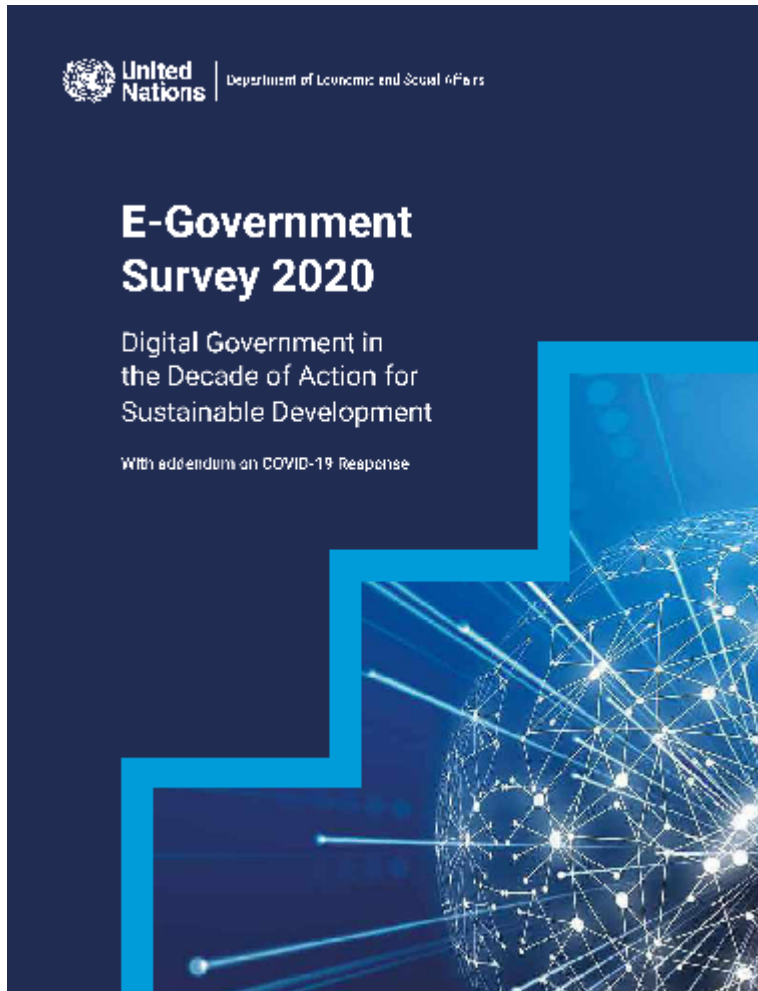


# World e-government coverage remains limited



World e-government coverage remains limited according to the 2020 edition of the [United Nations E-Government Survey](#) which was released on 10 July 2020 (1). This is in spite of most countries and municipalities currently pursuing digital government strategies, many with innovative initiatives.

The 2020 ranking of the 193 UN Member States in terms of digital government – capturing the scope and quality of online services, status of telecommunication infrastructure and existing human capacity – is led by Denmark, the Republic of

Korea, and Estonia, followed by Finland, Australia, Sweden, the United Kingdom, New Zealand, the United States of America, the Netherlands, Singapore, Iceland, Norway and Japan.

Among the least developed countries, Bhutan, Bangladesh and Cambodia have become leaders in digital government development, advancing from the middle to the high E-Government Development Index (EGDI) group in 2020. Mauritius, the Seychelles, and South Africa are leading the e-government ranking in Africa. Overall, 65 per cent of Member States are at the high or very high EGDI level.

In responding to the health emergency, governments have put in place new tools, such as dedicated COVID-19 information portals, hackathons, e-services for supply of medical goods, virtual medical appointments, self-diagnosis apps and e-permits for curfews. Many countries were quick to deploy tracking and tracing apps, and apps for working and learning from home.

Innovative digital government responses to COVID-19 include online dashboards in Canada and Australia to share information and track emergency responses. In China, chatbots are used to assess patients' risk of being infected. A community engagement app in Estonia allowed local governments to directly interact with their constituents, including through sharing COVID-19 information, posting photos and videos and even organizing virtual events. In Croatia, a "virtual doctor" is powered by artificial intelligence and developed by technology firms in cooperation with epidemiologists. In London, the use of cameras, sensors and AI algorithms, normally intended to control traffic, now measures distance between pedestrians to control social distance.

# **E-government progress still hindered by digital divide**

As a development tool, the E-Government Survey examines countries' strengths, challenges and opportunities, and informs policies and strategies. The 2020 edition found that progress has been made across all regions, even in the least developed countries. Over 22 per cent of countries were promoted to higher levels of e-government development.

Yet, despite the gains and major investments in e-government by many countries, the digital divide persists. Seven out of eight countries with low scores are in Africa and belong to the least developed countries group. The regional average index scores for countries in Africa are almost one third lower (at 0.3914) than the world average EGDI of 0.60.

Alongside these trends, the COVID-19 pandemic has now not only reinvigorated the role of digital government in its conventional delivery of public services and in ensuring business continuity, it has also brought about innovative ways in managing the crisis, such as in contact tracing, e-health, online learning, and remote working.

## **About the UN E-Government Survey**

The UN E-Government Survey, published by the UN Department of Economic and Social Affairs (UN DESA), is prepared over a two-year period following an established methodology. It looks at how digital government can facilitate integrated policies and

services across 193 UN Member States. The Survey supports countries' efforts to provide effective, accountable and inclusive digital services to all and to bridge the digital divide and leave no one behind.

*(1) This blog is an amended version of the accompanying [UN press release](#)*

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## Developing Systems to Combat Corruption



Posted by David Fellows[\[1\]](#)

## Introducing the concept of “objective data”

In March 2018, we republished a short note on the use of [objective data](#) to combat corruption [\[2\]](#). The piece highlighted statistical techniques being used in western countries to identify corruption by correlating unorthodox procurement

practices with aberrant supplier behaviour established from factually based 'objective' administrative data. It was suggested that less complex approaches to the analysis of 'objective' data could be used to indicate the need for further forensic examination of officials, suppliers, and politicians. The emphasis was on finding workable approaches for developing countries that were compatible with the available resources.

The term 'objective' data refers to factual information derived from official government records. It represents data on transactions, activity schedules, and personal information, recorded through established processes, that give the information credibility. This contrasts with 'subjective' data which is often based on opinions or experience that is poorly evidenced and of limited application, as is the case with corruption perception surveys.

## **Frequent use of objective data**

Objective data is checked and compared in dozens of administrative processes which can produce anomalies that may indicate the presence of corruption. For example, invoices are checked against orders and goods received notes or contract certificates, or payroll submissions are checked against timesheets. In addition, national bodies charged with the oversight of public administration – such as supreme audit institutions and public procurement commissions – are routinely engaged in the examination of objective data which can also lead to the identification of corruption.

Such findings are then included in published reports that may be used to identify process deficiencies or potentially to prosecute cases of fraud and corruption. These oversight functions can be particularly effective when they are invested with independence from government, extensive powers of enquiry, transparency of reporting, and due consideration of

findings.

## **Developing objective administrative data systems**

Apart from routine scrutiny provided by administrative processes and oversight arrangements, programs of administrative reform provide excellent opportunities for the development of systems that incorporate the automatic validation and cross-referencing of administrative data to help identify patterns of corrupt activity.

Such arrangements are straightforward, well known, and remarkably simple to put into effect but in practice they are rarely complete or well executed. Too often there is a lack of expectation that good administration will have a beneficial effect. This places a premium on those who hold relevant managerial roles, requiring them to value high standards of administrative practice; exercise oversight responsibilities courageously, insightfully and in partnership with others as necessary; and ensure that reform opportunities are used to best effect. Well prepared and committed management is a prerequisite to any well-intentioned anti-corruption initiative.

### **Objective administrative data applications**

Some examples of objective administrative data and its use to combat corruption are included in an Appendix available [here](#).

The use of objective data could also be developed in other ways. For example:

1. Countries could prepare anti-corruption strategies that include the use and development of objective data and staff training. Such strategies should be accompanied by operational guidance. Anti-corruption strategies and related material are often referred to as being part of

the standard anti-corruption armoury but are rarely made available. In practice, however, few of these documents have been produced to a reasonable standard anywhere in the developing world, and perhaps it is time to redress this omission.

2. Additionally, collaboration between states, perhaps on a regional basis, could be helpful in developing techniques for interrogating data, preparing anti-corruption strategies, sharing knowledge of corrupt practices, and building operational cooperation between countries
3. Consideration should also be given by multilateral agencies and regional representative bodies to the development of an international systems assessment schema (akin to PEFA methodology<sup>[3]</sup>) that would indicate the efficacy and shortcomings of individual administrative systems for the purposes of combatting corruption.

This article is written with government administration in mind, but similar considerations apply to local governments and state-owned enterprises.

<sup>[1]</sup> Director, PFMConnect. The author thanks John Leonardo for his helpful comments.

<sup>[2]</sup> This blog was first published at <http://blog-pfm.imf.org/pfmblog/2018/03/how-useful-are-perception-indices-of-corruption-to-developing-countries.html>

<sup>[3]</sup> See [https://pefa.org/sites/default/files/PEFA%20Framework\\_English.pdf](https://pefa.org/sites/default/files/PEFA%20Framework_English.pdf)

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# Forthcoming blog: Developing Systems to Combat Corruption



In a March 2018 blog PFMConnect co-principal David Fellows discussed the [deficiencies surrounding corruption perception indices](#) and outlined how objective data analysis could offer a clearer insight into the systemic nature of corrupt behaviour, thus providing a more precise indication of the corrupt parts of an administration, the number of external parties that are engaged in corruption, and features of the [public financial management \(PFM\) system](#) that need to be strengthened in order to combat corruption.

In a forthcoming blog “**Developing Systems to Combat Corruption**”, David describes how an objective data system is used in practice and how the concept may be developed. Some further examples of objective data and their use to combat corruption is available [here](#).

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# How Useful are Perception Indices of Corruption to Developing Countries?



Posted by David Fellows[\[1\]](#)

## The value and limitations of perception indices

There are numerous corruption perception indices. They provide an outsider's impression of the prevalence of corruption across the various branches of government. Some indices focus on issues of bribery, others are more general in scope. Some indices aim to engage with the general public, and others with businesses or NGOs. Perception indices can incentivise governments to tackle corruption given the reputational damage that they can inflict.

The shortcomings of perception indices, however, have been widely recognised, including in recent studies by UNDP and the IMF[\[2\]](#). Their evidential base is limited; survey samples are generally small; within the same index a variety of methodologies may apply so they can lack internal consistency; methodologies change so trends can be questionable; standardisation is difficult to achieve between or even within

countries and, as a result, the ranking of countries can vary from one perception index to another.

## **The relevance of objective data**

Those agencies and officials responsible for preparing these indices are aware of the deficiencies and make considerable efforts to mitigate them. Their key deficiencies are unassailable, however. Perception indices are based on impression, personal experience and hearsay rather than hard fact. In a multi-faceted study of villagers' perceptions of corruption affecting road building in Indonesia, Olken finds that perceptions are a good indicator of the presence but not the quantum of corruption. He concludes that "there is little alternative to continuing to collect more objective measures of corruption, difficult though that may be"[\[3\]](#). These factors can allow governments to diminish the importance of the messages that perception surveys contain.

An alternative approach has been proposed in a recent paper by Fazekas[\[4\]](#). The paper gives an account of recent research into public procurement in which legal, regulatory and administrative records have been analysed to reveal the presence of corruption. Relevant factors include: the characteristics of the tendering process; the political affiliations and personal connections of suppliers; and the location and transparency of information about the ownership of these supplier companies. Fazekas correlates these various data sets to reveal behaviour that indicates a skewing of contract awards toward suppliers with particular characteristics.

Fazekas uses the term 'objective' to refer to factual data that are not mediated by stakeholders' perceptions, judgments, or self-reported experiences. Nevertheless, the data are based on provable characteristics (e.g., from suppliers and procurement agencies). This approach, however, can provide some significant challenges. Databases may not be available

electronically, thus hampering data collection, and information is not collected on a systematic basis across countries. Despite these reservations, the approach can produce valuable evidence identifying areas of public administration that are especially prone to corruption, the role of officials in facilitating corruption, and the means by which corruption is being perpetrated.

## **Objective data analysis and developing countries**

European countries and the USA have been at the forefront of this kind of work, but it also has potential for guiding administrative scrutiny and reform in developing countries. The necessary analysis could be undertaken by internal auditors, anti-corruption agencies, or other oversight bodies. These agencies could use the results to improve system design, and commission detailed forensic investigations of those concerned.

Fazekas uses sophisticated statistical techniques, but simpler methods could also be employed to measure inappropriate administrative processes, potentially illicit flow of funds between parties with close personal ties, the unexplained accumulation of personal wealth, citizens' complaints, and other indicators of corruption. These results could then be used to identify potential levels and sources of corruption and, if acted on, lend credence to the government's anti-corruption commitments.

The approach outlined above is relevant to national and local government, as well as public corporations where significant levels of corruption can occur at the highest levels. Such work could be enhanced through external moderation and research collaboration across national boundaries, perhaps at regional level. A recent piece by the present author, published [here](#), discusses the growing relevance of digital media to governance reform.

## **The importance of national leadership**

Objective data analysis can offer a clearer insight into the systemic nature of corrupt behaviour, thus providing a more precise indication of the corrupt parts of an administration, the number of external parties that are engaged in corruption, and features of the PFM system that need to be strengthened. It can provide data to support a vigilant administration that wishes to maintain pressure on corruption, complementing efforts to increase prosecutions or administrative reforms.

Whatever ideas are advanced, they will all require commitment from national leaders if they are to succeed.

[1] David Fellows is Co-principal of PFMConnect. He is an accountant and PFM specialist with significant interests in digital service development and performance management. His thanks are extended to Cornelia Körtrl and Domenico Polloni for their invaluable contribution to this article.

[2] UNDPs Guide to Measuring Corruption and Anti-Corruption (2015). See also IMF 2017, “The Role of the Fund in Governance Issues – Review of the Guidance Note, Preliminary Considerations”.

[3] Benjamin A Olken, “Corruption Perceptions vs Reality” – <https://economics.mit.edu/files/3931>

[4] Mihály Fazekas “A Comprehensive Review of Objective Corruption Proxies in Public Procurement” [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2891017](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2891017).