



INFRASTRUCTURE CORRUPTION RISK ASSESSMENT (ICRAT) TOOL

FACTSHEET

ASSESSING INFRASTRUCTURE CORRUPTION RISKS

This tool assists representatives from civil society organisations, government and business, to identify, assess and communicate the corruption risks arising during the selection of infrastructure projects – when decisions are being made about what type of projects are needed.

It highlights how the process of selecting infrastructure projects can be skewed or manipulated to bring rich rewards to the project proponents and other beneficiaries (including government officials), at the expense of the public good.

“ **No equivalent tool of this sophistication exists as far as I am aware in relation to project selection. This seems to be an extremely well written, well researched and well thought through tool.**

Neill Stansbury, Global Infrastructure Anti-Corruption Centre

Accountable Infrastructure Project

This project is part of Transparency International's regional partnership to reduce corruption in the Indo-Pacific region, which recognizes that to stop corruption, we need to support strong, collaborative and locally-led movements calling for greater transparency and oversight over public and private institutions.

This project works in partnership with local TI Chapters to identify corruption risks when governments select infrastructure projects, and advocate for stronger processes to stop corruption.

It builds off the strength of our Accountable Mining Programme's Mining Awards Corruption Risk Assessment Tool, which has been used in over 20 jurisdictions to identify, assess and address corruption risks in the mining sector.

WHY DO WE NEED THIS TOOL?

The tool identifies the loopholes that enable corruption to take hold early in the project cycle, during the selection of an infrastructure project.

Current infrastructure investment is high and needs to increase over the next decade to meet the Sustainable Development Goals, deal with climate change and stimulate the economy following the COVID-19 downturn. The Global Infrastructure Hub estimates there is a \$15 trillion USD investment gap between projected investment and the amount needed to provide adequate global infrastructure by 2040. Reducing the losses associated with poor infrastructure governance could significantly reduce this gap and ensure there is more money to go towards projects the community needs.

If the project selection process is skewed or manipulated and corruption or undue influence is able to gain a foothold at the project selection and design stage, the flow on effects over the life of the project can be huge or even disastrous. It can result in cost blowouts and inefficiencies, poor quality or sub-standard construction and 'white elephant' projects, poorly aligned with the public's need.

Addressing a gap

Several tools have been designed to help civil society in the procurement and construction stage of the project cycle. However few, if any, specifically target the project selection stage of an infrastructure project.

This tool is designed to assist civil society and other stakeholders to assess the project selection process, ask the right questions and hold those responsible for commissioning and selecting public infrastructure to account.

Pilot phase

- The tool is being piloted in the Solomon Islands in partnership with Transparency Solomon Islands in 2022
- The pilot phase is guided by a multistakeholder advisory group of local and regional experts from government, industry and civil society.
- If you are interested in funding the rollout of this tool in another Asia-Pacific country, please get in touch.

HOW DOES IT WORK?

This tool guides the user through two assessments of the contextual and project-specific corruption vulnerabilities and then guides the user through approaches to communicate the results of these assessments to the authorities.

Level I: Initial Assessment assesses the broad political or governance context of the selection process and the agency context of the project itself, and

Level II: Detailed Assessment, is an optional, further detailed assessment of aspects in the project selection process that have been highlighted by the initial assessment.

The final step '**Communicating and Addressing**' guides the user to develop mitigating actions and messaging to communicate the results and advocate for improved processes and measures.

The ICRAT has been designed to be a practical and flexible process to identify red-flags and address vulnerabilities to corruption. It principally assesses the 'grey areas', such as undue influence and equips users with a process for separating corruption from mismanagement and incompetence. It will also help to identify those areas that are vulnerable to grand corruption, involving high-level officials.

WHO CAN USE IT?

Civil society:

Civil society organisations benefit with a better understanding of corruption risks, empowering them with better opportunities to participate during the often opaque process of selecting infrastructure projects.

Government:

Government officials benefit with stronger evidence of the institutional weaknesses and gaps that may be contributing to integrity failures and poor outcomes in infrastructure development.

Infrastructure developers and financiers

Infrastructure developers and financiers benefit by being better able to understand, assess and mitigate corruption risks, and provide assurance that project decision-making is fair, transparent, and based on merit and need.

This project part of Transparency International Australia's (TIA) Accountable Infrastructure Project, funded by the Australian Government Department of Foreign Affairs and Trade (DFAT) and the New Zealand Ministry of Foreign Affairs and Trade (MFAT) for the implementation of the Transparency International Indo-Pacific Partnership for Strong, Transparent, Responsive & Open Networks for Good Governance 2020-2023 (TI IPP STRONGG Programme)
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