corruption efforts). **But there has also been evidence of this discussion being linked to the debate around corruption and political neutrality as one of Switzerland's foreign policy principles.** This is a complex debate. While SDC has a clear anti-corruption agenda at the field level, there are a number of issues that inform the choice of implicit/mainstreaming of anti-corruption vs explicit programming. These can include considerations around whether there will be partner cooperation if an intervention explicitly targets corruption; as well as whether there might be a risk to SDC and project staff and partners if explicit anti-corruption programmes are being pursued.

In terms of **programming and management tools**, across case study countries, the CapEx finds that Theories of Change are often not consistently woven into the programme/project delivery logic, and that **interventions are not always well equipped, or have the resources, to analyse, monitor, and evaluate whether and how underlying programming assumptions have held up during implementation**. A specific challenge around

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Whole-of-government approach to anti-corruption

In several of the case study countries, Switzerland is offering specialised assistance on how to return the proceeds of crime to partner countries through programmes implemented by the Basel Institute on Governance's International Centre for Asset Recovery. The CapEx found there to be consensus among stakeholders that Switzerland was in a strong position to offer this type of assistance. However, stakeholders also suggested that it would be equally, if not more, important to prevent illicit financial flows from these countries to international (and Swiss) banking systems. This points to **a need to reconsider and potentially strengthen a whole-of-government approach to anti-corruption**.

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assessing results arises in sectoral programmes, where anti-corruption is a transversal theme. Here, results are often intuitively perceived, rather than systematically measured, and there is a tension around finding more suitable indicators to capture success, as well as concerns over even more complicated monitoring and evaluation processes to prove success. **Programming ambitions should be reflected in realistic and adequate management tools, such as logframes including outcome indicators; alternatively, there should be a discussion as to whether logframes are, in principle, the most adequate instruments to manage anti-corruption assistance or whether more adaptive tools might not be more appropriate.**

At the level of implementing partners, the CapEx observed that the overall accountability framework outlined by **Theories of Change tended to be eclipsed by a narrow focus on achieving outputs – as opposed to outcomes – at the project level**. This points to a need to explore the extent to which data collection and reporting formats can be strengthened so that implementers are challenged to reflect on the 'bigger picture'.

Across the case study countries, there have been **successful examples of working with government and institutional counterparts**. However, evidence from several countries also points to the potential risk associated with **working with governments particularly in the contexts of increasing authoritarianism and shrinking space for civil society**. One of the risks is that Switzerland could be seen as becoming complicit in human rights violations; or in supporting, or failing to leverage, governments that are consciously resisting anti-corruption commitments. This, then, requires a strengthening of risk analyses and mitigation measures, including early exit strategies should these risks materialise.

Where interventions have worked with/through non-governmental organisations, there have been numerous examples of success. For example, the CapEx identified a sectoral programme on energy efficiency that has been able to mobilise interest-based civil society in anti-corruption efforts. At the same time, there has been evidence that expectations of non-governmental implementing partners to effect anti-corruption change have increased – a premise that should be increasingly scrutinised during programming and implementation.

Recommendations

- **SDC assistance should increasingly consider the emerging 'big picture'** – the landscape in which anti-corruption assistance takes place, and which includes a reduced/changed role of traditional Western donors and diminished conditionality, leverage, and motivations for partner governments to implement reforms. SDC should consider taking a more proactive role in instigating a discussion on these issues among like-minded donors. And these considerations should find their way into programming of anti-corruption assistance – from the design/Theory of Change formulation phase, to logframes, monitoring, and reporting. In particular, new and innovative (and potentially catalytic) approaches should be monitored, and data collected about the results to promote learning and knowledge transfer.

- Specifically, SDC should discuss how it programmes anti-corruption actions implemented by **CSOs in contexts of shrinking space, rising authoritarianism, and the lack of trustworthy public information, and what, in such contexts, constitutes 'success'**. Should it be defined as 'progress' or is it preventing further backsliding in the areas of transparency, accountability, or integrity 'enough'? And what are realistic roles and expectations of CSOs in the absence of 'top down' willingness by the governments in partner countries to pursue genuine reforms?

- **SDC should consider steps to further skill staff on corruption and anti-corruption.** This can/should happen at different junctures. **Political economy analysis** – which is taking place but is often not documented – should be more prominent in pre-programming stages (and include the above 'big picture' considerations). This should include a more diverse range of analyses, such as commissioned and publicly available research, to be used to better guide future programme development and a better justification of programming choices.

- **Where anti-corruption is mainstreamed, a realistic level of accountability should be developed.** Where projects state that they contribute to anti-corruption, they also need to be able to report against this objective – without unreasonably inflating the programming and monitoring and evaluation process. Staff skills on intersectionality aspects should be bolstered: this, in particular, concerns the incorporation of gender aspects into anti-corruption programming, and where there has been very little evidence across case study countries. Programming opportunities to advance the transversal theme of gender should be further developed, and expert support should be engaged as needed.

- There is some scope to discuss to what extent SDC should be **more proactive in political and policy dialogue around some of the anti-corruption projects**, specifically where the implementing organisations are unable to leverage results. This is likely to be something that might not always be welcomed by the implementing organisation, however (for example, UNDP).

- **There is scope to incorporate anti-corruption in later stages of projects.** Swiss assistance lends itself to this: its often long-term engagement with partners provides the time and opportunities to identify potential stakeholders and effective ways of engagement suitable to the partners and the project context and objectives. The work with civil society in the context of the International Finance Corporation (IFC) energy efficiency project in Ukraine is a useful example for such an iterative development of an anti-corruption component in the context of a sectoral project.

- **Anti-corruption and governance experts should work closer with sector programmes to anchor anti-corruption as a transversal topic across SCOs portfolios.** Systematic, SCO-wide discussions could evolve around the identification of opportunities and hindrances, at country-level, for explicit and implicit anti-corruption efforts.

- There are opportunities to increase thinking around **catalytic impacts** that could be provided **through Swiss funding**. Switzerland's unique role in the donor landscape merits further exploration of how its funding could advance lessons learned and potential scaling up of successful pilot projects by other donors. This has implications for programming, as well as monitoring, evaluation, and learning: piloting niche or innovative approaches will be useful to others if lessons learned are systematically documented and captured. For example, in Tanzania, the anti-corruption programme included a component targeting the still relatively new concept of social norms, and which could have provided useful evidence for others. And in Romania, SDC support to investigative journalism provided a tangible push to citizens' demands for anti-corruption reforms, as well as making a contribution to a more evidence-based discussion of the challenges around asset recovery.

- SDC might want to consider the extent to which there is potential to **reinvigorate the existing international legal instruments and frameworks** that define anti-corruption assistance. This concerns, for example, the UNCAC, and where there might be some momentum in the donor community that SDC could join. Finally, there is a need for a renewed effort on a **whole-of-government approach to anti-corruption**, and where Swiss development cooperation needs to examine ways in which it can influence policies and legal reform that have an impact on curbing illicit financial flows and the sheltering of the proceeds from corruption inside Switzerland.