



NATIONAL RESEARCH UNIVERSITY
HIGHER SCHOOL OF ECONOMICS

Alina A. Shenfeldt

**ANTI-CORRUPTION
COMPLIANCE OF DEVELOPMENT
ASSISTANCE DONOR
ORGANISATIONS: THE CASE OF
RUSSIA**

BASIC RESEARCH PROGRAM

WORKING PAPERS

SERIES: INTERNATIONAL RELATIONS
WP BRP 28/IR/2016

SERIES: INTERNATIONAL RELATIONS

*Alina A. Shenfeldt*¹

**ANTI-CORRUPTION COMPLIANCE OF DEVELOPMENT ASSISTANCE
DONOR ORGANISATIONS: THE CASE OF RUSSIA**

The article sheds light on the scope of transparency in the Russian Official Development Assistance (ODA) and anti-corruption compliance that has been forged by Russian authorities in the field of international development aid. Analysis of official documents, reports and available statistical sources shows quite poor performance of the Russian Federation, especially with regard to the international standards on open aid data and OECD members' experience.

First, the article lays out the evolution of transparency and accountability standards in international development assistance and highlights the best practices in forging anti-corruption compliance of leading donor organizations and countries. Though it cannot be said with certainty that the level of corruption globally in development aid has diminished, it is obvious that major OECD donor organizations have improved their integrity and managed to render their aid transparent.

This research has been focused on Russian development assistance. Analysis of published information on Russian ODA such as reports by the Ministry of Finance, web-sites of the Ministry of Finance, Ministry of Foreign Affairs and the Rossotrudnichestvo, Concepts on ODA and other published documents showed that apart from procurement mechanisms, Russian authorities have not still forged anti-corruption compliance of its agencies in the field of international development assistance. Moreover, Russia does not account for its ODA in a sufficient manner. First, the reports of the entitled authorities published on the official websites do not present precise information on Russian projects in development assistance. Though

¹ National Research University Higher School of Economics, Laboratory for Anti-Corruption Policy.
Analyst; E-mail: Alinakashapova1993@gmail.com

some information is publicly available, it is rather difficult to access to it as it is dispersed across various sources. Second, the functions on ODA are divided among agencies which makes the accountability process more complex. Third, Russia does not meet international standards outlined by the Busan Partnership on enhancing transparency in development aid: Russia does not report neither to the DAC Creditor Reporting System, nor to Forward Spending Survey, nor to the International Aid Transparency Initiative. Though the failure to publish detailed data stem from the lack of institutional capacity of the system of Russian development aid, still more transparency and accountability should be enhanced to enable civil society and scholars to contribute to the development of Russian aid.

The paper concludes with recommendations to Russian responsible authorities on how to make Russian development assistance transparent.

JEL Classification: F35

Keywords: official development assistance (ODA), transparency, accountability, anti-corruption standards, OECD donor countries, Russia

1. Introduction

Over the last decade and a half, anti-corruption has been advanced into political agenda of the Official Development Assistance (ODA). It has become acknowledged that corruption represents one of the major barriers towards efficient aid as it deters up to thirty per cent of development aid². Ban Ki Moon explained this failure by the lack of transparency and accountability. Meanwhile, by the time of adoption of the Millennium Development Goals transparency had not considered as an important component of efficient aid, whereas in 2015 access to information and data are already enshrined in the Sustainable Development Goals.

It took a while for international actors to elaborate on standards in publishing information on aid data. The ambition to make data more transparent has been pursued since 2005 with the adoption of the Paris Declaration. The mere rhetoric transformed into precise actions with the Busan agreement in 2011 which laid out the implementation of a “common, open standard for the electronic publication of timely, comprehensive and forward-looking information on resources provided through development cooperation” by December 2015.

Apart from forging a common standard on publishing aid data, donor organizations undertook a number of initiatives to improve their own integrity. In order to harmonize aid allocations among donor countries OECD Development Assistance Committee (DAC) was forged in 1960, at those times under the auspices of the Organisation for European Economic Co-operation (OEEC). The OECD DAC has become a leading platform for donors to coordinate their efforts in making aid more efficient (OECD, 2007). Since its foundation the OECD DAC has proposed the most comprehensive database on aid allocations of OECD members and other donor countries and organisations which submit information on their aid flows.

At the same time along with the foundation of the OECD DAC, OECD donor countries brought about institutional changes within their government policies with the establishment of specific development agencies. While anti-corruption discourse has been advanced into

² UN officials highlight costs of corruption on societies (2012). UN News Centre. URL: <http://www.un.org/apps/news/story.asp?NewsID=42430&Cr=ecosoc&Cr1=#.V77DamUWjeA>

political agenda, those agencies embarked on introducing anti-corruption strategies for their staff and policies.

The Russian Federation used to be a prominent donor country during the Soviet period, and since 2005 Russia has rejoined the donor community (Bartenev, et al. 2012). In 2015, according to the OECD Russia allocated 1,1 billion dollars which represents 0.06% as a share of Russian GNI (OECD web-site, 2016). Though it is well below the OECD DAC members' levels, it should be acknowledged that this proportion is consistently growing from 0.015% in 2004.

Russian participation in Russian International Development Assistance (IDA) has attracted interest from Russian academia circles during the last decade. The existing research has been focused on the establishment of Russia as a donor on the whole (Larionova et al. 2014; Rakhmangulov, 2010; Degterev, 2013; Beletskaya, 2015), as well as on specific areas of Russian participation in IDA (Korepanov and Komogaeva, 2012; Basova, et al. 2011; Levkin, 2012).

Meanwhile, scholars often refer to fragmentary and incomplete information on Russian bilateral aid (Beletskaya, 2015), absence of official information on the breakdown of Russia's aid by sectoral priority, on debt relief (Larionova, et al., 2014). Ermolov (2015) points out that Russian authorities, precisely the Ministry of Foreign Affairs and the Ministry of Finance, do not shed light on Russian development assistance in a sufficient manner.

Moreover, a survey held by the World Bank among Russian citizens in 2011 showed that though Russian allocation of foreign aid obtains citizens' support, the majority of the population is unaware of the volume of Russia's ODA (World Bank, 2011). Researchers assume there is a strong need for continued awareness-raising and advocacy (Larionova et al., 2014) as well as implementation of a solid communication strategy (Markova and Neal, 2011).

This paper aims to contribute to the debate on Russian ODA from the dimension that has not yet been considered – anti-corruption compliance of Russian agencies that are charged to implement Official Development Assistance and the scope of Russian aid transparency. As Russia joined all the agreements on effective aid and declares its commitment to fulfill their

principles³, it is important to analyze whether the Russian government has undertaken any anti-corruption interventions in ODA.

It is worth mentioning that transparency is understood not only in the scope of enhancing aid predictability and avoidance of duplication. Transparency is vital both for government officials to better allocate aid, and for civil society to hold their governments accountable. As it is put in a joint study by the OECD and U4 Anti-Corruption Resource Centre, “transparency in the allocation of aid resources can facilitate integrity and control of corruption by empowering a broader range of stakeholders and observers with information about where funds are supposed to be, what they are supposed to be used for, and perhaps also how those decisions are made”.

Since Russian development aid allocations has risen up to one billion dollars, Russian citizens have their right to know what their taxes are being spent on and where this money is going.

Therefore, the research aim of the paper is to find out whether Russia manages to fulfill the anti-corruption standards in development assistance. For this purpose, it is necessary to outline the international standards on publishing aid data and consider best practices of major OECD donor countries, analyze to what extent Russian authorities account for allocated aid and what it has done so far to tackle corruption.

In order to assess accountability of Russian authorities’ in development assistance, the author referred to official documents, reports and available statistical sources of the Ministry of Finance, the Ministry of Foreign Affairs and the Rossotrudnichestvo. The official websites were also monitored to distinguish the level of transparency.

³ The Russian Federation ODA - National Report. URL:
<http://minfin.ru/common/upload/library/2012/05/PresentationEng2012.pdf>

2. Corruption as an obstacle for development

Though nowadays anti-corruption is well entrenched into international agenda, in the 1990s corruption was not recognized as an obstacle to development. Even the very word ‘corruption’ was barely mentioned in official documents of aid actors till 1995 (Savedoff, 2016). During that period there was an assumption that aid funds were not prone to corruption in comparison to domestic money as there were external agents to exert control and impose sanctions in case of need. In reality weak accountability chain made corrupt practices prosper: project management in recipient countries were not always supervised on the quality of procured works, while aid agencies in donor countries were not accountable to taxpayers.

There are several factors that spurred anti-corruption movement in area of aid. The change that took place in the mid 1990s was largely due to the end of the Cold War era. Many scholars agree that during the Cold War geo-political interests determined aid allocation, and Western institutions such as the World Bank and the OECD Development Assistance Committee (DAC) were forged to check the spread of communism (Stone, 2010; Boschini and Olofsgard, 2005). For that reason political leaders of donor countries did not care much about rampant corruption and the effectiveness of aid, whereas what mattered them most was political loyalty of developing countries leaders.

Secondly, the 1990s marked a considerable growth of civil engagement. Primarily, that was due to the establishment of Transparency International (TI) in 1993 – international civil society organization that promotes transparency, accountability and integrity. It is noteworthy, that the founder father of TI Peter Eigen is a former World Bank senior official - from 1988 to 1991 he was the Director of the Regional Mission for Eastern Africa of the World Bank⁴. In his TED talk that he delivered in 2009⁵, he shared his practical experience of those times: he witnessed corruption of Western politicians, suppliers of big companies, local elites, and the major problem was that foreign bribe was acceptable and not regulated. He said that the world “was eaten up by grand corruption” which spurred civil society to revolt against it. The first great achievement was made in 1997 with the adoption of the Anti-Bribery Convention under

⁴ Transparency International website. See: https://www.transparency.org/files/content/ourorganisation/ShortBio_PeterEigen_EN.pdf

⁵ Peter Eigen: How to expose the corrupt. See: https://www.ted.com/talks/peter_eigen_how_to_expose_the_corrupt/transcript?language=en

the auspices of the OECD.

One of the main ambitions of emerging anti-corruption activists in the 1990s (and today as well) was to raise public awareness about corruption. Corruption Perceptions Index launched in 1995 appeared to be one of the main tools towards attracting public attention to the scourge of corruption (TI website, 2016). Once established, TI quickly went global – in its three years of operations they had already 26 national chapters. Therefore by 1996 at last it was possible to transform corruption “from a taboo topic to a talking point” and it became an issue of global policy concern.

Advocacy of civil society organizations bore fruit: multilateral organizations started to respond to citizens’ demands and demonstrated their willingness for change. This is the third important factor that brought about anti-corruption initiatives in aid industry. A first-of-its-kind regional anti-corruption convention was adopted in 1996 - Inter-American Convention Against Corruption by the Organization of American States. The adoption of the convention as soon as governments realized that “weak national legislation.. permitted unequal competition between national and foreign companies bidding for public contracts”⁶. The Convention encompasses preventive anti-corruption mechanisms: primarily, it establishes the criminalization of corrupt practices, such as bribery and illicit enrichment. It also promotes cooperation among State Parties for mutual legal assistance and assets recovery⁷.

Then it was the turn of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions which was adopted in 1997. Even today the convention is the “only international anti-corruption instrument focused on the ‘supply side’ of the bribery transaction”⁸. It made States Parties change internal legislature and criminalize foreign bribery.

The landmark agreement to combat corruption was adopted by the United Nations in 2003 - UN Convention Against Corruption (UNCAC) – a powerful tool to tackle corruption all around the world. The UNCAC is the only legally binding universal anti-corruption instrument⁹. It stipulates measures on prevention of corruption, domestic and foreign bribery,

⁶ 9 Years of the Inter-American Convention Against Corruption. See:

http://www.transparency.org/news/feature/9_years_of_the_inter_american_convention_against_corruption

⁷ Inter-American Convention Against Corruption. See: <https://www.oas.org/juridico/english/treaties/b-58.html>

⁸ OECD Anti-Bribery Convention. See: <http://www.oecd.org/corruption/oecdantibriberyconvention.htm>

⁹ UNODC's Action against Corruption and Economic Crime. See: <http://www.unodc.org/unodc/en/corruption/index.html>

embezzlement, money laundering and as a major breakthrough – asset recovery¹⁰. It also puts forward civil society participation and states' obligation to ensure transparency and access to information.

Finally, corruption out of 'c-word' transformed into a publicly spoken phenomena – that was in 1996 that a World Bank's President spoke to the Board for the first time explicitly about corruption, or more precisely, 'the cancer of corruption' in the area of development financing¹¹. James Wolfensohn argued that corruption is the 'major barrier to sound and equitable development' and 'it erodes the constituency for aid programs and humanitarian relief'.

Thus, in late 90s discourse on development aid has gone through serious changes. Donor organizations started gradually develop their approaches on how to tackle corruption. That was in 2003 that OECD Development Assistance Committee (DAC) for the first time published a report "Synthesis of lessons learned of donor practices in fighting corruption". The donors' overall approach was quite criticized as they priorities by that time were not clearly set, while limited capacity hindered tackling corruption in development aid. It was decided to undertake more actions on a collective basis with those mechanisms that already existed¹². Then it was agreed to develop the principles that would drawn from donors' previous experience and guide aid practitioners to tackle corruption. Thus, in 2006, OECD Development Assistance Committee (DAC) undertook the Principles for Donor Action on Anti-Corruption¹³.

The first principle stipulates: "We will collectively foster, follow and fit into the local vision". At the country level donor were supposed collectively promote the development of an anti-corruption strategy, share knowledge, strengthen the civil society. According to the second principle - "We will acknowledge and respond to the supply side of corruption", donors had to take more proactive actions on money laundering, bribery by donor countries companies, and repatriation of assets. The third principle laid out the following: "Knowledge and lessons

¹⁰ UN Convention Against Corruption, UN Office on Drugs and Crime, 2004. See:

http://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf

¹¹ Wolfensohn J.D. *People and development*. The World Bank Annual Meetings Address, 1996.

<http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/EXTPRESIDENT/EXTPASTPRESIDENTS/PRESIDENTEXTERNAL/0,,contentMDK:20025269~menuPK:232083~pagePK:159837~piPK:159808~theSitePK:227585.00.html>

¹² Synthesis of lessons learned of donor practices in fighting corruption. See:

<http://unpan1.un.org/intradoc/groups/public/documents/untc/unpan016841.pdf>

¹³ DAC Revised Principles for Donor Action in Anti-Corruption. See: <https://www.oecd.org/site/adboecdanti-corruptioninitiative/regionalseminars/35167935.pdf>

should be marshaled systematically and progress needs to be measured”. It was supposed to expand knowledge gathering and improve policy making with evidence-based revelations.

The problem of corruption gradually emerged in the debate on development effectiveness. By 2016 there have been four high level forums aimed to increase aid effectiveness¹⁴. The first forum was held in Rome in 2002 and that was for the first time in history of aid delivery that principles on aid effectiveness were laid out in the declaration. Among those principles were priorities and timing for aid allocation among recipient countries, flexibility of staff and promoting of good practices¹⁵. However, there was not a word on corruption.

Donors met for the second time in 2005 and signed Paris Declaration which stipulated five important principles: 1) ownership - recipients should elaborate their own strategies to alleviate poverty and fight corruption; 2) alignment – donors should help them achieve those goals; 3) harmonization – donors should coordinate their actions; 4) results – development results should be a priority; 5) mutual accountability - donors and recipients should hold each other accountable¹⁶. Paris Declaration lays out some provisions on corruption, acknowledging that it is an obstacle to development and suggesting measures for both donor and recipient countries. Developing countries were supposed to enhance systems of investigations, while donors had to fight against illegally acquired assets. Since that time, greater importance is attached to transparency and accountability. From now on donor agencies had to demonstrate their accountability, while the demand side – media, NGOs and citizens – had to hold them to account.

The third forum, which had “an unprecedented alliance of development partners”, ended with signing the Accra Agenda for Action (AAA) in 2008. It was agreed to enhance efforts to achieve the goals laid out in the Paris Declaration. Participants took stock of progress made to understand what worked and what did not. The AAA proposes to increase CSO’s participation to ensure that donor and recipient countries respond to their commitments¹⁷.

The fourth forum was held in Busan in 2011 - the Busan Partnership for Effective

¹⁴ The High Level Fora on Aid Effectiveness: A history. See:

<http://www.oecd.org/dac/effectiveness/thehighlevelforaonaideffectivenessahistory.htm>

¹⁵ Rome Declaration on Harmonisation. See: <http://www.oecd.org/dac/effectiveness/31451637.pdf>

¹⁶ Paris Declaration on Aid Effectiveness. See: <http://www.oecd.org/dac/effectiveness/34428351.pdf>

¹⁷ Accra Agenda for Action . See: <https://www.oecd.org/dac/effectiveness/45827311.pdf>

Development Co-operation endorsed changing focus from global structures to a country-led approach. The principles remained almost the same, however from now on they are four: ownership of development priorities by developing countries, focus on results, inclusive development partnerships and transparency and accountability to each other. Combatting corruption is included as one of the chapters (33) of the Partnership and it suggests promoting a culture of zero tolerance for all corrupt practices, to fight illicit financial flows and ensure appropriate national and international legal framework¹⁸.

2. Anti-corruption standards in development assistance

One of the most important achievements made in the Busan partnership was introduction of the common open standard to publish information of donors' development projects and aid funds. In order to take stock of progress the Busan Partnership elaborated three indicators. The first indicator is the following: "Information on development co-operation is publicly available". For achieving this target had to report on their programs through 'the common standard': two OECD reporting instruments - the DAC Creditor Reporting System (CRS) and the Forward Spending Survey (FSS) on statistical data, as well as a platform on co-operation of donors' activities – the International Aid Transparency Initiative (IATI).

In order to monitor how the targets are implemented it was decided to create a political forum - Global Partnership for Effective Development. In 2014 Progress Report¹⁹ one of the chapters is devoted to transparency and accountability for development results. The progress is assessed by three dimensions: timeliness (frequency of reporting and freshness of information), comprehensiveness (the scope of the common standard information published), forward-looking (information of projects in the future). As for timeliness, only 15% of providers publish information at least quarterly, while in most cases it is done once a year and ultimately by this time it is six-to-nine months old. It is assumed that the majority of operators still do not implement their commitments endorsed by the Paris Declaration. Comprehensiveness assessment shows that information is given for 50% of common standard fields. Forward-looking information is not published via the common standards systems by a quarter of

¹⁸ Busan Partnership for Effective Development Co-operation. See <http://www.oecd.org/development/effectiveness/49650173.pdf>

¹⁹ Making Development Cooperation More Effective. See: <http://www.oecd-ilibrary.org/docserver/download/4314021e.pdf?expires=1462704700&id=id&accname=guest&checksum=789EF83468C3327F5B8C0D65FC6B70FE>

providers.

Another indicator outlines to make development co-operation more predictable. Assessment shows that 84% of all scheduled aid funds were allocated the year it was planned. The report states that “discrepancies between planning information and actual execution of payments significantly hamper predictability”.

The final indicator suggests that mutual accountability among co-operation actors should be strengthened through inclusive reviews. The United Nations has undertaken the initiative on assessing this indicator through a national Mutual Accountability Survey²⁰. The data shows that there has been just moderate progress on enhancing this policy at national level. Mutual review processes should become more transparent and inclusive so that civil society organizations and the private sector could also participate in them.

Ultimately, Global Partnership assessment suggests that donor community should publish more up-to-date information, do that more frequently and share plans on future commitments with other actors.

It should be acknowledged that there is definitely a positive tendency during the recent years: a considerable progress has been made on transparency of aid allocation. 2011 was crucial for fostering development data transparency: that was the year when the first data submitted to the IATI Registry, the year that donors committed in the Busan Partnership to make all aid transparent by 2015, the year when the first Aid Transparency Index was published.

As far as the IATI is concerned, it was already launched in the Accra Agenda for Action in 2008, though only in Busan in 2011 development actors agreed to “implement a common open standard for electronic publication” of information. The IATI Standard allows all aid stakeholders (donors, NGOs, recipient countries) to publish their information in IATI’s agreed electronic format²¹. This source is indispensable not only for citizens to hold their governments accountable, but also for developing countries governors to plan and manage their resources. IATI enabled development actors to update their data on a regular basis, to publish information in the common format, using consistent definitions and measures, assess data

²⁰ Third Global Accountability Survey on Mutual Accountability. See: http://www.un.org/en/ecosoc/newfuncn/pdf13/def_germany_bkgd_study_2_ma_survey.pdf

²¹ About IATI. See <http://www.aidtransparency.net/about>

flows by other organizations. The most recent 2015 Report shows that nowadays there are more than 350 organizations that publish data on IATI Registry which substitute almost \$80 billion of aid disbursement and expenditure²². IATI also launched d-portal (development portal) where users can get precise information on each country with details on where money comes from and where it goes, a heat map of activities around the country, the number of ongoing and ended projects. However, today the main challenge resides in promoting this source of information among citizens so that people could use development data for profound analysis of development flows.

In order to evaluate to what extent donors publish data on their development projects Publish What You Fund (PWYF) initiative was launched in 2008. Three years later they published their first Index on aid data openness. The most recent 2015 Aid Transparency Index Report shows that ten donors which allocate almost 25% of total aid managed to fulfill obligations on transparency and accountability outlined in the Busan Partnership²³. However, the majority of organizations do not publish complete information on development programs that they undertake – in the Index they score below 60 per cent, which is assessed as fair, poor and very poor performance. Moreover, over a half of organizations do not publish forward-looking information on future projects. For two years in a row the United Nations Development Program (UNDP) is at the top and the US Millennium Challenge Corporation is the second best publisher. Among other ‘very good’ publishers are UNICEF, UK Department for International Development, the Global Fund, the World Bank – International Development Association, the Inter-American Development Bank, the Asian Development Bank, Sweden government and the African Development Bank. Among those who perform ‘very poor’ are Italy, Japan, France, China and the United Arab Emirates. This Index shows that multilateral actors tend to perform better than bilateral donors though it is not always the case. The findings propose that donors should enhance more efforts to publish timely more comprehensive information to the IATI Register as the majority of the organizations are well established and are capable of doing it.

However, due attention should be attracted to the general improvement that has been

²² IATI Annual Report 2015. See

http://www.aidtransparency.net/annualreport2015/downloads/IATI_Annual_Report_2015.pdf

²³ Publish What You Fund Report 2016. See: http://ati.publishwhatyoufund.org/wp-content/uploads/2016/02/ATI-2016_Report_Proof_DIGITAL.pdf

achieved since PWYF published its Index in 2013²⁴. Then only four organizations performed ‘very well’, while almost 40% of donor organizations were in the section of very poor score.

OECD policy-makers on anti-corruption in development assistance (Marquette, 2014) suggest that there are two political challenges ahead of donors. First of all, it is the lack of collective action of donors in a given recipient country. Unilateral decision by one donor to stop allocating aid because of rampant corrupt practices in a given recipient country will not have any impact if other donors do not undertake the same initiative. Secondly, it is important to ensure that agency staff members, a country office and development agency itself will not suffer on the evidence of corruption as long as they act appropriately.

Anti-corruption compliance of OECD donor countries

Donor organizations had no option than to follow anti-corruption standards so that to meet international obligations: it became important to elaborate on anti-corruption strategies not only to fulfill formal obligations and respond to citizens’ claim, but also to increase their own efficiency. Moreover, reputation serves as an incentive – donors try to avoid gaining a bad reputation if caught involved in corrupt practices. Therefore donor organizations elaborate their integrity systems. Karneback (2015) outlined the common traits of existing donors’ integrity systems, such as rules for financial management, primarily procurement, codes of conduct for staff, trainings on how to tackle corruption and inform in case of detection. The cornerstone of such a policy should be a culture of transparency where staff can report their suspicions.

Over the last decade and a half, several bilateral and multilateral donors elaborated on their own anti-corruption strategies (ACSs). However, there is still no unique approach towards developing ACSs. Not all donor organizations adopt a specific ACS. If to take five leading OECD donor organizations – the USAID²⁵, the British DFID, German BMZ and GIZ²⁶, Japanese JICA²⁷ and French AFD, - American, German and Japanese agencies have specific ACSs, British DFIF have anti-corruption and counter fraud strategies for each country where they are engaged, whereas French development agency does not have any specific ACS.

Nevertheless, it is possible to define two general targets of all ACSs: firstly, to ensure

²⁴ Aid Transparency Index 2013. See: <http://ati.publishwhatyoufund.org/2013/index-2013/results/>

²⁵ USAID Anticorruption Strategy. See: http://pdf.usaid.gov/pdf_docs/Pdaca557.pdf

²⁶ Anti-Corruption and Integrity in German Development Policy. See: http://www.bmz.de/en/publications/archiv/type_of_publication/strategies/Strategiepapier323_04_2012.pdf

²⁷ JICA Anti-Corruption Guidance, 2014. See: http://www.jica.go.jp/english/our_work/types_of_assistance/c8h0vm0000011dfv-att/anti_corruption_guidance.pdf

the appropriate use of donor funds; secondly, to contribute to development of anti-corruption measures undertaken by their partner countries (Anger, 2004).

Ensuring the appropriate use of funds implies forging staff's compliance to integrity principles (Fagan and Weth, 2010). In order to address internal corruption risks, donor agencies undertake measures in three dimensions – prevention, detection and investigation with eventual sanctioning. Prevention mechanisms enhance introducing codes of ethics. However, if in some donor organizations there is a specific code of ethics for staff, in others – there is a general civil service code of conduct applicable for donor agency staff as well. For example, while German GIZ²⁸, French AFD²⁹ and USAID³⁰ have elaborated specific codes of conduct for their staff, British DFID use the Civil Service code eligible for all civil servants³¹. Survey conducted among OECD Development Assistance Committee members, demonstrated that out of 23 agencies that have a Code of ethics, thirteen agencies have a specific code eligible for agency staff, whereas in ten agencies codes apply to a broader range of government agencies³². In most cases, within the agencies there are special structures which are supposed to monitor and guide staff to fulfill the provisions of codes.

In order to help staff apply the principles laid down in codes of conduct donor organizations hold trainings on anti-corruption. More than 90 per cent of the respondents assume that their development agencies provide training for staff. However, they say that mostly regular trainings are provided for home country staff and not to those in the field³³. Local staff takes up trainings primarily while hiring, though it is exactly them who are in need of anti-corruption education.

Detection of corrupt cases can be provided if staff reports cases about corruption. For that purpose donor countries introduce internal complaint mechanisms and whistleblower protection system. The Survey among OECD DAC employees also were asked about whistleblowing systems and it can be considered as a good practice, as in 70 per cent of

²⁸ GIZ Code of Conduct. See: https://www.giz.de/en/aboutgiz/code_of_conduct.html

²⁹ AFD Ethics Charter. See: http://www.afd.fr/lang/en/home/carriere/L-AFD-s-engage_1/ethique_2

³⁰ USAID Ethics and Standards of Conduct. See: <https://www.usaid.gov/sites/default/files/documents/1876/109.pdf>

³¹ Civil Service values. See: <https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code>

³² Building Donors' Integrity Systems: Background Study on Development Practice, p. 26. See:

<http://www.oecd.org/dac/governance-peace/publications/documentuploads/Building%20Donors%20Integrity%20Systems.pdf>

³³ Ibid., p. 31

responding agencies there is a possibility to report about corrupt cases anonymously³⁴.

Procurement integrity is a vital instrument to reduce the possibility of resources being misdirected. The OECD DAC elaborated a “Recommendation on Anti-Corruption Proposals for Bilateral Aid Procurement” in 1996 and since then the vast majority of agencies has introduced specific regulations in procurement (International Law and Policy Institute, 2013). This recommendation has been strengthened with specific guidelines on how to reduce corruption in public finance, including in development assistance flows, with the adoption of a “Recommendation of the Council on Public Procurement” in 2015.

There are also other instruments such as internal supervision, external audit, and monitoring by civil society. Investigation and sanctioning are ensured through systems of internal disciplinary measures, whereas the severity of sanctions varies across the agencies. The survey shows that 92 per cent of respondents argued that their agencies have an internal auditing function, whereas 72 per cent stated that in that in their agencies there is staff to investigate audit findings that indicate corruption risks³⁵.

Employees assume that codes of ethics and trainings (awareness raising) produce the most impact among all other elements of integrity systems, to a lesser extent – auditing, procurement integrity and whistleblowing³⁶. The most interesting part is that, according to employees the least efficient element of integrity is donor joint responses to corrupt cases, as well as anti-corruption strategies aimed at partner countries and corruption risk management systems³⁷.

Fagan and Weth (2010) analyzed the best practices in ACSs and chose those of the USAID, of the aid agency for Australia (AusAID), Swedish SIDA. In order to improve the internal integrity USAID ACS, adopted in 2005, outlined that all its departments and bureaus should elaborate on their own anti-corruption strategies. Moreover, USAID ACS laid down agency-wide budget codes to monitor anti-corruption resources and funding, while anti-corruption is included in staff trainings and planning activities.

AusAID adopted its ACS in 2007 and enhances an accountability process – with reporting the results of anti-corruption initiatives implementation in the annual review.

³⁴ Ibid., p. 33

³⁵ Ibid., p. 37

³⁶ Ibid., p. 27

³⁷ Ibid., p. 27

AusAID ACS also lays down that the agency would immediately terminate contracts with their suppliers if those were detected as involved in corrupt practices. Moreover, it is important to mention that Australian ACS outlines the necessity of coordination with bilateral and multilateral organizations to improve anti-corruption.

Swedish SIDA from an anti-corruption policy of “Never Accept. Always Act. Always Inform” evolved in 2004 into a comprehensive ACS with an emphasis on internal integrity and promoting ethics among the staff. Moreover, a guide to “Acting on suspicions of corruption” (2003) proposes a checklist of questions that a staff member may ask themselves when they detect, or at least suspect, corruption which gives staff more clear picture on how they should behave in case of corruption.

Fagan and Weth (2010) argue that what sufficiently lacks in anti-corruption approaches of donor organizations is the lack of local commitment and ownership. Moreover, AusAID (2007) stipulates that more efforts should be devoted to promote prevention as it is more efficient, especially in those environments where judicial systems are weak, and, as a result, investigation and sanctioning would not be achieved appropriately.

Hart and Taxell (2013) assume that mere ACS can no longer be sufficient. One of the challenges within anti-corruption policies of donor organizations is that anti-corruption stands apart from the overall work of organizations. Researchers assume (Hart and Taxell, 2013; Chene, 2013) that it is indispensable to mainstream anti-corruption into sector work, which means that anti-corruption mechanisms should be integrated in all levels of organization’s activities. This will allow anti-corruption knowledge to become more applicable, to take into account the peculiarities of each sector, and thus increase the effectiveness.

Taxell and Hart (2013) criticized donor organizations that strategies sometimes are not translated into action. Moreover, some donors do not make a distinction between zero tolerance approach to corruption and risk management. Neither donor staff, not policy-makers do not always know how to apply the concept of zero tolerance. Whereas more attention should be focused on setting realistic expectations of projects in corrupt environments and define appropriate aid modalities and sectors to work in.

Hart (2015) and Karneback (2015) propose that a common global integrity standard should be introduced, at least, first among OECD donor agencies. Karneback assumes that so far donor organizations have set such integrity systems that have a lot in common which means

that it would be easier to implement a common guideline. Moreover, Hart argues existing anti-corruption standards do not describe the whole range of challenges in everyday aid workers activities. The survey conducted among members of the OECD Development Assistance Committee and highlights that such a guideline would be welcomed by OECD members, though it should allow for flexibility in application (Hart). Today fewer than half of agencies argue that have elaborated a policy of coordinated actions with other donor organization. Though the OECD principles on collective action has long been adopted, probable, there should be a fundamental change that could allow for its implementation. Probably, a common guideline could serve as a benchmark for strengthening coordination of donor actions.

To conclude, anti-corruption standards have produced a positive impact on forging anti-corruption compliance of donor organizations. In 2000s donor countries and organizations embarked on discussing aid effectiveness, and later on – the ‘cancer of corruption’ in development. As a result, donors had to change their internal policy by introducing anti-corruption strategies and codes of conduct for their staff.

One of the greatest achievements made during the last decades over the last decade and a half is transparency. If there is not sufficient literature on the effectiveness of the anti-corruption interventions, one aspect is quite clear – donor organizations now have more obligations to account on their projects. Transparency is an indispensable precondition for safeguarding development funds against corruption, as well as for promoting accountability from their partner countries. Donor countries come to agreement to create an IAIT, a promising initiative, which one day will certainly serve as a basis to analyze financial flows and detect projects where funds could have been diverted. The ‘demand side’ of citizens in donor countries is also increasing with Publish What You Fund initiative that assesses donors’ efforts on going more transparent. However, donor organizations do not manage to fulfill fully their commitments on enhancing transparency and accountability.

Moreover, though the importance of collective action or just coordination were mentioned in almost all declarations on aid effectiveness, still scholars as well as policy-makers propose that it is exactly collective action that lacks in the fight against corruption. ACSs of donor organizations have produced a positive impact on moving towards a better internal integrity, though scholars assume that this intervention will not be effective unless anti-corruption is mainstreamed in all levels of donor’s activities.

3. Transparency of Russian ODA flows

Russia is one of few countries which managed to transform its status from a recipient country to a donor state. Meanwhile, Russia could not be considered entirely as a ‘new donor’ as it used to be a prominent donor country in 1950-1980s during the Soviet period. Along with other major donors of those times, USSR’s international development assistance was mostly determined by geopolitical interests.

After the demise of the USSR, Russia had to resort to foreign aid for its own development: from 1992 to 2004 it received about 1,5 billion dollars annually (Bartenev, et al., 2012). In 2005 the Russian Federation started forging its national system of international development assistance. Bartenev, et al. (2012) introduced three major factors that allowed the Russian Federation to enhance ODA policy. First of all, with the surplus budget and stable balance of payments, Russia became a net creditor nation in 2005. Secondly, Russia aspired to strengthen its positions on the international arena by launching the accession process to the WTO and the OECD. These ambitions were also exhilarated by Russian presiding in the Group of 8 in 2006 which spurred Russia to shoulder responsibilities on development assistance which could allow Russia to become a fully legitimate member of the G8. Thirdly, at those times Russia acutely understood the necessity to enforce its soft power tools across former Soviet Republics – Colour Revolutions in Ukraine, Georgia and Kyrgyzstan posed a significant threat to Russian national security.

The official return to the status of a donor country was fulfilled in 2007 with the adoption of the document “Russia’s Participation in International Development Assistance” (Concept-2007). This was a benchmarking paper as it introduced the very notion of ODA in Russian legal system, defined its levels, and also referred to the policies of OECD countries (Hynes and Trzeciak-Duval, 2015). Since that time Russia committed to reporting on its aid flows to the OECD DAC.

Russian Concept of the State Policy in the Area of International Development Assistance adopted in 2014 (Concept-2014) revises the aims and approaches in aid allocation. According to K. Kosachev, the head of the Rossotrudnichestvo of those times, the document introduces three major points: the improvement of the mechanism to fulfill the State Policy in

aid allocation, enhancing the prevailing role of bilateral aid over multilateral, and the regional concentration of assistance on the CIS members³⁸.

Russian net ODA allocations have been consistently growing, and it reached 1,1 billion dollars by 2015³⁹, which represents an increase by 35% in real terms in comparison to 2014. However, it should be acknowledged that Russia is far from meeting the United Nation's ODA target of 0.7% of Gross National Income (GNI), since currently Russian ODA constitutes only 0.06% of GNI (OECD website, 2016).

The Russian government possesses exclusive authority on decision-making on “the issues of granting subsidies, providing other support on a non-refundable basis for account of the federal budget as well as issues of giving financial support on a refundable basis with a period of repayment not in excess of two years”⁴⁰. According to the Article 165 of the Russian Budget Code, the Ministry of Finance is entitled to “plan the limit volumes of budgetary appropriations in respect of chief administrators of federal budgetary funds”, “cooperate with international financial organisations by decision of the Government of the Russian Federation” and “establish the chart of budget accounts and uniform budget accounting methods”⁴¹.

The Concept-2007 was supposed to set up a specific institution that would be fully responsible for implementation of Russian development assistance. The Ministry of Finance elaborated on a detailed plan of actions that would allow to achieve the target for ODA to constitute 0,7% of GNI, strengthening bilateral channels of aid allocation, enhancing three-year expenses planning, creation of the ODA assessment system and introducing the amendments on ODA to the Budgetary Code. However, this project has not been adopted (Ermolov, 2015). Ermolov also argues that the next Concept-2014 also represents primarily a certain declaration of intentions, which has not been followed by a detailed plan on activities.

The agencies that are entitled to implement ODA policy are the Ministry of Foreign Affairs and the Ministry of Finance. They are supposed to make joint decisions on expenses, geographical priorities, forms of aid allocation, as well as other adjacent activities including

³⁸ «Никто не признается, что за донорством стоят национальные интересы». Режим доступа: <http://kommersant.ru/doc/2459978> (Дата обращения: 1.10.2016)

³⁹ <http://www.oecd.org/dac/stats/ODA-2015-detailed-summary.pdf>

⁴⁰ Federal Constitutional Law no. 2-Fkz Of December 17, 1997 on The Government Of The Russian Federation. Mode of access: https://www.wto.org/english/thewto_e/acc_e/rus_e/WTACCRUS48_LEG_79.pdf (accessed: 23.12.2016)

⁴¹ Budgetary Code of The Russian Federation No. 145-Fz Of July 31, 1998. Mode of access: http://www1.worldbank.org/publicsector/pe/BudgetLaws/Budget_Code_Russia_Eng1998.pdf (accessed: 23.12.2016)

publishing reports. Within the Ministry of Foreign Affairs the entitled agency to fulfill the ODA policy is the Rossotrudnichestvo (The Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad and International Humanitarian Cooperation). However, as Ermolov (2015) puts it, the official documents regulating the operation of Ministry of Foreign Affairs and the Ministry of Finance do not have set forth the functions on International Development Assistance.

Another problem highlighted by Ermolov (2015) is that the budget classification on international relations and international cooperation includes IDA in different subsectors, and planning does not provide for development assistance a specific code. On the level of expenses planning of public programs for each agency, it is also quite difficult to distinguish expenses for development assistance since the term itself is not introduced into the legal and budgetary framework, therefore budget appropriations are planned on broader targets of each agency. Though the Ministry of Finance is obliged to accumulate the data on development assistance to transfer it to the OECD, still there is a number of expenses, such as private investments or grants, which are not included in the aid statistics.

As far as the channels of delivery are concerned, in spite of the intentions to enhance more bilateral aid, Russian development assistance is delivered primarily via multilateral channels. Though the Concept-2014 charged the Rossotrudnichestvo to implement bilateral projects, in 2013-2014 the agency did not receive any funding for its implementation (Ermolov, 2015). Therefore, Russia resorts to “trilateral projects” in development assistance through cooperation with international organizations using their institutional capacity, though reserving its right to choose recipient countries and deploy its personnel.

Despite the fact that Russian system of delivering development assistance is still incomplete, the country allocates more than one billion dollar, which should be accounted for. It is important to analyze whether the Russian government meets the international standards on transparent aid, what kind of anti-corruption instruments have been implemented and to what extent the information on Russian development assistance is available.

According to the Concept-2014, Russian State Policy in IDA is “implemented with due regard to the main documents of the United Nations...”, as well as “provisions of the Paris Declaration on Aid Effectiveness, the Accra Agenda for Action, the Busan Partnership for Effective Development Co-operation”. As anti-corruption activities are among the provisions

of the above-mentioned agreements, it is important to detect whether Russia fulfills its commitments.

As it was already mentioned in the previous chapter, according to the Busan Partnership agreement transparent practices imply the following: implementing of a “*common, open standard for electronic publication of timely, comprehensive and forward looking information on resources provided through development co-operation, taking into account the statistical reporting of the OECD-DAC and the complementary efforts of the International Aid Transparency Initiative and others*”. Countries are supposed to report to the DAC Creditor Reporting System, Forward Spending Survey and IATI. However, Russia reports neither to the DAC Creditor Reporting System⁴², nor to the Forward Spending Survey⁴³, nor to the IATI⁴⁴. For that reason an international platform “Publish What You Fund” does not include in its index the Russian Federation. Therefore, it might be derived that the Russian Federation does not meet international standards on rendering its aid transparent.

Beletskaya (2015) assumes that Russia fails to forecast development assistance volumes and structural breakdown due to methodology problems on aid accounting, discontinuity in decision-making on allocating aid and unstable economic situation. These obstacles might hurdle Russian authorities to account for its aid in a due manner. This argument is also supported by Ermolov (2015), who characterizes Russian International Assistance as an “Unfinished Plan” due to the absence of legislative framework, Russia’s bilateral partnerships with development assistance recipients are based on ad-hoc decisions without long-term-planning.

Nonetheless, in order to find out what efforts have been undertaken by Russian authorities in order to tackle corruption in development aid, several official papers have been analyzed: the Concept-2014, national reports for ODA, websites of the Ministry of Finance, the Ministry of Foreign Affairs and the Rossotrudnichestvo.

The Concept-2014 sets forth the main aims, principles and priorities of the Russian Federation in development assistance. Support of international efforts to increase transparency

⁴² OECD Creditor Reporting System. Mode of access: <https://stats.oecd.org/Index.aspx?DataSetCode=CRS1> (accessed 26 September 2016)

⁴³ Survey on Donors Forward Spending Plans. Mode of access: <http://stats.oecd.org/Index.aspx?DataSetCode=FSS#> (accessed: 26 September 2016)

⁴⁴ IATI Publishers. Mode of access: <https://www.iatiregistry.org/publisher> (accessed: 26 September 2016)

and efficiency is enumerated as one of the objectives on a global level, declaring its commitment to implement common approach in this sphere. Furthermore, ensuring principles of transparency and accountability can be also found among the priorities for the Russian Federation. Information on the volume and forms of international development assistance is supposed to be recorded on a timely basis. There is even a section of the Concept dedicated to accountability, though there is not a word on publishing information for public scrutiny.

Therefore, provisions of the Concept on transparency and accountability are rather general. In comparison to the majority of OECD donor countries, Russia does not have any Anti-corruption strategy in IDA or specific Codes of Conduct or Ethics aimed at staff involved in foreign aid projects. Therefore, it would be preferable either to introduce such kind of documents or at least to include such a section in the Concept regulating Russian IDA.

One of the fundamental problems in Russian development assistance is that functions on implementation are dispersed across different entities. The Concept-2014 does not outline the separation of duties among the agencies which poses a number of problems. Scholars assume that the absence of the unique agency responsible for foreign aid, and lack of institutional capacity and unity hamper an effective development cooperation program (Gray, 2011; Brezhneva and Ukhova; 2013; Hynes and Trzeciak-Duval, 2015). It also negatively affects the accountability process.

According to the Concept-2007, the Ministry for Foreign Affairs and Ministry of Finance are jointly entitled to carry out IDA policy. While the Ministry of Finance is supposed to provide for an analytical review of aid funds and furnish the data to the OECD, both Ministries should “jointly prepare annual reports on the outcomes of Russia’s development assistance activities”.

The overall report on the activities of the Ministry of Foreign Affairs for 2015 lays out general information on Russian participation in international development assistance⁴⁵. They enumerate specialized agencies of the United Nations that they cooperated with, which allowed them to expand Russian involvement in aid projects, preserving geographical focus on CIS members. The only concrete piece of information is provided regarding a trust fund for 25 million dollar that was set up by Russia and the UNDP for 2016-2025.

⁴⁵ Основные внешнеполитические события 2015 года. Режим доступа: http://www.mid.ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2003505

According to the President's decree from 2013, Rossotrudnichestvo carries out responsibilities in the area of IDA⁴⁶. Indeed, on the agency's website International Development Assistance is placed at the very beginning of the activities, though there are only three sections dedicated to it: "Strategic communications of Russian IDA", "Partnership Program of the Russian Federation and the Kyrgyz Republic in IDA", "Advancing Russian staff competencies in IDA". Apart from the Concept-2014 and the President's decree, the page proposes only two documents to raise public awareness on IDA: "Russian brand of IDA" and "Digest №6".

The digest⁴⁷ represents quite a valuable source of information, as it provides with a number of projects implemented by the Russian Federation and sheds light on general aspects of IDA and international experience. However, it is worth noting that if this digest is published under the sixth number, there supposed to be the previous five issues, which unfortunately cannot be found on the page.

However, in fact it appears that Rossotrudnichestvo has functions to implement development assistance just on paper and almost no financing has been transferred to them.

In his interview to the "Kommersant" newspaper in 2014, the former Rossotrudnichestvo's head K. Kosachev holds that Russian aid is not accounted properly⁴⁸. A number of initiatives are not included in Russian development assistance data according to the OECD standard on reporting, though the Russian government assumes those transactions as another kind of aid. The Concept of State Policy in IDA implied revising the methodology of accounting the whole aid, however it has not been done yet. Apart from this, Kosachev admitted that the published data on Russian aid is not detailed enough, though since the time that the interview was recorded, there have not been any advances as we can derive from the analysis of the Rossotrudnichestvo's website.

The website of the Ministry of Finance also has a page dedicated to the International Development Assistance. This page provides a report on Russian contribution to foreign aid in 2014, and the two Concepts. There are also two statements on conferences held in Moscow in

⁴⁶ Указ Президента Российской Федерации от 08.05.2013 г. № 476 - Вопросы Федерального агентства по делам Содружества Независимых Государств, соотечественников, проживающих за рубежом, и по международному гуманитарному сотрудничеству. Режим доступа: <http://www.kremlin.ru/acts/bank/37186>

⁴⁷ Дайджест СМР №6. Режим доступа: http://rs-gov.ru/uploads/document/file/30/daydzhest_smr_no6.pdf

⁴⁸ «Никто не признается, что за донорством стоят национальные интересы». Режим доступа: <http://kommersant.ru/doc/2459978>

2011 – “New partnership in Global Development Finance” and “First High-level Forum dedicated to achieving MDG-6 in Eastern Europe and Central Asia”. Obviously, Russian participation in the IDA is far more substantive than it might be assumed regarding the scope of materials published on the page. Therefore, the question arises why information on other conferences or projects has not been exposed to the public scrutiny.

As far as the report for 2014 is concerned, it represents a general overview of Russian contribution to the IDA⁴⁹. The report consists of five sections. The first chapter is dedicated to the Concept-2014. The second part is focused on ODA volume in 2010-2014. Russian ODA has almost doubled during that period, ascending from \$472 million to \$876 million. There was also a significant shift towards bilateral aid: while in 2012, it constituted 46%, in 2014 it reached 75%.

The third part outlines regional distribution of ODA in 2014. Eastern Europe and Central Asia appear to be the leading direction with 40,55% of Russian aid. Latin American countries receive almost 30% of Russian ODA, South, East and South-East Asia countries – 12%, Sub-Saharan Africa – 8%, Middle East and North Africa countries – less than 5%, and Oceania countries – less than a percent of Russian aid.

The fourth chapter is supposed to give an idea what kind of projects Russian federal executive authorities implemented in 2014. There are as many as 12 agencies engaged in international development assistance initiatives. However, apart from very few projects, significant amount of information is presented in a very general way. It is rather enumeration of functions that these executive authorities are entitled to implement in the sphere of IDA: “Direct budget support to foreign countries”, “Countries capacity building in the field of emergency situations prevention and the appropriate technical equipment”, “Providing technical support in the area of customs control”, etc. Thus, there are no concrete figures, numbers, sums, and even recipient names for a vast majority of enumerated projects.

The report is concluded with “Examples of ODA programs and projects in 2014”. This section sheds some light on seven projects undertaken by the Russian Federation: assisting in preventing the spread of Ebola, organizing internships of the foreign countries diplomatic staff, creation of Russian-Kyrgyz Development Fund, supplying agricultural machinery and food

⁴⁹ Russian contribution to the international development assistance in 2014. Mode of access: http://minfin.ru/ru/document/?id_4=75943

wheat, KAMAZ delivery for humanitarian operations, Eastern Europe and Central Asia capacity building and creating of sustainable school food systems. This time we manage to learn what countries received Russian aid, how many cars were delivered to the countries in need, how many children became beneficiaries of the school food systems. Nevertheless, surprisingly, again there is no information on how much has been spent on each project. None initiative presented in this section gives any clue on how much did it cost to the Russian government.

Though the page dedicated to the IDA on the website of the Ministry of Finance does not show the report for 2012, it still can be found by using other Internet search engines⁵⁰. This report provided more detailed information on the volume of Russian ODA for a number of projects: there are exact figures on budget support to Tajikistan and Belarus through the channels of EurAsEC Anti-crisis Fund, debt relief to African countries, investments in research on fighting infectious disease and food security.

Unlike the report for 2014, this report has a small section dedicated to “Transparency and Accountability” which outlines that Russia would report to the OECD DAC on a regular basis according to the OECD methodology. The report’s authors assume that “this step reflects Russia’s commitment to enhanced aid transparency and comparability as a whole”.

Indeed, information published on the official web-sites of the entitled agencies do not present a clear picture. However, an interested individual might find government decrees on different sorts of initiatives, for example, a government decree to allocate 221,6 million roubles to the Ministry of Education to cover the expenses of “Interobrazovaniye”⁵¹; or 200 thousand dollars to the United Nations Institute for Training and Research to hold trainings for CIS public servants⁵². Though it is publicly available, this information is rather difficult to find. All information concerning International Development Assistance should be accumulated so that private sector and citizens interested in development cooperation could access this data.

As far as procurement is concerned, it is one of the indispensable instruments for tackling corruption, and in Russia, according to the Russian Federal Law N94-ФЗ of

⁵⁰ The Russian Federation ODA. National Report. Mode of access:
<http://minfin.ru/common/upload/library/2012/05/PresentationEng2012.pdf>

⁵¹ Правительство Российской Федерации - Распоряжение От 31 Декабря 2016 Г. № 2783 -Р
<http://government.ru/media/acts/files/0001201601080032.pdf>

⁵² Правительство Российской Федерации - Распоряжение От 9 Июля 2016 Г. № 1461-Р
<http://pravo.gov.ru/laws/acts/51/49525449451088.html>

21.07.2005, all public bodies are required to publish information about government tenders. The Rossotrudnichestvo is therefore is also obliged to publish tenders and, indeed, this information is public available. Another question is that since still they have not acquired financing for bilateral projects, therefore as for December 2016 none tenders on development assistance projects are available.

All in all, in comparison to the majority of OECD donor countries, Russia does not have any anti-corruption strategy in IDA or specific Codes of Conduct or Ethics aimed at staff involved in foreign aid projects. As far as transparency is concerned, Russian authorities present quite general information on development assistance without details and specifications. Most scholars explain it by the lack of institutional capacity, the constraints that the Ministry of Finance faces in collecting data across various ministries and the absence of a unique agency that would be devoted solely to the IDA. Rossotrudnichestvo has been charged with some duties though only on paper without financing for bilateral development projects. However, these constraints cannot be a reason for not accounting for government expenses in a due manner. Therefore, Russia is way behind in enhancing anti-corruption principles in implementing development aid and as soon as the mechanism for delivering development assistance will be fully launched, the anti-corruption instruments should be encompassed.

Conclusions

According to the international standards, development assistance should be transparent. Not only does it help government officials better allocate development aid, it also enables civil society to hold their government to account and allows academia circles to contribute to the improvement of development aid.

However, scholars often lament non-availability of data on Russian development assistance and in order to produce research they have to refer to the OECD DAC statistics due to the lack of information on Russian aid on the official websites of Russian authorities. Indeed, due to the lack of institutional capacity Russia still has not many truly bilateral programs. However, since the volume of development assistance has increased to more than one billion dollars, Russian agencies should present in a clear and accessible way where Russian citizens' tax money goes.

This research has showed that apart from procurement mechanisms, Russian authorities have not still forged anti-corruption compliance of its agencies in the filed of international development assistance. Moreover, Russia does not account for its ODA in a sufficient manner. First, the reports of the entitled authorities published on the official websites do not present precise information on Russian projects in development assistance and there is no exact figures spent for each particular project. Second, the functions on ODA are dispersed across agencies which makes the accountability process more complex. Third, Russia does not meet international standards outlined by the Busan Partnership on enhancing transparency in development aid. Though the latter is primarily due to a lack of institutional capacity, if Russia wants to be considered as a promising emerging donor, political will should put an end to inter-ministerial collisions to forge a reliable and accessible data basis on Russian development assistance.

There is a number of recommendations for the Ministry of Finance, the Ministry of Foreign Affairs, the Rossotrudnichestvo and other responsible authorities on how to render Russian aid more transparent:

1. Publish comprehensive data on Russian ODA;
2. Collect and publish the dispersed information on Russian multilateral aid allocated through the channels of international organizations;

3. Prepare detailed reports with enumeration of all projects implemented by the Russian Federation, concrete figures, a clear-cut division on sectors and regions;
4. Fill in the contents of the websites regarding ODA projects and results;
5. Ensure compliance with the commitments that Russia made with the adoption of agreements on efficient aid – the Paris Declaration 2007 and the Busan Partnership 2011;
6. Involve more proactively CSOs, NGOs and academia into the development aid projects elaboration and implementation;
7. Develop anti-corruption strategy for development assistance, codes of conduct/ethics for staff involved in aid projects.

Russian government should be interested in making its aid transparent not only for the sake of transparency itself, but also out of its geopolitical interests. As the head of the Federation Council International Relations Committee K. Kosachev holds that ODA should serve a soft power tool in order to promote the country's goals and enlarge its impact⁵³, then Russia should be interested in making its aid attractive.

⁵³ http://russiancouncil.ru/inner/?id_4=3973#top-content

References

1. Brezhneva A., Ukhova D. (2013) Russia as a humanitarian aid donor. Oxfam Discussion Paper, 15 July 2013. Available at: <http://policy-practice.oxfam.org.uk/publications/russia-as-a-humanitarian-aid-donor-295654> (accessed 1.10.2016).
2. Ministry of Foreign Affairs (2014) Concept of the Russian Federation's State Policy in the Area of International Development Assistance. Available at: http://www.mid.ru/en/foreign_policy/official_documents/-/asset_publisher/CptlCk6BZ29/content/id/64542 (accessed: 15.11.2016).
3. Ministry of Foreign Affairs (2007) Concept Russia's Participation in International Development Assistance. Available at: http://minfin.ru/common/img/uploaded/library/2007/06/concept_eng.pdf (accessed 15.11.2016).
4. Hart L. (2012) *Aid, Donors and Corruption: Emerging Issues*. Presented to UNU-WIDER Results Meeting, Stockholm, 10.05.2012. Available at: <http://recom.wider.unu.edu/sites/default/files/Slides%20-%20Democracy%20and%20Fragility%20Results%20Meeting%20-%20Liz%20Hart.pdf> (accessed 15.11.2016).
5. Hart L., Taxell N. (2013) Donor anti-corruption strategies: Learning from implementation. Bergen: Chr. Michelsen Institute (U4 Brief 2013:10)
6. Hynes W., Trzeciak-Duval A. (2015) The Donor That Came In from the Cold: OECD-Russian Engagement on Development Cooperation. *International Organisations Research Journal*. Vol. 10. No 1 (2015). Available at: <https://iorj.hse.ru/data/2015/12/07/1095012459/The%20Donor%20That%20Came%20In%20from%20the%20Cold.pdf> (accessed 15.11.2016).
7. Larionova M., Rakhmangulov M., Berenson M. P. (2014) The Russian Federation's International Development Assistance Program: a state of the debate report. Evidence Report No. 88, August. Institute of Development Studies.
8. Marquette H. (2014). Communication in anti-corruption work: Articulating messages to structure a communication plan. OECD Development Assistance Committee.

9. Ministry of Finance (2012) The Russian Federation ODA. National Report. Available at: <http://minfin.ru/common/upload/library/2012/05/PresentationEng2012.pdf> (accessed 15.11.2016).
10. Ministry of Finance (2014) Russian contribution to the international development assistance in 2014. Available at: <http://minfin.ru/ru/performance/international/development/> (accessed 15.11.2016).
11. Rakhmangulov M. (2010). Establishing International Development Assistance Strategy in Russia. International Organisations Research Journal. No 5 (31)
12. Savedoff W. (2016). Anti-Corruption Strategies in Foreign Aid: From Controls to Results. CGD Policy Paper 076. Washington DC: Center for Global Development.
13. UNCTAD (2006). Economic Development In Africa - Doubling Aid: Making the “Big Push” work.
14. World Bank (2011) Public Opinion Research: Russians About Development Assistance. Available at: <http://documents.worldbank.org/curated/en/734561468307167430/pdf/618900v20Box350n0Research0Vol020Eng.pdf> (accessed 15.11.2016).
15. Bartenev V., Glazunova E. (2012) Sodejstvie Mezhdunarodnomu Razvitiyu [International Development Assistance]. Kurs lekcij [Lectures Course]. Moscow: World Bank. Available at: <http://mgimo.ru/upload/iblock/915/915d8ff57092ad40e146421200d7cd96.pdf> (accessed 15.11.2016).
16. Beleckaja M. (2015) Rossijskoe sodejstvie mezhdunarodnomu razvitiyu: ocenki i perspektivy [Russian International Development Assistance]. Nauchnye trudy: Institut narodnohozjajstvennogo prognozirovaniya RAN [Scientific work; Institute of economic forecasting of Russian Academy of Sciences (RAS)]. Available at: <http://cyberleninka.ru/article/n/rossijskoe-sodeystvie-mezhdunarodnomu-razvitiyu-otsenki-i-perspektivy> (accessed 15.11.2016).
17. Ermolov M. (2015) Rossijskij mehanizm mezhdunarodnoj pomoshhi: nezavershennyj proekt [Russian mechanism of development assistance: unfinished project]. Vestnik mezhdunarodnyh organizacij [International Organisations Research Journal]. Available at: <http://cyberleninka.ru/article/n/rossiyskiy-mehanizm-mezhdunarodnoj-pomoshhi-nezavershennyj-proekt> (accessed 15.11.2016).

18. Markova S., Nil K. (2011) Analiticheskij obzor po informacionno-kommunikacionnoj strategii dlja rossijskoj programmy sodejstvija mezhdunarodnomu razvitiyu: analiz opyta stran-donorov [Analytical overview of communication strategy for Russian international development assistance: analysis of other donor countries' experience]. Vestnik mezhdunarodnyh organizacij [International Organisations Research Journal]. Available at: <http://cyberleninka.ru/article/n/analiticheskij-obzor-po-informatsionno-kommunikacionnoj-strategii-dlja-rossijskoj-programmy-sodejstvija-mezhdunarodnomu-razvitiyu> (accessed 15.11.2016).

19. Ministry of Foreign Affairs (2015) "Vneshnopoliticheskaja i diplomaticheskaja dejatel'nost' Rossijskoj Federacii v 2015 godu" [Foreign and diplomatic activities of the Russian Federation in 2015] Available at: http://www.mid.ru/web/guest/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2255624 (accessed 15.11.2016).

Any opinions or claims contained in this Working Paper do not necessarily reflect the views of HSE.