



NATIONAL ANTI-CORRUPTION CAMPAIGN STEERING COMMITTEE

A Corruption-free Kenya

Factsheet on The project cycle and corruption risks

What is a Project?

A project is a piece of planned work or an activity that is finished over a period of time and intended to achieve a particular purpose. A successful project is one which was started and completed on time, within the budget, of quality and satisfies the target beneficiaries.



Project Cycle and Corruption Risks in the Cycle

What is Corruption?

Corruption has been defined in simple terms as “the abuse of public office for private gain”.

What are some of the forms of Corruption?

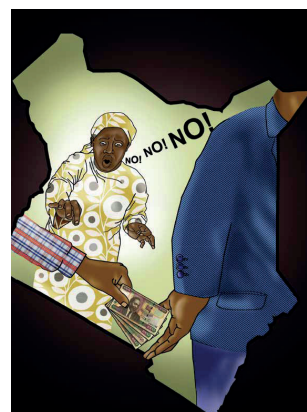
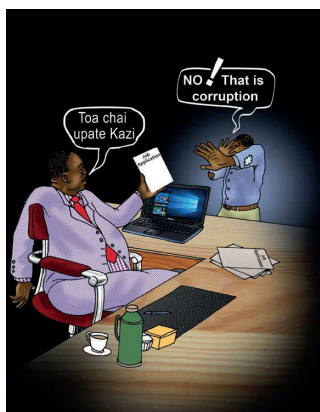
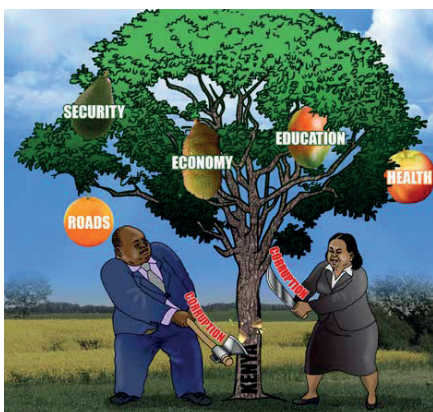
Corruption may be episodic, affecting only isolated actions in an otherwise clean system it may also be systemic, permeating all activities of the public sector.

Many corruption schemes occur in three forms. These include: Where there is an agreement to pay a bribe to win a contract award; cheaper bidders (because their prices were determined based on inside information or with an intention to later-on request for variation of the contract) and fraud (overcharging or failing to perform but still getting paid etc) to recover the cost of the bribe.

Why does Corruption flourish?

Some of the circumstances under which corruption flourishes include:

- 👁️ When those in leadership including politicians and government officers use power for personal gain
- 👁️ When the governance of institutions is weak
- 👁️ When excessive decision-making power is vested in without sufficient accountability checks
- 👁️ Whenever there is lack of transparency in the way government is doing things including making decisions and implementation of projects
- 👁️ When accountability systems are not effective
- 👁️ Whenever society does not forcefully disapprove corruption
- 👁️ When there is no public participation and whenever citizen voice is not strong to stop it.



Greed, if not checked, can bring down an economy. Greed also hampers effective delivery of public services and development. Corruption, which is motivated greed, will decrease if measures to combat the vice are implemented by the Government, with the citizens' support and teaching the faithful to avoid greed.

Stages of the Project Cycle

While the procurement process is often thought of as the phase most vulnerable to corruption (World Bank 2006a), corruption can undermine the integrity of infrastructure projects at every stage of the cycle, from project initiation to disposal of assets.

01 Project Idea

This is a thought, plan or suggestion on what needs to be done to solve a problem.



What Can Citizens do?

Low Corruption Risk in the Project Idea Stage

- ☞ The project idea has been initiated by stakeholders
- ☞ The idea is in line with the beneficiaries' vision and priorities
- ☞ The PMC is well trained on their roles and responsibilities.

- ▶ Participate in meetings held at the village, ward and sub-county level for the development of county integrated development plans
- ▶ Insist that project management committees be elected for all public projects
- ▶ Ensure that the project management committee is representative and that the members be elected.

High Corruption Risk in the Project Idea Stage

- ☞ Stakeholders are not involved in considering projects
- ☞ No project management committee is elected
- ☞ Bias in the selection of project management committee.

02 Situation Analysis

This is a study undertaken to determine whether the project is practical.

Low Corruption Risk in the Project Idea Stage

- ☞ When the beneficiaries or stakeholders are consulted on the project location
- ☞ When the project environmental impact assessment is carried out and the results communicated.

High Corruption Risk in the Project Idea Stage

- ☞ Feasibility study is not undertaken
- ☞ Beneficiaries are not made aware or consulted on the project location
- ☞ Environmental impact assessment study is not undertaken.

01 Project Idea

Project Idea

04 Project Financing

Project Financing

03 Project Planning

Project Planning

02 Situation Analysis

Situation Analysis

03 Project Planning

Project planning involves: Developing project specifications, drawings; determining scope, stages and implementation timetable; preparation of project budget, monitoring and evaluation tools; preparation for procurement of goods and services; and identification of all stakeholders and development of a communication plan.

Corruption Risk in the Project Idea Stage

- ☞ Stakeholders not identified and communication plan not developed
- ☞ No project specifications, drawings and approvals or bills of quantities
- ☞ Project phases and implementation schedules not determined
- ☞ No preparation for procurement of goods and services
- ☞ Project budget, monitoring and evaluation tools not developed.

04 Project Financing

Project financing involves sourcing/ providing funds as per the budget

Low Corruption Risk in the Project Idea Stage

- ☞ Beneficiaries are informed of the amount allocated for the project
- ☞ Source(s) of funds are disclosed
- ☞ Where the funds are held is made public custodians of the funds are disclosed
- ☞ Periodic progress on the expenditure is provided

High Corruption Risk in the Project Idea Stage

- ☞ Non-disclosure of information on funds allocated, sources, custodians
- ☞ Reports on expenditure are not provided

05 Project Implementation

During project implementation, the project plan is executed and the work of the project is performed.

Low Corruption Risk in the Project Idea Stage

- ☞ The project commences on time
- ☞ Project accountability board is in place
- ☞ PMC supervises the implementation of the project
- ☞ Unskilled labour is sourced locally
- ☞ Procurement of materials is as per regulations
- ☞ Prudent utilization of materials
- ☞ Specifications and approved variations are applied
- ☞ Regular site meetings/briefings on project progress held for beneficiaries/stakeholders
- ☞ The PMC is well trained on their roles and responsibilities

High Corruption Risk in the Project Idea Stage

- ☞ Project does not commence on time
- ☞ No project accountability board, progress reports
- ☞ No supervision by PMC or physical verification
- ☞ Haphazard procurement and utilization of materials, outright theft of materials
- ☞ Specifications not applied or unjustifiably varied
- ☞ No site meetings/ briefings for beneficiaries/ stakeholders are held
- ☞ Falsification of records on quantities delivered
- ☞ Absence of storage facilities and store records



What Can Citizens do?

- ▶ Demand for information on budget allocations
- ▶ Demand for expenditure reports from relevant authorities



What Can Citizens do?

- ▶ Undertake social audit and engage relevant authorities for action

07 Project Evaluation

Project evaluation involves determining whether the project meets the intended purpose.



What Can Citizens do?



Low Corruption Risk in the Project Idea Stage

- ☂ Project is completed and handed over
- ☂ Feedback on the project implementation is provided
- ☂ The project targets are compared with the outcome
- ☂ Lessons learnt are drawn from the project to inform future or ongoing projects

- ▶ Undertake social audit and engage relevant authorities for action



High Corruption Risk in the Project Idea Stage

- ☂ Incomplete, substandard, poor quality, white elephant and non-existent projects
- ☂ A project is rarely evaluated
- ☂ Feedback on the project is not provided

About NACCSC

The National Anti-Corruption Campaign Steering Committee (NACCSC) is established vide Kenya Gazette Notice No. 6707 of 2014 and mandated to undertake a nationwide public education, sensitization and awareness creation campaign aimed at effecting fundamental change in the attitudes, behavior, practices and culture of Kenyans towards corruption. The campaign is targeted at the members of the public to fully empower them fight and prevent corruption. To facilitate the implementation of campaign activities at the grassroots,

NACCSC has established County Anti-Corruption Civilian Oversight Committees (CACCOCs). NACCSC has partnered with the GIZ Kenya Strengthening Good Governance Programme in implementation of the awareness campaign to empower citizen's fight and prevent corruption in public/community projects through the project cycle. The programme will be implemented by the CACCOCs in all counties.



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A Corruption-free Kenya

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Implemented by:



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