

U4 Expert Answer



How-to guide for corruption assessment tools (2nd edition)

Query

Please provide an updated overview of the various corruption measurements, with a particular focus on how to use them, their strengths and their limitations.

Purpose

To provide an overview of the strengths and limitations of the various tools and indexes.

Content

1. Aggregate indexes
2. Expert country assessments
3. Public opinion surveys
4. Business surveys
5. Company assessments
6. Further reading

Caveat

This guide is not meant to be exhaustive, and the strengths and limitations identified will often be relative to the intended users' needs. The tools included in the list were selected based on whether they: (a) substantively assess an aspect of corruption/anti-corruption, (b) cover a significant number of countries globally or regionally and (c) include (or are expected to include in future) a time series. Practitioners are also advised to explore local reports and surveys which may at times be more specific and informative.

Summary

This paper provides an overview of a number of publicly accessible tools to assess a country's level of corruption or anti-corruption/good governance performance. The tools are based on both qualitative and quantitative country data, and cover corruption perception, anti-corruption and good governance legal and institutional frameworks as well as their implementation. The tools are classified according to the methods they employ.

The paper is an updated version of the [2013 How-to guide for corruption assessment tools](#).

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

1. Aggregate indices

Corruption Perceptions Index, Transparency International

<http://www.transparency.org/research/cpi/overview>

Frequency: yearly

What does it measure? How to use the results?

The Corruption Perceptions Index (CPI) measures the level of perceived corruption in the public and political sectors in countries, based on surveys and expert assessments of corruption. It gives a broad sense of the level of corruption in the public sector compared to the other countries/territories featured.

Since 2012 when the methodology was updated, the CPI uses the raw scores given to each country/territory and converts them to fit the CPI scale, from 0 (highly corrupt) to 100 (very clean). Each country/territory is then given a rank reflecting its position relative to the other countries/territories included in the index. As part of the updated methodology, CPI scores can now be compared from one year to the next.

As the most widely used indicator of corruption worldwide, the CPI is a powerful advocacy tool and sends a strong message to governments around the world. However, because only limited information can be gleaned from a single number, CPI scores and ranks should be used in conjunction with other more qualitative and nuanced assessments, such as those presented in this guide. It should also be noted that CPI correlates closely with the World Bank's Control of Corruption Indicator (see below) and hence the two measurements are largely interchangeable.

Sources

The CPI is a composite index, using 12 data sources from independent institutions specialising in governance and business climate analysis. The sources of information used for the CPI are based on data gathered in the past 24 months. For a country to feature in the CPI, it needs at least three CPI data sources. Due to variances in the availability of underlying data around countries, the number of sources used therefore differs from country to country.

Strengths

The CPI is a global index including a large number of countries. This index uses a comprehensive set of primary sources. The CPI has played an essential role for advocacy groups around the world.

Limitations

The CPI does not provide any concrete measurement of corruption; neither does it assess institutional frameworks. The CPI does not distinguish between different types of corruption. The assessment of people's perceptions of corruption does not necessarily reflect the actual level of corruption in the country. Indeed, because survey respondents and experts consulted for the underlying data sources are not exclusively nationals, the CPI has been criticised for not always reflecting locally legitimate conceptions of governance.

Furthermore, because the CPI only measures corruption at the macro level and because perceptions are complex measures and slow to change, the CPI cannot be used to assess the short-term effects of a specific reform.

Worldwide Governance Indicators, World Bank

<http://info.worldbank.org/governance/wgi/index.aspx#home>

Frequency: yearly

What does it measure? How to use the results?

The Worldwide Governance Indicators (WGI) provide an assessment of the quality of six broad dimensions of governance: voice and accountability; political stability and absence of violence; government effectiveness; regulatory quality; rule of law; and control of corruption. The indicators are reported in two ways: (1) in their score, ranging from -2.5 to 2.5, and (2) in percentile rank terms from 0 to 100, with higher values corresponding to better outcomes.

The WGI present aggregate and individual governance indicators for 215 economies over the period 1996–2014 and should be used to observe trends over longer periods of time. Changes from

year to year are harder to measure (as explained below under “Sources”). The WGI also serve for country comparisons, thanks to the standard errors accompanying the scores that reflect the number of sources available for a country and the extent to which these sources agree with each other. These margins of error should be taken into account when making comparisons across countries and over time.

The six composite WGI measures are useful as a first tool for broad country comparisons from a global perspective and for evaluating broad trends over time. However, they are often too blunt to be useful in informing the development of specific governance reforms in particular country contexts. They should also be used in conjunction with other more detailed measures of governance at the national level.

Sources

The WGI are composite governance indicators based on 30 underlying data sources (from survey institutes, think-tanks, non-governmental organisations, international organisations and private sector firms). These data sources are rescaled and combined to create six aggregate indicators using a statistical methodology known as the unobserved components model. The results include margins of error, corresponding to 90% confidence intervals. Changes over time in the aggregate scores that are small relative to these margins of error should not be interpreted as signalling a statistically significant change in the indicators.

Strengths

The WGI provide a comprehensive assessment from various data sources, including household/company surveys. They include an assessment of various institutions and provide an idea of trends over the last two decades.

Limitations

One reservation expressed about the WGI is their lack of transparency. The large number of indicators used to produce the WGI makes it harder to understand how a country gets a specific score, and some of these indicators are not publicly available. The definition of the six primary indicators is unclear. The control of corruption dimension is based on perceptions-based data. A further limitation, as discussed

above, is the lack of context-specificity of the WGI and thus their limited usefulness in informing the formulation of local reforms.

Ibrahim Index of African Governance, Mo Ibrahim Foundation

<http://www.moibrahimfoundation.org/iag/>

Frequency: yearly

What does it measure? How to use the results?

The Ibrahim Index of African Governance (IIAG) measures the level of good governance in 52 African countries, under four categories: safety and rule of law; participation and human rights; sustainable economic opportunity; and human development. The safety and rule of law category contains a number of indicators on (anti-)corruption. The index uses a scale from 0 to 100, where 100 is the best possible score.

The index’s dataset is updated every year implying retrospective revision of the scores from previous years. Comparisons between years should therefore be performed entirely on the latest IIAG data set. Comparisons between sub-categories should only be made on the basis of rank. These comparisons are relative (not absolute) for each country.

Sources

The IIAG is a composite index built on the basis of data collected from 33 independent data sources, including official data, expert assessments and opinion surveys.

To be included, an indicator should cover at least two thirds of the countries on the continent (35 or more) and should provide at least two years’ worth of data. The latest available data should not be more than three years old and new data releases should be regular (at least every three years).

Strengths

The index covers most of the countries on the continent making it a comprehensive tool. The diversity of data sources gives a broad picture of the governance situation on the continent. Every component of the IIAG is comparable since 2000, enabling analysis of trends over time. According to the Mo Ibrahim Foundation, the Index and its

component parts are useful to support citizens, governments, institutions and the private sector to accurately assess the delivery of public goods and services, policy outcomes. It is also believed to encourage data-driven narratives on governance issues and help determine, debate and strengthen government performance.

Limitations

Some datasets have missing data points. As this can have an effect on a country's aggregate score, estimates are provided for missing data, following a statistical process called imputation. Given the measurement imprecision, the foundation advises users of the IIAG to avoid the over-interpretation of small score differences.

Index of Public Integrity, Hertie School of Governance

<https://www.government.nl/documents/reports/2016/01/18/public-integrity-and-trust-in-europe>

Frequency: undefined

What does it measure? How to use the results?

The Index of Public Integrity (IPI) provides a measure of a country's capacity to control corruption and enforce integrity, broadly understood as a balance between *constraints* (legal + normative) vs *resources* (power discretion + material resources). The single composite indicator is developed based on an assessment of six factors, each of which is assessed through a series of proxy indicators. The six factors are: red tape; trade barriers; transparency and e-government; audit capacity; an independent and non-corrupt judiciary; and engaged citizens. The index covers a sample of 28 EU countries.

Sources

The index is based on a range of data sources including the Worldwide Governance Indicators (control of corruption), Ease of Doing Business Index (administrative burden; trade openness), Global Competitiveness Report (auditing standards, judicial independence), UN E-Government survey (e-government services), and Eurostat (e-government users).

Strengths

In contrast to perception-based measures of governance, the IPI is based on empirically tested factors across different governance contexts and have been proven to influence a country's control of corruption (although not each factor in isolation). As all the factors are possible to influence through policies, the IPI provides direct suggestions for priority governance reform measures, which can help policy makers to identify areas of reform that can achieve improved control of corruption. Moreover, the index can be used for comparisons across countries and over time.

Limitations

As this is a relatively new index that has been applied in 28 EU member states, its usefulness beyond the European context depends on the availability of reliable data for the proxy indicators for its six factors. .

Financial Secrecy Index, Tax Justice Network

<http://www.financialsecrecyindex.com/>

Frequency: Every two years

What does it measure? How to use the results?

The Financial Secrecy Index ranks jurisdictions according to their secrecy and the scale of their offshore financial activities. The index is based on 15 indicators grouped around four broad dimensions of secrecy: (a) knowledge of beneficial ownership; (b) corporate transparency; (c) efficiency of tax and financial regulation; and (d) international standards and cooperation.

The index is designed to help policy makers, researchers and advocates understand the extent and impact of global financial secrecy, tax havens/secrecy jurisdictions, and illicit financial flows.

Sources

The index uses a combination of qualitative and quantitative data to create a measure of each jurisdiction's contribution to the global problem of financial secrecy. Qualitative data is based on laws, regulations, cooperation with information exchange processes, and other verifiable data sources. That is used to prepare a secrecy score

for each jurisdiction. Quantitative data is then used to create a global scale weighting, for each jurisdiction, based on its share of offshore financial services activity in the global total.

Strengths

Because the Financial Secrecy Index provides a weight to each jurisdiction based on the scale of its trade in international financial services, it gives a more realistic idea of how much influence and responsibility each jurisdiction has on the harm caused by secrecy. In other words, the ranking not only reflects information about which are the most secretive jurisdictions, but also the extent to which a jurisdiction's secrecy is likely to have global impact. The benchmarks for scoring the countries in the index are not based on international recognised standards (these are considered by the Tax Justice Network to be too lenient). This can be perceived as a valuable corrective to international standards which fail to capture relevant factors or problems.

Limitations

A number of the concepts used to construct the index are inherently complex which leaves it open to (mis-)interpretation. At the same time, the benchmarks for scoring the countries in the index are not based on international recognised standards (these are considered by the Tax Justice Network to be too lenient). Combined with the question of weighting, as discussed above, this has led to claims by some of bias and subjectivity.

2. Expert country assessments

Country Policy and Institutional Assessment, World Bank

<http://web.worldbank.org/WBSITE/EXTERNAL/TO/PICS/ENVIRONMENT/EXTDATA/STA/0,,contentMDK:21115900~menuPK:2935553~pagePK:64168445~piPK:64168309~theSitePK:2875751,00.html>

Frequency: yearly

What does it measure? How to use the results?

The Country Policy and Institutional Assessment (CPIA) is intended to capture the quality of a country's policies and institutional arrangements. The CPIA measures the extent to which a country's policy and institutional framework supports sustainable growth and poverty

reduction, and consequently the effective use of development assistance.

The CPIA consists of 16 criteria – among which is: transparency, accountability and corruption in the public sector – grouped in four equally weighted clusters: economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions. For each of the 16 criteria, countries are rated on a scale of 1 (low) to 6 (high). The scores depend on the level of performance in a given year assessed against the criteria, rather than on changes in performance compared to the previous year.

Sources

Data is collected through surveys of World Bank country experts, using quantitative and qualitative country data to guide ratings. The process of preparing the ratings involves two phases: (1) the benchmarking phase, in which a small, representative, sample of countries is rated in an intensive bank-wide process; and (2) a second phase, in which the remaining countries are rated using the derived benchmark ratings as guideposts.

Strengths

The CPIA gives an in-depth account of how well budgets are linked with policies and a general overview of a country's policy/institutional framework.

Limitations

Due to the sensitive nature of the data, detailed explanations of the rating process are not available to the public. The scores are not comparable over time. The CPIA has also received criticism for regional differences in the quality of the written justifications accompanying the ratings¹.

Transformation Index, Bertelsmann Foundation

<http://www.bti-project.org/index/>

Frequency: every two years

¹

http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2287059

What does it measure? How to use the results?

The Bertelsmann Transformation Index (BTI) examines whether and how developing and transformation countries manage social change towards democracy and a market economy. Within this framework, the BTI publishes two rankings: the Status Index and the Management Index. The Status Index assesses the state of political and economic transformation and locates the 129 countries on the path towards democracy under the rule of law and a market economy. The Management Index assesses the quality of governance, which encompasses the acumen with which decision makers steer political processes.

Scores take into account both existing legal measures on the books and de facto realities of practical implementation in each country. Corruption-related indicators include: “To what extent are public officeholders who abuse their positions prosecuted or penalized?” and “To what extent does the government successfully contain corruption?”

According to the Bertelsmann Foundation, rankings are designed to highlight particular differences between individual countries and to make factors key to progress more readily identifiable. However, the focus on rankings and the isolated consideration of one or only a few questions cannot replace a more thoroughly articulated analysis of a country’s strengths and weaknesses. The BTI’s non-aggregated individual scores as well as the country reports and regional reports taken together is therefore indispensable.

Sources

Guided by a standardised codebook developed by the Bertelsmann Foundation, country experts for each of the 129 countries included in the index assess the extent to which a total of 17 criteria have been met and assign scores accordingly. A second country expert then reviews these assessments and scores. In a final step, consistency is assured by subjecting each of the 49 individual scores to regional and inter-regional calibration processes.

Strengths

The BTI provides country reports with a mix of quantitative and qualitative data. The disaggregated data and qualitative assessments

help to understand specific weaknesses and loopholes in legal and institutional frameworks.

Limitations

While questions in the codebook are designed to eliminate cultural or regional bias to ensure their applicability to a broad diversity of states, because the BTI refers to nation-state frameworks, transnational developments and regional disparities at the sub-national level are addressed only to a limited extent in the country reports, and will largely escape assessment. This also limits the index’s value as saying anything about the relative legitimacy of measured governance aspects in relation to contextual reality. The BTI refers to an assessment relative to normative ideals of nation-state frameworks alone.

Sustainable Governance Indicators, Bertelsmann Foundation

<http://www.sgi-network.org/2015/>

Frequency: every two to three years

What does it measure? How to use the results?

The Sustainable Governance Indicators (SGI) explores how governments in 41 EU and OECD countries target sustainable development based on three pillars: policy performance, democracy and governance. These three pillars are broken down into six dimensions (economic policies, social policies, environmental policies, quality of democracy, executive capacity and executive accountability), which are further broken down into 32 sub-dimensions, one of which is “corruption prevention”.

The SGI is designed to identify and foster successes in effective policy making and help a variety of stakeholders throughout the OECD and EU navigate the complexity of effective governance by exploring what works in which context and why.

Sources

The SGI relies on a combination of qualitative assessments by country experts and quantitative data drawn from official sources. To aggregate the indicators into composite indexes, the quantitative indicators (which use varying scales and units of measurement) are standardised, with scores ranging from 1 (worst) to 10 (best).

Strengths

The SGI is subject to a thorough peer review and quality assurance process. The assessments of the SGI's Expert Network undergo a six-stage peer review to ensure the validity and reliability of expert assessments. Final scores are audited and approved by an advisory board composed of renowned scholars and practitioners.

Limitations

Because some indicators have been replaced by others over time and additional countries have been added to the sample this inevitably creates distortions whenever the new SGI 2014 results are directly compared with the SGI 2011. Such comparisons over time should be treated with caution.

Africa Integrity Indicators, Global Integrity

<http://aii.globalintegrity.org/>

Frequency: yearly

What does it measure? How to use the results?

The Africa Integrity Indicators (AII) assesses what Global Integrity sees as key social, economic, political and anti-corruption mechanisms at the national level across the African continent. It is comprised of 110 indicators divided into two main sections: transparency and accountability and social development. The transparency and accountability section consists of 59 indicators examining issues including the rule of law, accountability, elections, public management integrity, civil service integrity and access to information. They take into account both existing legal measures on the books and de facto realities of implementation in each country. The social development section consists of 51 indicators about gender, rights, welfare, rural sector, business environment, health and education.

Sources

The AII are scored by in-country researchers following an evidence-based investigation methodology. Researchers must provide a fact-based rationale to substantiate the score chosen for each indicator and at least three references to substantiate their rationale. For "in law" indicators, scoring criteria are provided for "Yes (100)" "Mixed (50)" and "No (0)" responses. For "in

practice" indicators, scoring criteria are provided for 100, 50 and 0. The researchers also have the option to score 75 or 25, whenever the higher or lower defined criteria do not accurately represent the research findings. The resultant data points are then reviewed blindly by a panel of peer reviewers, drawing on the expertise of a mix of in-country experts as well as outside experts.

Strengths

Rather than relying on experiences or pre-existing perceptions by experts, the methodology requires a variety of sources of information to be reviewed and documented (including legal and scholarly reviews, interviews with experts and reviews of media stories) to substantiate the score choice. Each indicator is presented for the user with three elements: score, explanatory comment and sources. These components mean that a given scorecard presents a wealth of information. Scores allow for general comparisons across countries, while sources and comments provide a unique window into the realities of regulation and enforcement in each country.

Limitations

It is important to note that social development section of the questionnaire was designed to feed into the Ibrahim Index of African Governance (IIAG) in areas not covered by the secondary data sources it utilises. Therefore, it does not attempt to be a comprehensive assessment by itself. Because the social development portion of the questionnaire only includes a small number of questions per topic area, scores are only provided for each individual indicator and not per category or section.

Open Budget Survey and Index, International Budget Partnership

<http://internationalbudget.org/what-we-do/open-budget-survey/>

Frequency: every two years

What does it measure? How to use the results?

The Open Budget Survey assesses the public availability of budget information and other budgeting practices that contribute to an accountable and responsive public finance system in countries around the world. The majority of the survey questions assess what occurs in practice,

rather than what is required by law. The survey assesses the contents and timely release of eight key budget documents that all countries should issue at different points in the budget process, according to generally accepted good practice criteria for public financial management. The Open Budget Survey covers additional topics of importance to civil society including the extent to which the public can participate during each phase of the budget process, factors related to legislative strength and the capacity and independence of formal oversight institutions.

The Open Budget Survey is also used to create the Open Budget Index (OBI). The OBI assigns each country a score from 0 to 100, where 81-100 means that the country provides extensive budget information, and 0-20 scant or no information.

Sources

The results of the Open Budget Survey are based on a comprehensive questionnaire completed by a local researcher or group of researchers. Almost all of the researchers responsible for completing the Open Budget Survey belong to either academic institutions or civil society organisations. All responses to the survey questions are supported by evidence, such as: citations from budget documents; the country's laws; or interviews with government officials, legislators, or experts on the country's budget process.

The answers are also cross-checked against published budget documents and reports on fiscal transparency issued by international institutions (IMF, World Bank, OECD) and peer reviewed.

Strengths

The OBI is the world's only independent, comparative measure of central government budget transparency. A particularly novel addition to the 2015 index is the inclusion of a "2017 calculator" to predict the outcome of the next survey to see where transparency can improve.

Limitations

Country coverage has been expanded and, as a result, appropriate time comparisons would need to make use of a constant country set, particularly if aggregation of indicators is performed for regional comparisons or indexes. Furthermore, the methodology and questionnaire underwent some revisions since the 2012 survey round,

which, among other things, has affected the number and numbering of the questions. Subsequently, to follow longer-term development by comparing consecutive surveys requires attention to the revisions and may not be possible in all parts.

Open Government Index, World Justice Project

<http://worldjusticeproject.org/open-government-index>

Frequency: undetermined

What does it measure? How to use the results?

The Open Government Index 2015 is the first effort to measure government openness based on the general public's experiences and perceptions worldwide. It aims to enhance efforts to evaluate the extent to which countries provide official information to their citizens, encourage community involvement and improve government responsiveness. The index presents aggregated scores and rankings as well as individual scores for each of the following dimensions of government openness: publicised laws and government data; right to information; civic participation; and complaint mechanisms.

Sources

The scores and rankings of the Open Government Index are constructed from 78 variables drawn from more than 100,000 household surveys and in-country expert questionnaires collected for the World Justice Project's Rule of Law Index. The two data sources are processed, normalised on a 0-1 scale (1=greatest openness) and aggregated from the variable level all the way up to the dimension level for each country, and then to an overall score and ranking.

Strengths

In addition to the global, regional, and income-peer scores and rankings, the Open Government Index interactive data site displays selected survey responses by country, with gender and socio-economic breakdowns. The inclusion of both expert and household surveys ensures that the findings reflect the conditions actually experienced by the population. The measurement of open government from various angles enables accounting for different perspectives on open

government and helps to reduce possible bias that might be introduced by any one particular data collection method.

Limitations

While the data shed light on open government dimensions that appear comparatively strong or weak, they are not specific enough to establish causation. Moreover, the survey is administered only in three major urban areas in each of the indexed countries, while the expert data may be subject to problems of measurement error due to the limited number of experts in some countries, resulting in less precise estimates.

Global Right to Information Rating, Access Info & Centre for Law and Democracy

<http://www.rti-rating.org/>

Frequency: N/A

What does it measure? How to use the results?

The Global Right to Information Rating (RTI Rating) comparatively assesses the strength of legal frameworks for the right to information from around the world based on 61 indicators. The indicators are divided into seven different categories, namely: right of access, scope, requesting procedures, exceptions and refusals, appeals, sanctions and protections and promotional measures. As of February 2016, the RTI Rating covers 103 countries worldwide. The RTI Rating tool has also been applied to four international frameworks, the Organisation of American States' Model Inter-American Law on Access to Information, the African Commission on Human and Peoples' Rights' Model Law on Access to Information for Africa, the Council of Europe Convention on Access to Official Documents and the European Union's Regulation 1049.

Sources

The RTI Rating indicators are based on a wide range of international standards on the right to information, as well as comparative study of numerous right to information laws from around the world. For each indicator, countries earn points within a set range of scores (in most cases 0-2), depending on how well the legal framework delivers the indicator, for a possible total of 150

points. To check these assessments, and to be sure that the wider legal context is taken into account, local legal experts review and comment on the original assessments, and these comments are then integrated into the scoring.

Strengths

The RTI Rating is continually updated, adding new countries as new RTI laws are passed. In the years since the rating was unveiled, it has been widely cited in the global press and has become recognised as the gold standard for assessing the strength of an RTI framework.

Limitations

The RTI Rating is limited to measuring the legal framework and does not measure quality of implementation. It is important to stress that countries with relatively weak laws may nonetheless be very open, due to positive implementation efforts, while even relatively strong laws cannot ensure openness if they are not implemented properly.

Open Data Index, Open Knowledge Foundation

<http://index.okfn.org/>

Frequency: yearly

What does it measure? How to use the results?

The Open Data Index collects and presents information on the current state of open data release in 122 countries around the world. It assesses 13 datasets in each country, namely: national statistics, government budget procurement tenders, election results, national map, weather forecast, pollutant emissions, company register, location datasets, water quality, land ownership and government spending. The index is not an official government representation of the open data offering in each country, but an independent assessment from a citizen's perspective. It is designed to be not only a benchmarking tool but also to play a role in sustaining momentum for open data around the world – and in convening civil society networks to use and collaborate around this data.

Sources

The Open Data Index assesses the openness of government data based on nine questions that examine whether certain types of data exist, whether they are published, easily accessible, free of charge, machine readable, etc. The index uses contributors who are interested in open government data activity who can assess the availability and quality of open datasets in their respective locations. Anyone can participate and contribute to the index and make submissions, which are then reviewed. After all data is submitted and reviewed, countries are ranked according to their percentage of openness.

Strengths

The narrow focus of the index (see below) enables it to provide a standardised, robust, comparable assessment of the state of the publication of key data by governments around the world. Other purported strengths include the fact that it presents results from a citizen's perspective and not simply reliant on government claims of openness, and that it uses topical experts to review global submissions for each dataset to ensure reliability.

Limitations

The index is narrowly focused on dataset publication by national governments. It does not look at the broader societal context — for example the legal or policy framework, (freedom of information, etc.) — and it also does not seek to assess use or affect the system way or assess the quality of the data.

Government Defence Anti-Corruption Index, Transparency International

<http://government.defenceindex.org/>

Frequency: every two or three years

What does it measure? How to use the results?

The Government Defence Anti-Corruption Index (GI) assesses the existence, effectiveness and enforcement of institutional and informal controls to manage the risk of corruption in defence and security institutions in 112 countries around the world. Countries are also assessed in five risk areas: political risk, financial risk, personnel risk, operations risk, and procurement risk.

Sources

Evidence is collected from a wide variety of sources and interviewees across 77 indicators to provide a detailed assessment of the integrity of national defence institutions. Each country is researched by an expert assessor using a standard set of questions and model answers. For each question the assessor provides a score on a scale of 0 (low transparency) to 4 (high transparency), a narrative explanation for the score and a list of sources used. The assessment is then independently reviewed by up to three peer reviewers and, where possible, the Transparency International national chapter. The government of each country is also invited to conduct a review of the assessment and submit additional information. Each country is awarded a score from A to F

Strengths

The GI methodology includes a detailed set of "model answers" which provide clear guidance on how to assign scores. This helps to ensure consistency across the countries assessed. The GI is complemented by an index of defence companies (see below) which, together, provide a full picture of defence sector corruption risks.

Limitations

By its very nature, the defence sector tends to be highly secretive. The limited amount of independently verifiable information has therefore directly affected the scoring on each question and has also made case studies and examples to support the research difficult to find. It is important to note that a high level of secrecy is in itself seen as posing a significant corruption risk.

3. Public opinion surveys

Global Corruption Barometer, Transparency International

<http://government.defenceindex.org/>

Frequency: every two or three years

What does it measure? How to use the results?

The Global Corruption Barometer (GCB) is a worldwide public opinion survey on perceptions and experiences of corruption. As a poll of the general public, it provides an indicator of how

corruption is viewed and experienced at national level and how efforts to curb corruption around the world are judged on the ground. It also provides a measure of people's experience of corruption in the past year, in general and per institution.

The GCB can be used to identify public institutions and services that are seen as corrupt, to raise awareness about the impact of corruption on people in their everyday lives, to mobilise people to get involved in stopping corruption, and to better understand the political climate in a country and the strength of national institutions.

Sources

The GCB is conducted through a mix of face-to-face, telephone and online interviews. The survey is designed by Transparency International and is carried out by Transparency International's chapters and specialised service providers commissioned by Transparency International. The results of the survey are calculated by Transparency International Secretariat in Berlin and verified by an independent survey expert.

Strengths

The GCB is the largest cross-country survey to collect the general public's views on, and experiences of, corruption. The 2013 edition surveyed over 114,000 people in 107 countries, the greatest country coverage to date. In its current round (2015-2016), the survey is being carried out at a regional level which allows for more context specific questions to be included.

The GCB can be used to assess reform impact if there is a logical link between a reform intervention and the intended outcomes measured by the GCB, preferably combined with other data sources.

Limitations

The GCB only assesses, in its experiential dimension, the extent of bribery. The GCB gives a reference of people's experience of corruption in various institutions but does not assess the institutional frameworks.

Pan-European Survey on Quality of Government and Corruption at National and Regional Level, Quality of Government Institute

<http://anticorrrp.eu/wp-content/uploads/2015/06/WP5-Deliverable-5-1.pdf>

Frequency: undetermined

What does it measure? How to use the results?

The Pan-European Survey on Quality of Government and Corruption at National and Regional Level tracks perceptions and experiences of European citizens with respect to several aspects of the quality of government – e.g. quality, level of corruption (perceived and experienced) and the extent to which public services are allocated impartially in 20 EU countries, Turkey, Serbia and Ukraine. The survey focuses primarily on public services, such as education, health and law enforcement, which are often administered by sub-national authorities. Questions focus not only on perceptions, but also on citizens' experience of services and their level of satisfaction, as well as on individual opinions regarding quality of public services, media, elections, social trust and the perceived and experienced meritocracy of the public and private sector.

Although the survey data can be used for national, as well as individual level analyses, the purpose of the survey is to aid scholars, practitioners and policy makers interested in going beyond comparisons and analyses at the national level, and to compare quality of governance across and within countries.

Sources

The survey was conducted via telephone interviews, on a sample of over 85,000 citizens Europe-wide. The survey selectively sampled 400 citizens per sub-national region (known as NUTS).

Strengths

The survey is intended to provide a more nuanced metric when comparing governance across political units in Europe and is the first to provide comparable quality of governance data that can be used to compare regions within and across countries. This is seen as significant given that variation in the quality of governance among European countries is more significant than in most other world regions.

Limitations

Because the survey questions are limited to those policy areas that are most often either governed or administered by sub-national bodies, the range of services assessed is necessarily narrow (namely, health care, education and law enforcement).

World Values Survey

<http://www.worldvaluessurvey.org/wvs.jsp>

Frequency: approximately every five years

What does it measure? How to use the results?

The World Values Survey (WVS), which started in 1981 and currently in its seventh wave, analyses changing values and their impact on social and political life. It is the largest non-commercial, cross-national, time series investigation of human beliefs and values ever executed, currently including interviews with almost 400,000 respondents. As well as general questions on interpersonal trust and trust in institutions, there are also corruption specific questions.

The WVS seeks to help scientists and policy makers understand changes in the beliefs, values and motivations of people throughout the world. The data has been used to analyse such topics as economic development, democratisation, religion, gender equality, social capital and subjective well-being. These data have also been widely used by government officials, journalists and students, and groups at the World Bank have analysed the linkages between cultural factors and economic development.

Sources

The WVS consists of nationally representative surveys conducted in almost 100 countries which contain almost 90% of the world's population, using a common questionnaire. Samples are drawn from the entire population of 18 years and older. The minimum sample is 1000. The mode of data collection for WVS surveys is face-to-face interviewing with other modes (e.g. telephone, mail, internet) only used under very exceptional circumstances.

Strengths

The WVS survey collects a vast range of data on issues including environment, work, family,

politics, society, religion, etc. It seeks to use the most rigorous, high-quality research designs in each country. The long time series (since 1981) allows for meaningful comparisons to be made over time

Limitations

The wealth of data can make the database difficult to navigate.

4. Business surveys

Enterprise Surveys, World Bank

<http://www.enterprisesurveys.org/>

Frequency: irregular

What does it measure? How to use the results?

Enterprise Surveys measure firms' perceptions of country business environments and experience with government processes, including informal payments and corruption. They capture business perceptions on the biggest obstacles to enterprise growth, the relative importance of various constraints to increasing employment and productivity.

Among other things, Enterprise Surveys measure the percentage of firms that expect to engage in bribery to "get things done" in general terms, and for different services (water, electricity, etc.). They also give an estimate of the number of businesses that consider corruption to be a major constraint for doing business in the country. The results are comparable across countries and over time.

Sources

Enterprise Surveys are conducted by private contractors on behalf of the World Bank. The Enterprise Survey is answered by business owners and top managers, as well as company accountants and human resource managers. Typically, 1200-1800 interviews are conducted in larger economies, 360 interviews are conducted in medium-sized economies and, for smaller economies, 150 interviews take place.

Strengths

The Enterprise Surveys place corruption in the larger context of doing business in a country. They cover a large number of countries (135 as of

February 2016). The data is comprehensive, based on a large sample of respondents, and covers both perceptions and experiences of corruption.

Limitations

The instrument used to collect data has undergone modifications and the country coverage has been expanded, requiring close attention to time comparisons of specific questionnaire items.

Doing Business, World Bank

<http://www.doingbusiness.org/>

Frequency: yearly

What does it measure? How to use the results?

Doing Business provides objective measures of business regulations for local firms in 189 economies and selected cities at the sub-national level. It provides quantitative indicators on regulations for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. While none of the indicators relate specifically to corruption, they may, in some cases, be useful proxy indicators for administrative corruption and inefficiency.

The findings can be used to compare countries on their regulatory environment for business, assess the impact of laws and regulations on business activity, make informed decisions regarding policy reform and private investment, identify best practices in regulatory reform, and support research on institutions and regulation.

Sources

Doing Business questionnaires are administered to more than 10,700 local experts, including lawyers, business consultants, accountants, freight forwarders, government officials and other professionals routinely administering or advising on legal and regulatory requirements. The data from questionnaires are subjected to numerous rounds of verification, leading to revisions or expansions of the information collected.

Strengths

The Doing Business methodology uses factual information about what laws and regulations say and allows for multiple interactions with local respondents to clarify potential misinterpretations of questions. The methodology is inexpensive and easily replicable, so data can be collected in a large sample of economies. Also, the data not only highlight the extent of specific regulatory obstacles to business but also identify their source and point to what might be reformed.

Limitations

For most economies, the collected data refer to businesses in the largest business city which may not be representative of regulation in other parts of the economy. The data also often focus on limited liability companies of a specified size and may not be representative of the regulation on other businesses. The types of transactions analysed may also not represent the full set of issues that a business encounters.

Global Competitiveness Report Executive Opinion Survey, World Economic Forum

<http://reports.weforum.org/global-competitiveness-report-2015-2016/introduction-3/>

Frequency: yearly

What does it measure? How to use the results?

The Executive Opinion Survey is the longest-running (since 1979) and most extensive survey of its kind, capturing the opinions of business leaders around the world on a broad range of topics for which data sources are scarce or, frequently, non-existent on a global scale. Topics covered include the appetite for entrepreneurial risk, the extent of collaboration within a company or with external entities and the level of corruption.

The indicators derived from the survey are used in the calculation of the [Global Competitiveness Index \(GCI\)](#) and other World Economic Forum indexes and reports.

Sources

The Executive Opinion Survey is administered in a variety of formats, including face-to-face or telephone interviews with business executives, mailed paper forms and online surveys. Most questions in the survey ask respondents to

evaluate, on a scale of 1 to 7, one particular aspect of their operating environment. The latest edition of the survey (2015) captured the opinions of over 14,000 business leaders in 144 economies between February and June 2015, with over 40% of participants taking the survey online.

Strengths

The sampling guidelines for the survey aim to reflect in the composition of surveyed companies the economic structure of the country while maintaining a 50% share of respondents from previous years to allow for year on year comparisons. The survey also aims to capture the diversity of companies in terms of ownership and economic sector.

Limitations

Because of issues of data quality or quantity, the results from the 2015 edition of the survey were used for only 134 economies (out of 144 surveyed). Data from previous years were used for six additional countries.

5. Company assessments

Transparency in Corporate Reporting, Transparency International

http://www.transparency.org/whatwedo/publication/transparency_in_corporate_reporting_assessing_worlds_largest_companies_2014

Frequency: irregular

What does it measure? How to use the results?

Transparency in Corporate Reporting: Assessing the World's Largest Companies (2014), evaluates the transparency of corporate reporting by the world's 124 largest publicly listed companies drawn from the Forbes list "The World's Biggest Public Companies" and selected by market value. The 2014 report assesses the disclosure practices of companies with respect to their anti-corruption programmes, company holdings and the disclosure of key financial information on a country-by-country basis. It follows on from a [2012 report](#) which focused on the world's 105 largest publicly traded companies. The report is part of a series of studies based on a similar methodology aimed at assessing the transparency practices of companies, the most recent being a

[2013 report](#) on leading emerging market companies.

Sources

A team of Transparency International researchers conducts the collection of data for the Transparency in Corporate Reporting. The sources include company websites and the relevant links and documents directly accessible through them. Data for each question is recorded and the exact sources documented (e.g. corporate documents with page numbers or websites with dates of when the data were downloaded). The research is based on the latest available documentation.

Strengths

Preliminary datasets are shared with the target companies, and each company is given the opportunity to review its own data and to provide feedback or propose corrections. Of the 124 companies in the 2014 report, 84 responded with feedback. All requests for corrections are carefully analysed and discussed by the research team. Whenever necessary, further information, substantiation or documentation is requested and obtained from companies. This process may result in data point adjustments and in the updating of some data sources. This process improves the quality of the data and contributes to greater disclosure of corporate information.

Limitations

In conducting the research, Transparency International does not investigate the veracity or completeness of the published information and does not make any judgement about the integrity of the information or practices disclosed. Moreover, the assessment does not verify actual implementation or effectiveness of corporate anti-corruption programmes.

Defence Companies Anti-Corruption Index, Transparency International

<http://companies.defenceindex.org/>

Frequency: irregular

What does it measure? How to use the results?

The Defence Companies Anti-Corruption Index assess 163 defence companies on the ethics and

anti-corruption programmes they have in place to prevent corruption, under five pillars: leadership, governance, and organisation; risk assessment; company codes and policies; training; personnel and helplines. Each question is assessed against a model answer to ensure consistency across companies.

Sources

The assessment is based on desk research on publicly available information. Sources include company websites and relevant links and documents directly accessible through them. Where possible, local language documents are assessed in addition to information available in English. Companies are given the opportunity to comment on the draft analysis and to guide the research team towards additional publicly available information. The completed assessments undergo consistency checks. An external peer review group of four experts additionally reviews a sample of assessments and draft analyses. Each company is awarded a score from A to F.

Strengths

The chief executives of all companies in the index were invited to appoint a point of contact (100 did so) and to indicate whether they wished to submit internal information. Sixty-three provided internal information, thus strengthening the overall reliability of the data. The companies' index is complemented by a government defence index (see above) which, together, provide a full picture of defence sector corruption risks.

Limitations

Because the index is based only on publically available documents, some information on companies' ethics and anti-corruption programmes may have been missed.

6. Further reading

[UNDP's Users' Guide to Measuring Corruption and Anti-corruption](#), last updated in September 2015, presents a series of methodologies, tools and practices that have been used and validated by the anti-corruption community over the last few years.

Furthermore, there are a number of repositories of governance and corruption-related data which users are encouraged to consult:

- [The World Bank's Actionable Governance Indicator \(AGI\) Data Portal](#) consolidates information on actionable governance indicators, provides a one-stop-shop platform to navigate these indicators and their documents and offers customised tools for data management, analysis and display.
- [The Quality of Government Institute offers a range of datasets](#) available for free, a data visualisation tool as well as some tips and hints on the use of the data.
- [The Varieties of Democracy \(V Dem\) dataset](#) covers 173 countries, dating back as far as 1900 and covering 350 indicators and over 30 democracy indices.
- [The Inter-American Development Bank's Governance Indicators database](#) hosts data from about 30 different publications of a variety of institutions, including multilateral organisations, NGOs, private firms and think-tanks.