

## **SYNERGIZING PPP TO COMBAT CORRUPTION IN INFRASTRUCTURE DEVELOPMENT**

Ladies and gentlemen,

esteemed colleagues and fellow activists in the fight against corruption,

Today, we gather with a profound sense of purpose to address a pressing challenge that threatens the very foundation of our societies: corruption in infrastructure development. As we embark on this critical conversation, let us first confront the stark reality: corruption is rampant within the construction, engineering, and infrastructure industries.

Recent data from Kroll's Global Fraud and Risk Report reveals that a staggering 30% of firms in these sectors have experienced corruption-related incidents in the past year alone, significantly higher than the global average.

Also, according to the Organization for Economic Co-operation and Development (OECD), half of the bribes paid are in industries with the largest spending in infrastructure, mainly extractives (19%), construction (15%) and transportation (15%).

This alarming trend not only undermines the integrity of infrastructure projects but also perpetuates inequality, erodes public trust, and stifles economic growth.

The complexity of public-private partnership (PPP) and blended finance models in infrastructure development presents fertile ground for corrupt practices to thrive. With projects often involving

numerous contractual links and intricate regulatory environments, the opportunity to conceal misbehaviors is all too tempting. Yet, the stakes are too high for us to remain complacent.

Infrastructure projects are lifelines for communities, providing essential services and driving socio-economic progress. When corruption infiltrates these projects, it not only compromises their quality and efficiency but also robs citizens of much-needed resources and opportunities.

To combat this pervasive threat, we must adopt a multi-faceted approach that targets the root causes of corruption within the infrastructure development value chain. Robert Klitgaard's seminal equation,  $\text{Corruption} = \text{Monopoly} + \text{Discretion} - \text{Accountability}$ , serves as a guiding principle in our endeavor.

By addressing the monopolistic power, discretionary authority, and lack of accountability that fuel corruption, we can begin to dismantle the structures that enable unethical practices to flourish.

Public-private partnerships offer a powerful mechanism for promoting transparency, accountability, and integrity in infrastructure projects. By leveraging the strengths of both sectors, we can strengthen oversight mechanisms, enhance due diligence processes, and uphold ethical standards that prioritize the public interest.

Collaboration between governments, international organizations, private sector entities, civil society, and individual citizens is essential to hold wrongdoers accountable and safeguard the integrity of infrastructure projects.

Bribery, extortion, fraud, cartels, embezzlement, and abuse of power are among the insidious forms that corruption takes within the infrastructure sector. These practices not only undermine fair competition and distort market dynamics but also divert resources away from those in need and perpetuate cycles of poverty and inequality.

As representatives of anti-corruption authorities, enforcement organizations, and civil society, we have a duty to lead by example and champion the values of integrity, honesty, and accountability.

Education and awareness-raising initiatives are critical in instilling a culture of integrity and transparency from an early age. By integrating anti-corruption modules into tertiary education curricula and professional regulatory institutions, we can empower future generations to recognize, prevent, and address corrupt practices effectively.

Moreover, robust anti-corruption frameworks, stringent enforcement mechanisms, and protection for whistleblowers are essential to ensure that our efforts translate into tangible results.

Rwanda serves as a shining example of effective anti-corruption leadership in the last three decades. Under President Kagame's stewardship, the country has prioritized equitable infrastructure development, promoted social cohesion, and enhanced the quality of life for all citizens.

By speaking out against corruption and ensuring effective resource allocation, Rwanda has set a precedent for ethical governance that others can emulate.

I strongly believe that for a corruption free infrastructure development to be achieved, compliance to standards is an essential and effective suitable tool for adoption in both public and private institutions. Hence need for sustained advocacy on compliances with family of standards of ISO 9000 (QMS), ISO 14000 (EMS), ISO 31000 (RMS), ISO 37000 (Governance of Organizations) and ISO 45000 (OHS Management Systems) through collaboration, commitment, and collective action.

In conclusion, as we unite in our resolve to combat corruption in infrastructure development, let us seize this moment as an opportunity to renew our commitment to building a future where integrity, honesty, and accountability reign supreme. Together, we can make a difference, inspire change, and forge a path towards a brighter tomorrow.

Thank you.