

PRELIMINARY STUDY
ON
GOOD GOVERNANCE PROGRAM
IN
THE CAUCASUS REGION

SUMMARY

NOVEMBER 2009

JAPAN INTERNATIONAL COOPERATION AGENCY

GLOBAL LINK MANAGEMENT, INC.

ECC
JR
09-016

The views expressed in this paper are those of the commissioned company and do not necessarily represent the official position of JICA.

Summary

1. Good Governance Assistance as an Institutional System

Review of good governance support by donors

The theory of good governance and foreign aid to good governance were emerged mainly by DAC countries and World Bank in the early 1990s. Following are the three major factors for the change in development models and the shift in paradigm; (1) reconsideration of aid activities, (2) changes in international political systems, and (3) aid fatigue by donors. During the 1980s, the structural adjustment policy under WB and IMF promoting market-oriented economy failed to succeed in macro economic recovery, and could not improve the standard of living in many African countries. This was owing to the vulnerable public sector and resulted in stagnation of the economy. The lesson learned from this bitter experience was that rather than good policy, supporting transparency in policy decision making and rule of law are more crucial, and is a precondition and requirement for development. Entering the 1990s, former USSR countries made a speedy shift towards a market-oriented economy, however, as no institutional base was formulated, various confusion such as corruption occurred within the government. The importance of improvement in good governance and provision of a “good system “for judicial, regulatory and anticorruption was urged, with the understanding that economic development can not be achieved without dealing with governance issues.

Changes in international politics also brought governance issues on the stage. The end of the Cold War was a watershed from negligence to renewed attention for non Western political systems. Better aid systems prioritizing the most needed areas were founded. As a result, donors especially from NORDIC advocated the importance of the support to linearization/democracy and protection of human rights, and parliamentary democracy and market economy as a tool to alleviate poverty, sustainable development and social justice. Good governance was a convincing concept, a good solution to embrace all of the issues.

Aid fatigue by donors during the 1990s can be also pointed out. During the 1980s, opinions were ‘priority should be put on economic and social improvement in the donor country rather than giving aid’, and the question ‘does aid really work?’ was often raised when analyzing results and effectiveness of aid. Good governance was believed to be the tool to effectively use aid funds by improving public administration, the legal system, and curbing corruption; thus promoting human and social development which is the foundation of democracy.

The international society commonly recognizes that governance issues lie in poor development in developing countries, and is a crucial factor and precondition for development. Furthermore, governance, which influences political, economic, social and culture, is considered important in promoting aid effectiveness. The following 6 areas of good governance assistance are currently widely provided by donors; (1) building of liberal democracy, (2) rule of law, (3) formulation of civil society, (4) improvement of government credibility and confidence, (5) curbing corruption, and (6) civilian control.

Donors have streamlined their aid policy to good governance and explicitly expressed the importance for supporting good governance in developing countries as stated in the following commitments.

- “Good governance is probably the most important factor to eradicate poverty and promote development “Kofi Anan, UN Secretary-General (1997-2006)
- “Democratic governance makes an environment for achieving MDGs and reducing poverty as well. Good governance therefore is placed at the center for achieving MDGs” (UNDP)
- “Effective and good governance are the precondition for development. Consensus is made that good governance, democracy, respect of human rights are the pillar of EU’s development cooperation. Democratic governance and poverty reduction are both sides of the coin.”(EU)

Support to good governance by the international society has become increasingly important, and there is no doubt that good governance is an established field in foreign aid, though there yet remains some points for debate as follows.

- It is difficult to prove that support in legal framework and public administration management contributes to development unless implementability and enforcement are guaranteed by the government.
- There is not necessarily a link between economic growth, human development and good governance.
- It is still difficult to make a distinction between countries which did and did not achieve sustainable growth based on differences in good governance. Furthermore, the progression of good governance during each stage of growth and development is yet to be discussed.
- Developing countries need to more actively bring up discussions for a policy on good governance. It is also crucial to understand the context of values and culture in the developing countries for human rights and corruption issues as there is a long tradition and practice originated from their own political culture.

- Determining whether a country can or cannot improve good governance is not merely an issue of institutional building, but also based on the structure and characteristics of the country.
- Transferring the western political and social systems to the developing countries in short timelines is questionable.

Following are some issues and challenges pointed out in promoting aid effectiveness in good governance support.

- Duplication and unbalance of good governance projects caused by donor support biased to own advantages and favorable areas.
- While it is obvious that individual rights in political and democratic governance should be closely connected, it becomes effective only when individual economic and social rights are guaranteed.
- It is very difficult to measure the achievement of good governance support with figures and indices. For instance, one goal of anticorruption support is to improve the morality of civil servants, the achievement being very difficult to measure.
- Applying all components of good governance as a tool when assisting developing countries should be avoided.
- As good governance covers a wide range of areas, most aid projects may fall into the scheme of good governance. It is, therefore, obviously difficult to evaluate aid effectiveness by selecting specific areas of governance item per se.

Evaluation of Good Governance Assistance and the Future Direction for Donors

This section discusses evaluation made by donors on governance assistance and its future directions. The European Union (EU) made an evaluation report on governance assistance in 2006 with current issues and analyses, and recommendations on future governance assistance were made. Six results and four recommendations were made as follows¹.

Main Conclusion for EU Governance Assistance

- (1) The EC has made the right choice to put governance at the top of its political agenda and cooperation priorities considering domestic demands for improved governance.
- (2) The EC has made substantial progress in dealing with governance, particularly in terms of defining what are likely to be the most effective approaches to sustainable improvements.
- (3) The EC is contributing to achieving general and region-specific governance objectives but impact on systemic change is uncertain.
- (4) The role of the EC as a positive change agent still needs to be clarified.
- (5) Major gaps still exist between centrally defined policy frameworks and actual

¹ EU (2006) Thematic Evaluation of the EC Support to Good Governance, Final Report Volume 1, Evaluation for the European Commission

implementation practices in the field.
(6) Systemic (institutional) constraints hamper effective and efficient EC action in governance.

EU Recommendation to Governance Assistance

- (1) Synergetic reinforcement of the three closely inter-related pillars of the existing EC framework for supporting governance (political, development, institutional development response capacity).
- (2) Strengthening the political response capacity is needed to deal properly with the 'Politics' of EC/EU governance support.
- (3) Enhancing the development response capacity should help the EC to better address the 'what' and the 'how' of delivering relevant, effective and efficient governance support in a wide variety of country/regional context.
- (4) Improving the institutional response capacity by creating a conducive institutional environment to deliver effective governance support.

(Data : EU Thematic Evaluation of EU Support to Good Governance, 2006)

The Federal Ministry for Economic Cooperation and Development suggests the following strategy and program for systematic implementation of good governance support².

- Make governance strategies at different levels, including the combination of the following; (1) macro, meso and micro levels, (2) local, national and regional levels, (3) political, administrative and civil society, and (4) judicial, and legislative.
- Establish a governance index, analyze the political framework, and conduct impact monitoring which includes socio-cultural factors and informal institutions.
- Improve service delivery for advice and profile of the advisors.
- Strengthen harmonization among donors in governance assistance.
- Establish a pool funding for supporting donor initiated reforms.

The Asian Development Bank conducts governance assessment and risk assessment by project and country; however, reports imply that these are not fully utilized. While governance and anticorruption action plans are essential in improving the profile of governance in developing countries in general, it is also reported that (1) plans are too ambitious, (2) ownership within ADB is vague, and (3) shortage of funding prevents smooth implementation³.

In addition, the following has been identified:

- Significant number of governance specialists. For instance, Over 40 governance specialists are recruited in GTZ, over 200 for DFID and 350 for USAID at HQs and field offices, however, their main tasks include anticorruption, public resource

² Based on the internal document obtained by GTZ

³ ADB (2006) Second Governance and Anti-corruption Action Plan, ADB

management, legal framework assistance, budget management, decentralization, etc, and not governance in general.

- Capacity building in donor staff. Training programs on governance targeting government officials and the civil society are provided, however, the number of workshops conducted for donor staff and local staff are minimal.
- Necessity to review governance assistance by the donor. Donors recognize the importance of making a comprehensive review of their governance policy and support in the past.
- Donor approach towards the civil society. Donors tend to commission activities to the civil society and keep a distance from the government in areas where assistance is sensitive such as anticorruption, human rights, etc.

Observation of governance assessment tools

In general, there are two objectives in governance assessment. One is to diagnose the policy system and the other is to identify the issues in governance in the developing countries. At present, there is no internationally agreed common assessment tool as governance items are composed of complex factors and the objectives of each index vary. In 2009, OECD/DAC analyzed the usage and approach to governance assessment by donors, and reported as follows.

Ten findings from governance assessments

- (1) There are strong incentives for individual donors to conduct their own Assessment.
- (2) Examples of coordinated assessment are rare.
- (3) There are multiple definitions of governance and a multiplicity of assessment tools; the survey revealed the existence of 45 general methodologies, many of which overlap.
- (4) There is limited but growing donor interest in helping partner countries to diagnose their own governance challenges.
- (5) There is little donor interest in a single, unifying assessment tool, but scope to match the right tools for different purposes.
- (6) There are numerous opportunities for joint donor work and further harmonisation in the field of assessment.
- (7) Transparency is a central concern and the disclosure of results must be carefully addressed in advance.
- (8) Joint assessments have the potential to improve the coherence of donor responses to corruption and weak governance.
- (9) The 2008 Accra Agenda for Action (AAA) may well place a new premium on high quality governance assessments to inform further action on aid predictability, the use of country systems and capacity development.
- (10) The “nation state” has been the predominant unit of analysis by donors to date, and much less attention is paid to international factors impacting on the quality of governance at the country level.

(Data : OECD(DAC) GOVNET 2009)

As the support to good governance in developing countries becomes more streamlined, designing internationally agreed and supported governance assessment tools is important to understand the level of governance and give suitable policy advice, and better evaluate aid practices.

2. Good Governance Assistance in Transitional Countries

Good Governance and Donor Support in Transitional Countries

This section analyzes the good governance system in Georgia, Armenia and Azerbaijan by utilizing the governance indicator developed by World Bank Institution (WBI), and observes donor assistance in these countries.⁴ First, following are characteristics of governance found by region worldwide.

- Among 8 regions, lowest governance level is found in former USSR, followed by Sub Sahara, South Asia, and the Middle East/North Africa among others.
- Lower level in the rule of law and political stability found in East Europe.
- Lower level in the quality of government regulations and curbing corruption found in the South Asian region.
- Lower level in the voice of people, and accountability and political stability found in the Middle East/North Africa and South Asian regions.
- Lower level in government effectiveness, quality of government regulations and rule of law found in the Sub Sahara African region.
- Lowest governance level found in the former USSR region. Within the governance levels, the lowest is found in curbing corruption, followed by rule of law, voice of people and accountability.

Governance Index by Region

Governance Items	OECD	East Asia	South Asia	Sub Sahara Africa	M. East & North Africa	Latin America	Former USSR	East Europe & Baltics	Caribbean	Average
1 Voice and Accountability	91	49	28	33	24	52	21	64	68	48
2 Political Stability	81	60	19	34	36	37	33	55	67	47
3 Government Effectiveness	89	48	37	27	45	44	27	62	68	50
4 Regulatory Quality	91	45	31	28	45	46	30	68	65	50
5 Rule of Law	90	55	38	28	50	34	21	54	64	48
6 Controll of Corruption	91	45	34	31	51	44	21	57	68	49
Average (%)	89	50	31	30	42	43	26	60	66	49

(Data: WBI Governance Indicator)

In developing and transition countries, the rate of bribe is high when starting businesses in order to avoid troublesome government paperwork and licenses. This relates to the quality

⁴World Bank Institute (2009) Governance Indicators (<http://info.worldbank.org/governance/wgi/index.asp>) Governance Indicator looks at country's governance from political, economic and institutional aspect, and making governance index by country through (1) voice of people and accountability, (2) political stability, (3) government effectiveness, (4) quality of government regulations, (5) rule of law, and (6) curbing corruption.

of government effectiveness and regulation. The following chart on ‘Doing Business 2010’ published by the World Bank and International Finance Corporation (IFC) ranks the environment in doing business by country. Ranking is based on 10 items related to doing business including starting a business, worker employment, registration on property, getting credit, protecting investors, etc.

Doing Business Environment Ranking (mainly selected former USSR countries)

Name	Ease of Starting a Business	Starting a business	Dealing with construction permits	Employment of workers	Registration of property	Getting credit	Protecting investors	Paying taxes	Trading across borders	Enforcing contracts	Closing a business
Singapore	1	4	2	1	16	4	2	5	1	13	2
USA	4	8	25	1	12	4	5	61	18	8	15
UK	5	16	16	35	23	2	10	16	16	23	9
Georgia	11	5	7	9	2	30	41	64	30	41	95
Japan	15	91	45	40	54	15	16	123	17	20	1
Azerbaijan	38	17	158	33	9	15	20	108	177	26	84
Krygyz	41	14	40	47	19	15	12	156	154	54	140
Armenia	43	21	72	62	5	43	93	153	102	62	49
Kazakhstan	63	82	143	38	31	43	57	52	182	34	54
Turkey	73	56	133	145	36	71	57	75	67	27	121
China	89	151	180	140	32	61	93	130	44	18	65
Russia	120	106	182	109	45	87	93	103	162	19	92
Uzbekistan	150	92	142	95	133	135	119	178	174	44	125
Tajikistan	152	143	177	143	78	167	73	162	179	39	100
Central Africa	183	159	147	144	138	135	132	179	181	171	183

(Data: WB Doing Business 2010)

Status of Good Governance in the South Caucasus Region

This section focuses on the South Caucasus region (Georgia, Armenia and Azerbaijan) and makes a comparative study on good governance.

Comparison of governance situation in three countries

Country	Governance Level
Level of governance in three countries since 1996	Overall level of governance has increased in Georgia, Armenia and Azerbaijan since 1996, Georgia showing the highest level of achievement, and Azerbaijan the lowest. Level of quality of government regulation is the highest for the three countries among governance items, followed by government effectiveness. On the contrary, the level of public voice is the lowest among others. Georgia achieved a high level of curbing corruption while quality of government regulatory achievement was high for Armenia.
Georgia	Dramatic achievement found in all governance items except in the level of political stability. As of 2008, the quality level of government regulation has

	the highest governance index followed by the level of curbing corruption, while the level of political stability remains the same since 1996. Georgia stood at a lower level in curbing corruption among the three countries in 1996, but showed speedy and significant achievement by 2008. Furthermore, there is a big improvement in the level of quality for government regulation. Georgia is found to be highest in all the governance items among the three countries except for the level of political stability.
Armenia	Quality of government regulation, lowest among the items in 1996, significantly improved to become the highest level in 2008. In comparison between 1996 and 2008, big achievement can be seen for quality of government regulation and government effectiveness, while the change in the level of voice of people and rule of law is minimal and some improvement is found in curbing corruption. Though political stability is found to be at a lower level compared with 1996, the index shows a higher number compared with Georgia and Azerbaijan.
Azerbaijan	Compared with Georgia and Armenia, the level of governance in Azerbaijan is relatively low. In 2008, though lower than Georgia and Armenia, the level of quality of government regulation was found to be highest, followed by government effectiveness. While the highest rate of improvement is found in quality of government regulation, no improvement in the level of voice of people and curbing corruption has been found since 1996.

(Data:Based on WBI Governance Index)

Progress of Good Governance by Thematic Area

Area	Georgia	Armenia	Azerbaijan
Democratic Governance	<ul style="list-style-type: none"> ■ Under the strong leadership of the president, various governance reform efforts have been made since 2003. Except for judicial reform, most governance reforms have achieved a positive outcome. WB and IMF named Georgia as the No. 1 reformer. 	<ul style="list-style-type: none"> ■ Weak rule of law. While the legal framework for improving governance was established, there is a lack of balance between accountability in the political system and authority. 	<ul style="list-style-type: none"> ■ High economic growth sustains the politics and economy. Weak opposition parties. Lack of power balance between the President and parliament.
Corruption	<ul style="list-style-type: none"> ■ The level of corruption has dramatically decreased over the past 6 years, and the public perception on government corruption reduced as well. Corruption was reduced through institutional reform, tax reform, and 	<ul style="list-style-type: none"> ■ Corruption is a serious issue in political and economic development of the country. ■ Anticorruption strategy scheduled to be approved still pending as of October 2009. ■ Survey conducted 	<ul style="list-style-type: none"> ■ Corruption is a major national problem. The monitoring system is weak, especially with political intervention for corruption related investigation. Though an anticorruption commission was

	<p>regulatory reform, along with an increase in the salaries of public servants. On the other hand, corruption in government procurement as well as political corruption still remains.</p>	<p>in July 2008 shows 98% of the public believe corruption in politics is significant.</p>	<p>established in 2005, it is not functioning. Furthermore, an anticorruption policy and strategy is yet to be approved by the government. The public frustration is very strong towards the government challenges to fight corruption.</p>
<p>Role of Civil Society</p>	<ul style="list-style-type: none"> ■ Increased opportunities for taking part in making legal framework and government policies as the government recognizes the importance of the role of the civil society. Law on Freedom of Speech was enacted in 2004. Tax reduction for civil society activities implemented. Government monopolizes the press. 	<ul style="list-style-type: none"> ■ Gradually becoming more active, but constant shortage of resources, and always relying on donors. Though the relationship with the government is improving, the government tends to be unfavourable towards the increasing voice from CSOs. Currently 3,300 civil society organizations are registered. 	<ul style="list-style-type: none"> ■ Issue with CSO registration, tax, and resources. Government increased pressure to CSOs and religious organizations. No change in legal and policy environment. Government drafted a law to curb CSO activities in June 2009, however, failed to proceed due to strong opposition from international donors.
<p>Election Process</p>	<ul style="list-style-type: none"> ■ Fair and transparent election process over the past 5 years. Overhaul of Central Election Commission activities, creation of accurate voter list, transparent political party support regulation, and appeal via the media (TV) 	<ul style="list-style-type: none"> ■ 2007 Parliamentary election shows improvement compared with the previous one. Collusion between politics and business sector are pointed out. Still issues in making voting cards and vote collection process. 	<ul style="list-style-type: none"> ■ No major changes in the policy environment related to elections for the past few years. Government starts preparing a new law on political parties.
<p>Independence of Judiciary</p>	<ul style="list-style-type: none"> ■ Judiciary reform still weak, but reform is underway. The public trust to 	<ul style="list-style-type: none"> ■ Judicial reform promoted in connection with constitutional 	<ul style="list-style-type: none"> ■ Judiciary maintains significant authority. Irregular implementation of

	judiciary is low	amendment in 2005. Judicial Department and Special Court are newly established, improved roles of the Supreme Court. Independence of judiciary is yet in question.	trials and limited access to high profile court cases by the media.
--	------------------	--	---

(Freedom House)

Good Governance Assistance to the South Caucasus Region by Major Donors

Active donors in the South Caucasus region for good governance include US, Germany, WB, EU and UNDP among others. As for the area of assistance, following are the main areas of coverage; (1) judicial reform, (2) administrative reform, (3) decentralization, (4) legal framework (5) anticorruption, (6) civil society, (7) election and (8) civil service capacity building. No donor coordination and harmonization in the field of governance support is seen, especially with each donor being self assisted. Commonly found among major donors is emphasize on supporting the civil society, government transparency and accountability, and promotion of decentralization. Throughout the research, the following facts were identified.

- Government priority agenda is to implement administrative reform and anticorruption programs.
- There is no association between the level of governance and economic growth, unemployment rate and poverty rate. Long term analysis is required for making governance study
- While donor's support to the civil society is very active, most are on a short term of 3 months to 2 years, without any follow-up or support system.
- Though increase in salaries of civil servants is important, its effect on reduction of corruption is minimal.
- The public is still holding the culture of corruption from the past, and lenient to corruption practices.
- The civil society still stands in a weak position with minimal influence to the government.
- Considering historical issues in the region, regional cooperation projects by donors are extremely sensitive and difficult.

Successful and Unsuccessful Factors for Governance Reform in Georgia

A number of positive results are seen for various efforts made by the government in promoting good governance in Georgia, through prioritizing governance reform over the past 6 years, in areas of anticorruption, institutional reform and tax reform among others. Drastic reforms included termination of all police officers to eliminate corruption in the police sector, institutional reform by merging and abolishing ministries from 28 to 13, regulatory reform by cutting 90% of government licences, and tax reform through simplification of the tax system and reducing tax rates. The World Bank and IMF praised Georgian efforts by naming it the “No 1 Reformer.”

The government places priority on public sector reform and strengthening anticorruption framework, focusing on five areas – anticorruption, legal regulatory environment, public finance management, administration reform, and decentralization. The current cabinet primarily seeks for a better business environment and economic development, and nine reforms have been pursued to achieve the objective.

Area of Good Governance Reform and Output

Field	Reform Area	Activity	Result
Anticorruption	Police reform, education sector reform, others	Termination of police officers and recruitment of new officials through merit system and training. University enrollment reform, establishment of school committee, etc.	Dramatic decrease in police, education sector and other government institutions.
Institutional Reform	Merging of government institutions	Merge and abolishment of ministries from 28 to 13. Decrease in civil servants (from 120 thousand to half) and increase in salary.	Streamlining government operations, improvement of government liaison and coordination.
Tax Reform	Simplification of tax rule	Decrease in number of taxes, and resetting tax rates. Introduction of new IT system in tax operation.	Increase in tax revenues and decrease in corruption opportunities through new IT system (less human to human communication).
Regulatory Reform	Abolishment of regulation and simplification	Abolishment of 90% of licenses from 909 to less than 100.	Improved business practices with reduction in corruption through fewer opportunities for underground business. Cut in budget and workload of public servants.
Privatization	Implementation of privatization	Privatization in telecommunication and energy sector.	Increase in government budget, more FDI, and reduction in government employment.

Judicial Reform	Criminal court reform, Court system reform, Penitentiary reform	Change in the judicial appointment system, increase in salary for judges, usage of plea bargaining system, improvement in penitentiary, and implementation of smooth Judgement.	Improved image of judges and increase in salary, training and merit system for newly recruited judges, increase in plea bargaining, public disclosure of information, and modernization of penitentiary.
Decentralization	Strengthening local government	Promotion of transparency and accountability in the local government, and better relationship between the local government and citizens.	Abolishment of the direct appointment system from the President to the governor/mayor, Enhancing the authority of the local government. Shift from direct election to local councilors by the public.
Election	Fair and transparent election	Overhaul of the central election commission, and support of election activities by the government, and civil registry.	Transparent and accountability in the election process.
Media, Civil Society	Law on Freedom of Speech, support to CSO	Establishment of public owned broadcasting Company, law to protect the civil society, And the civil society participation in government policy issues.	Media legally protected and better press environment, increased status of the civil society.

Following are the major success factors in governance reform.

Main factors for achieving good governance in Georgia

1. Strong pressure from the public and donors on promoting governance reform and anticorruption efforts.
2. Strong political leadership for governance reform.
3. Strong support from the public on government efforts to promote governance and anticorruption reform.
4. Western educated young and energetic cabinet ministers' commitment and implementation for promoting governance reform.
5. Prompt decision making and actions towards governance reform by the government.
6. Strong support to governance reform by major donors such as EU and US.

7. Prioritizing governance reform initiations for most crucial and important areas.
8. Weak opposition parties making the ruling party a solid foundation for reform activities.
9. Governance reform under easier to achieve environment.
10. Synergy from good governance component by donor assisted projects.
11. Promotion of governance reform in line with already donor-proven best practice.
12. Promotion of governance reform by means of appealing to join NATO.
13. Increased influence by the civil society and media, positively supported by the government.
14. Success of governance reform promotes further success in other reform activities.
15. Relatively stable and favorable economic growth making governance reform achievable.

On the other hand, there are curbing factors and systematic difficulties in promoting governance reform as below.

Negative factors for promoting governance reform

1. Vulnerability of the government system in implementing governance policy and reform.
2. Duplication of donor assisted projects due to lack of coordination.
3. Insufficient staff recruitment system, and lack of ability and experience in government staff responsible for governance issues.
4. Delay in parts of anticorruption reform initiatives.
5. Lack of internal auditing system.
6. Delay in judicial reform.
7. Difficulties in accessing government information.

Good governance support by major donors in Georgia

US, Germany, the Netherlands, Sweden, World Bank, European Commission, Council of Europe and the United Nations are considered to be active in supporting good governance in Georgia. The support mainly focuses on public sector reform, anticorruption, judicial and legal reform, institutional reform, regulatory reform and support to the civil society. As governance projects often duplicate activities, there are donors which do not grab the whole picture of governance projects.

Analysis on good governance in the South Caucasus region

Comparing the level of governance between Georgia, Armenia and Azerbaijan, Georgia is higher in all levels, and more active in governance reform. On the other hand, no significant difference in the amount of support and activities by donors could be seen. Actual ODA rate

for GNP in 2007 between Georgia and Armenia is the same. Here, it can be analyzed that there is no direct link with the amount of support by donors and the level of governance in each country. Also there is no association between the level of governance and economic growth, unemployment rate and poverty rate.

Then what is the cause for the regional difference in the level of governance? While results of the research show similarities in terms of government ability and quality of government staff, the following 4 factors are identified to be significantly different. (1) Strong political commitment and leadership in governance reform, and full support by the public, (2) prompt decision making and actions for governance reform, (3) increase in social status of the civil society, and (4) measures in tackling corruption issues. Georgia shows promising results and a higher governance level in comparison with Armenia and Azerbaijan, countries particularly lacking in these factors among others.

Taking Georgia as a good example, the above four areas should be focused on when promoting good governance in Armenia and Azerbaijan, making support in these areas the best short cut and effective way for quick wins. However, it is necessary to realize that Georgia's unprecedented success in improving governance is very unexceptional, not only in the former Soviet Union but in the world, and is therefore too demanding to expect Armenia and Azerbaijan to meet the governance level of Georgia in the short run. Extents of corruption, lack of government commitment to governance reform, so forth are typical issues in transition and developing countries which cannot be reduced overnight.

JICA's Potential Assistance to Good Governance in Georgia

In Georgia, most support for good governance has been given by major donors in the past years, and recently the emphasis and demand on anticorruption, privatization, deregulation and institutional reform is reducing. There are still, however, numerous training programs provided for government staff and the civil society, to the point that little knows the accurate status. Considering the current situation, potential support from JICA for good governance would be activities identified to be neither in duplication nor compatible with other donors. Having said this and looking at the issue from a different approach, one suggestion can be to ensure good governance within the JICA funded project. This is to promote transparency and accountability of the project in order to prevent corruptive activities by partner government staff in charge of the JICA project. Support in judicial reform (such as legal education, training for judges and prosecutors based on Japanese experience, etc) is also an option as it is an area still considered unachievable with the public confidence at its lowest.

JICA's Potential Assistance to Good Governance in Armenia and Azerbaijan

There is still high demand for support to governance in Armenia and Azerbaijan, including democratic institutional building, administrative reform, support to legal framework, etc. However, like in Georgia, considering that numerous governance support projects have already been implemented by other donors, it is desirable that further research on current governance support by donors in the two countries as well as dialogue between partner governments should be made to avoid duplication and unnecessary support. Promoting government transparency and accountability, and anticorruption and support to the civil society can be one alternative. Governance assistance through management of JICA funded project can also be one area to support.

3. Observation of JICA Funded Project Management

Summary of Corruption Mechanism during Project Implementation

Losses through corruption in government operations in developing countries are considered to be significant. Corruption opportunities in donor funded projects are high, especially in large size projects, where the system for transparency and accountability is weaker, thus increasing corruption opportunities. Opportunities for corruption also rise when discretion of public servants increase. Though corruption is thought to be relatively less for donor managed ODA project (such as grant aid project), the opportunities increase when managed in the hands of the developing countries.

The majority of corruption occurs during the period of project design, procurement, project implementation and financial management. As the characteristics of corruption are diverse and complicated, it is close to impossible to grasp the total situation. Furthermore, the more the contracts exist in a project, the more the opportunity for corruption arises. The below chart describes corruption opportunities in the project implementation stage.

Corruption Opportunities during a Project Cycle

	Opportunities for corruption
Project design	Overstated physical requirements and over-dimensioned project components to increase potential corrupt earnings ; manipulated project designs to benefit a particular supplier, consultant, contractor, and other private partners ; giving government officials discretion to coordinate project funds ; monopolized procurement and financial arrangements in such a way that project manager can diverse funds ; weak corruption evasion mechanism in oversight, supervision and complaint handing; altered project timelines to suit vested interests
Procurement	Bid rigging during the tendering stage ; selection of the success bidder before bidding ; fictitious procurement process ; modification of amendments without approval ; forged or replacement of bidding documents ; cheating in design and specifications (quality and quantity) ; service delivery deliberately lowering quality
Project Implementation	Fraud quality and quantity (change to low quality goods, different services from the contract) ; fraud service delivery (low quality of consultants, usage of different data, etc)
Finanacial Management	Forged invoices or other documents ; altered documents; diversion of funds; excessive rates paid out

Major donors have realized the importance of preventing corruption practices in their own project since the mid 1990's, and various measures to deal with corruption have been

institutionally taken. Efforts can be largely categorized as preventive and enforcement measures as follows.

Corruption Prevention and Enforcement Measures in Donor Project Implementation

Preventive measures	Enforcement measures
<ul style="list-style-type: none"> • Clear policy and commitment to transparency and accountability • Setting out safeguards in procurement and auditing • Training on public integrity and ethical issues to donor staff and partner government staff • Effective project management • Involvement of the civil society to the project as a watchdog (such as project monitoring) • Public disclosure of project information 	<ul style="list-style-type: none"> • Establish mechanism for corruption reporting and complaints • Corruption survey • Establish sanction and penalty system

Though various efforts have been made to promote transparency and accountability in donor project management in addition to introduction of preventive and enforcement tools by donors, efforts on enforcement are currently less active. The reasons include lack of coordination between donor and partner country, cost for investigation and human resources, and sensitiveness to interference in the country's politics.

Anticorruption policy and efforts by donor institutions

Many donors recognize that fighting corruption is not merely one independent goal, but rather a part of international efforts to promote good governance and reduce poverty. Corruption is perceived as a trend of bad governance, and has a negative factor to reducing poverty and promoting sustainable development. The older beliefs that 'supporting anticorruption is a political issue and therefore an act of interference' is no longer the attitude of donors. In this sense, the issue of tackling corruption in developing countries is a big policy change for donors. This section looks at anticorruption policies and activities by the World Bank, Asian Development Bank (ADB) and European Bank for Reconstruction and Development (EBRD).

World Bank (WB)

Since its declaration to fight against corruption in 1996, various anticorruption efforts have been made till present, which include setting out clear anticorruption policies and strategies, implementation of various corruption studies and corruption prevention within WB financed projects, staff training, etc. The Bank established the Department of Institutional Integrity, the investigative arm of the WB to investigate allegations of fraud and corruption in the

Bank supported activities as well as allegations involving staff. Up till 2008, over 2,800 cases were investigated, and more than 350 firms⁵ were sanctioned. Since 2003, the Bank selected Indonesia, Cambodia and Vietnam as anticorruption pilot countries. One of the challenges was to include anticorruption action plans in all Bank financed projects in these three countries. The action plan, made in collaboration with partner countries, is a project specific design to make sure that there will be minimum corruption opportunities during the project implementation. The Bank recommends for the plan to include the following activities; (1) disclosure of project information (timelines and available documentation), (2) transparency and participation (timing of public participation and maintaining transparency), (3) civil society oversight (promoting project transparency and accountability through monitoring conducted by the civil society), (4) complaint handling system (a clear flowchart for handling complaints), (5) policies to mitigate collusion, and (6) sanctions and remedies (clear sanctions and remedies for those who commit acts of corruption).

Asian Development Bank (ADB)

ADB believes that tackling corruption is crucial in improving good governance and preventing negative impact of investments to partner countries. Anticorruption efforts by ADB focuses on preventing fraud and corruptive practices within the ADB financed projects. In July 2006, ADB introduced an anticorruption action plan for the period of project design and implementation, which has become its project management tool in financial management, procurement, regulations and corruption opportunities. In parallel, initiatives are taken in improving ADB staff skills in the said areas and strengthening project management and internal check and balance systems. The review of the action plan states the following; (1) corruption risk assessment including country specific governance assessment and risk assessment are not fully utilized, (2) establishment of multi-bi partnerships in the area of financial management and procurement are necessary, and (3) flexible and long term institutional development arrangements on sector specific governance and anticorruption are required⁶.

European Bank for Reconstruction and Development (EBRD)

EBRD strategies encompass prevention, detection, investigation and sanction, and primarily rely on its robust ex ante measures, particularly its integrity due diligence procedures prior to undertaking an investment decision, in order to avoid corruption and fraud in its operations. Preventive measures are the first line of defence against corruption. EBRD addresses the problem of corruption at its source by assisting its countries of operations in their efforts to tackle corruption (external assistance), while contemporaneously taking steps within the EBRD to guard its integrity (internal prevention) and by harmonising its approach

⁵ World Bank (2009) Annual Integrity Report, Fiscal Year 2008, Department of Institutional Integrity, WB

⁶ ADB (2006) Second Governance and Anti-corruption Action Plan, ADB (2006) Improving Governance and Fighting Corruption: Implementing the Governance and Anticorruption Policy of ADB, Feb.P5.

to tackling corruption through global collaboration (international co-operation). Anti-money laundering activities (seminars) which target partner country and EBRD staff are actively made as well as promotion of corporate governance. The Chief Compliance Office handles the Bank related fraud and corruption cases. The Bank also established ethical standards which all Bank staff including the president and senior officials are required to enter a training program called 'Integrity Matters'⁷. Anticorruption policy of EBRD is focused on improvement of organizational ethics and prevention of fraud and corruption.

Corruption Opportunities and Prevention in the Project Financial Management and Procurement Stage

This section analyzes corruption opportunities and preventive measures during the stage of financial management and procurement for aid projects. The World Bank, for instance, warns some of corruption possibilities at the following occasions during the accounting and auditing process⁸.

- Untimely audit reports and management letters
- Audit reports or management letters with noted weakness in project performance
- Non existence of follow up mechanism for a sign, suspicion and reporting of corruption
- Lack of interest by the government for confirmed corruption or whistle blowing, and non existence of follow up mechanism
- Deny referring information, document and minutes of discussion made by public, civil society and auditing institutions
- Insufficient support and protection system to supervisor
- Insufficient auditing standard and system, delay in auditing, superficial and unmatching auditing
- Submission of inappropriate auditing report and delay in submission
- Critical auditing report provides minimum influence

The following cases are possible indicators for fraud and corruptive activities in the financial management stage. Corruption can be prevented through early identification and measures taken to solve these issues.

- Deductions from a contractor invoices which do not correspond to the amount of work in the completion certificate
- Completion certificates/reports attached to contractor invoices which are identical to the technical specifications in the contract
- Poor control or supervision of Special Accounts by the borrower
- Contractor invoices for amounts in excess of the work actually performed.
- Disbursements made in the absence of sufficient supporting documents to verify contract performance

⁷ EBRD (2006) Anti-Corruption Report, EBRD London

⁸ Transparency International, Hand Book Curbing Corruption in Public Procurement, TI Berlin 2006, p46.

- Failure to pay invoices on a timely basis
- Prices for the goods or services provided which do not reflect the prices agreed upon in the contract
- Invoices and shipping documents indicating that a supplier, other than the contractor, provided the goods and services
- Contracts including allowances for variations which are not part of the bidding documents
- Payment made to non contractors
- Disbursements to contractors made to 'off-shore' destinations
- Unclear government financial information documentation

Key factors for promotion of transparency and accountability and prevention of corruption in financial management include increasing awareness on issues as described above and early prevention through frequent exchange of information with partner country officials in charge. Furthermore, strengthening the procurement and auditing system is a key preventive measure. Apart from this, an alternative measure is good harmonization among donors, such as; harmonization of project formulation and feasibility studies, common usage of progress reports, auditing standards (qualification of auditor, TOR), financial analysis results by implementing agencies, financial and auditing reports, and creation of financial auditing manuals.

Donor Harmonization in Project Management

Harmonization and aid effectiveness in the area of good governance can be summarized as follows. (1) Assistance and participation in international treaties or conventions such as money laundering or antibribery activities, (2) joint cooperation and prevention of corruptive practices in partner countries through improvement of procurement, financial management and auditing systems, and (3) increase funds and extend technical cooperation to support governance strategies by the partner country. In 2005, the Paris Declaration of Aid Effectiveness was adopted, stating four key pillars (ownership, alignment, harmonization and result management) which both donor and partner countries should initiate in order to improve aid effectiveness along with an increase of development funds. Following are some examples of aid effectiveness and harmonization of JICA (former JBIC) with other major donors in some Southeast Asian countries.

Donor Harmonization in Southeast Asian Countries

Country	Procurement	Financial Management	Safeguard/others
Vietnam	<ul style="list-style-type: none"> • Joint evaluation of Country Procurement Assessment Review and its follow up. • Alignment of domestic competitive bidding 	<ul style="list-style-type: none"> • Common usage of progress reports, project formulation, harmonization of F/S • Harmonization of 	<ul style="list-style-type: none"> • Comparative analysis of evaluation standards, documentation, procedures necessary for Environment

	<ul style="list-style-type: none"> documents Joint participation in formulation of law and decree of procurement (By former JBIC, WB, ADB, AFD, KfW) 	<ul style="list-style-type: none"> audit standard (qualification of auditor and TOR) (By former JBIC, WB, AFD, KfW) 	<ul style="list-style-type: none"> Impact Evaluation Comparative analysis of land acquisition (by former JBIC, WB, ADB, AFD, KfW)
Philippines	<ul style="list-style-type: none"> Common usage of procurement rules and regulations Common usage of domestic tender document for goods and services for construction Common review of CPAR Preparation of procurement manual (by former JBIC, WB, ADB) 	<ul style="list-style-type: none"> Common usage of the financial analysis results, financial and auditing report. (by former JBIC, WB, ADB) 	
Indonesia	<ul style="list-style-type: none"> Creation of procurement assessment report Consideration of harmonization in creation of domestic tender documents Assist National Procurement Agency Consideration of introduction of complaint system (by former JBIC, WB, ADB) 	<ul style="list-style-type: none"> Consideration of common usage of progress report Consideration of harmonization of financial and auditing report (by former JBIC, WB, ADB) 	<ul style="list-style-type: none"> Harmonization in corruption prevention
Cambodia	<ul style="list-style-type: none"> Creation of procurement manual and standard bidding documents 	<ul style="list-style-type: none"> Creation of auditing manual 	

Harmonization in preventing corruption among Multilateral Development Banks (MDBs) can be another example case. In 2006, African Development Bank, ADB, EBRD, European Investment Bank Group, IMF, Inter-American Development Bank and WB Group established an anticorruption task force, where common usage of definition, principle of investigation and guidelines, sharing of corruption incidences among the banks, and support of anticorruption to partner countries were agreed as a harmonization strategy.

Effectiveness of Promotion of Process Monitoring

Process monitoring is a methodology to monitor the progress of procurement and disbursement. Especially in procurement, monitoring each step from issuance of invitation letter to contract signing will easily identify problems of delay and other issues. Implementing agency staff can simply manage the project progress by comparing the actual time consumed in procurement and disbursement and the standard duration as stated in the procedures established by the former JBIC. This method simplifies the daily operational management by partner countries. Prevention of corruption can be done without extra efforts, but by simply following this methodology. In general, the degree of success of a project can be evaluated by the extent of progress or delay. The reason of delay often results from delay of land acquisition and others, however is also often caused by corruption. Process monitoring, therefore, is not only an effective tool to monitor project progress, but is also a mechanism to prevent corruption. Inquiring about or investigating corruption with partner countries is a sensitive act, however basing discussions on results of process monitoring can be the entry for an easy dialogue.

Result of Donor Funded Project Management

The objective and policy to promote transparency and accountability to curb corruption in donor funded projects is common among donors. Some collective achievements from the past can be observed as follows.

Donor Achievements in Project Management (in promoting transparency and accountability, and prevention of corruptive practices)

	Present situation
Institutional Recognition to Anticorruption	It is overt that corruption seriously impedes the national economic and development situation, and it is commonly recognized that tackling corruption is a priority. In promoting this, transparency and accountability of the donor assisted project, as well as effective financial management and proper procurement is deemed a preventive tool for corruption.
Loan Agreement (LA)	Some donors stipulate the issue of corruption in LA. By increasing the use of anticorruption stipulations in their LA, the donors have attempted to raise integrity and compliance standards in project operations.
Staff Training	Increasing donor staff training programs on corruption issues (giving knowledge and respond to corruption cases)
Reporting of Corruptive Incidents	The use of hotlines, emails, websites, and other means of reporting and processing allegations of corruption is an attempt to increase the risk of exposure for corrupt individuals and firms.
Protection of Whistle Blowers	Protection of whistle blower policy made an environment easier to report corruption incidences.
Resource	The provision of increased resources for anti-fraud and corruption work

allocation	such as research, training and joint donor activities.
Penalty for Corruptors	System of stronger sanctions and remedies for corruptors and information sharing on corruption related issues among donors established.
Disclosure of Project Information	More information on donor activities and individual projects through enhanced disclosure systems are made available (such as procurement, project related documents including financial management, etc)
Assessment	Country, sector and project specific assessment including corruption opportunities commenced. WB and ADB perform risk assessment in each project.
Research Activity	Various research and studies on governance related subjects are conducted among MDBs. This includes transparency and accountability of financial management and procurement, as well as corruption studies among others.
Donor Harmonization and Coordination Between Partner Countries	Harmonization among donor (and partner countries) include policy on procurement and anticorruption, sharing black listed firms, anticorruption best practice, information exchange and joint activities to promote transparency and accountability of donor funded projects.

On the contrary, the following issues remain unresolved:

- Premature shifting of financial management and fiduciary responsibilities to local government officials in corrupt environments
- Unclear standard of judgement whether fraud and corruption is investigated and to what extent during procurement and financial management, including the issue of cost for investigation (who will cover the cost?)
- Disregard of extreme risk when lending to partner governments that have proven to be extremely corrupt and dysfunctional
- Lack of interest in encouraging partner governments to investigate and prosecute their own nationals when found guilty of fraud and corruption
- Lack of purpose and interest in seeking the recovery of stolen portfolio assets from donor side
- Lack of coordination and communication in terms of project information disclosure between partner countries
- Despite the efforts, no existing facts of drastic decrease of corruption incidents

Commendable Action of Transparency and Accountability, and Prevention of Corruption in JICA Funded Project Management

This section compares and observes JICA with other major donors in promotion of transparency and accountability, and prevention of corruption in donor funded projects by using the chart previously shown.

Comparison of promotion of transparency and accountability and prevention of corruption in JICA funded project management

	Case of JICA
Institutional recognition to anticorruption	Though ODA White Paper cites the necessity of tackling corruption in international cooperation, there is an impression that the appeal for extending anticorruption assistance and prevention of JICA funded projects are minimal.
Loan Agreement (LA)	Prevention of illicit procurement is defined by ‘General Terms and Conditions for ODA Loans’ as of May 2009.
Training of staff	No internal training focused on corruption prevention in procurement and financial management implemented for JICA staff.
Reporting corruption incident	Though the reporting mechanism exists, public recognition is minimal.
Protection of whistle blowers	While regulations to protect whistle blowers do exist, it is not actively promoted as an advocacy tool.
Resource allocation	No allocation of extra funds to prevent corruption in JICA funded projects.
Penalty for corruptors	There is a positive change towards giving stiff sanctions and penalties to corruptors since the case of corruption by a Japanese consulting firm (PCI) last year. No sharing of black listed individuals and companies are made.
Disclosure of project information	Necessary project information and procurement announcements can be obtained by website, bulletin board, etc, however no clear instruction or explanation on the timing and kind of project and procurement related documents. Usage is on request base.
Assessment	No particular activity.
Research activity	No particular activity.
Donor harmonization, and coordination between partner country	Not actively made so far.

Compared with other major donors, JICA activities to promote transparency and accountability, and prevention of corruption in their own projects are inactive.

This section studies effective management of JICA funded project. Before proceeding, however, the following should be noted. (1) As JICA is a bilateral organization, priority goes to benefit Japan and to establish a friendship with partner countries; (2) The organization is less active in terms of anticorruption initiatives compared with other donors; (3) It is necessary to externally appeal and promote JICA funded project management; (4) Though there are some harmonization activities between other donors, its history is still short.

In promoting anticorruption and corruption prevention for JICA, there is no need for the activities to compete with other donors, but rather focus to promote 'preventive measures' of anticorruption strategies, and use 'advocacy measures' for promotion of transparency and accountability for JICA funded projects. Some examples by comparing best practices by other donors can be one safe option. The following 9 items can be recommended for JICA's future activities.

Recommendation for Promotion of Good Governance in JICA Funded Projects

No.	Area	Activity
1	Enhance Project Disclosure Policy	<p>Improve access by the public (Japan and partner countries) for individual JICA projects and program information, and have clear explanations on the type and time of disclosure of documents by JICA.</p> <p>Creation of booklet or flyer of JICA project disclosure policy with an English translation.</p>
2	Internal Training	Periodical training for JICA staff (and partner country staff) for promoting transparent and accountable project management and operations, and corruption prevention.
3	Risk Assessment	<p>Develop risk assessment tools and its implementation, and introduce governance (corruption) risk assessment tools where the country's corruption level is perceived to be high.</p> <p>Reflect the output of assessment to project designing, and risk management, and include remedies in the project document.</p>
4	Aid Coordination (harmonization)	<p>Effectively utilize harmonization activities between donors in terms of financial management and procurement. More specifically, common usage of procurement assessment reviews, harmonization of standard bidding documents, common usage of financial progress reports, harmonization of project formulation, F/S, common use of auditing standards (qualification of auditor, TOR), sharing results of financial analysis by donor agencies, harmonization of financial and audit report, etc.</p> <p>At the country level, in partnership with other donors as a mean to harmonization, establish a common donor fund to participate in corruption prevention assessment and risk analysis.</p>
5	Civil Society Monitoring	Introduce civil society monitoring of JICA funded projects.
6	Process Monitoring	Introduce JICA process monitoring in partner countries.
7	Establishment of Complaint Handling Mechanism and Screening Mechanism	Establish clear complaint handing mechanism for JICA funded projects, as well as information dissemination through the website, screening standards for complaints, and policy for disclosing information.
8	Creation of Guidelines to Prevent	Creation of guidelines or a manual to prevent corruption of JICA staff in their daily operation in partner countries. The

	Corruption Practices for JICA staff	guideline or manual explains cases of bribe and corruption incidence in project implementation, case studies, etc.
9	External Appeal	Promote JICA's efforts in anticorruption to the public (through website, ODA white paper, donor conferences, etc). Appeals can include training programs, harmonization, review articles by JICA in promoting transparency and accountability of project management, and others (such as promotion of OECD Antibribery Treaty and UN Convention of Anticorruption)

4. Proposal of a Draft Governance Training Program by JICA

A variety of governance related training programs have been provided by JICA such as supporting decentralization, local administration, lawyers and prosecutors, legal framework, police administration, democratization, etc. Though under the governance scheme, the word ‘governance’ does not appear in JICA training programs, but rather named support to democracy, legal framework reform, and public administration.

Apart from this, a governance training program to manage operation in former JBIC financed projects was conducted. This training program was called ‘Good Governance Workshop’, held in Indonesia in 2006. The workshop was jointly organized with former JBIC and the Indonesian Anticorruption Commission. The workshop gave opportunities to become familiar with former JBIC financed projects operation and discuss the corruption issues from various aspects. Majority of participants were government officials in charge of former JBIC project management, procurement and auditing. It provided opportunities to promote transparency and accountability of project operation, and share information on corruption practices in Indonesia. The workshop also gave opportunity to make project specific anticorruption action plans. Each participant applied the action plan upon return to the office.

The following should be considered when designing JICA governance training programs.

- JICA has a long history of implementing governance training programs, where various consultations with partner countries have been made.
- As the concept of governance is broad, it is necessary to decide whether to use the terminology of governance in future training activity.
- As a component of ‘good governance’, democracy, public administration and legal framework reform can also be considered in same scheme.
- There are few good governance training programs to promote good management of JICA funded projects (particularly JICA financed project).
- It is important to make efforts to ensure that the good governance training program is designed in a way that program activities can be covered by the local media, and appeal to Japanese as well.
- Japan is behind other donors in terms of supporting anticorruption. As a part of the initiative, looking at corruption prevention within JICA project, and providing training programs for government staff in the partner country for promoting transparency and accountability of project operation and prevention of corruption can be one option in a good governance project.

Having mentioned this, the report proposes a governance training program from the approach of promoting transparency and accountability and curbing corruption practice within JICA financed projects. The proposal focuses on project cycle, particularly disbursement, procurement and financial management, and prevention of corruption. It also encourages participants to develop anticorruption action plans in their own project implementation.

Proposal of a draft governance training program

Below is a governance training program designed for the South Caucasus region.

Draft Training Program

Title	Good Governance Training Program for JICA Financed Project
Objective	Promotion of transparency and accountability of JICA financed projects through providing knowledge of the policy, rules and regulations of JICA project operation (such as disbursement, procurement and financial management), and prevention of corruption within their project
Participants	Project managers and government officials in charge of procurement, auditing, procurement, etc of partner government for JICA financed projects in the South Caucasus region.
Place	Japan
Type	Lecture, group discussion, field study
Training Summary	<p>Through the training program, it is expected that the participants in partner countries understand the JICA project operation system including disbursement, procurement and financial management, and promote transparency and accountability of JICA financed project. The training also discusses about prevention of corruption within their projects. The program expects the following outcome.</p> <ol style="list-style-type: none"> 1. Provide participants with understanding on policies, rules and regulations and project cycle management of JICA financed projects in general. 2. Study the mechanism of corruption opportunities during project implementation, and understand the methodology for minimization. 3. Participants design an anticorruption action plan, and implement the plan upon completion of the program.
Duration	About 2 weeks