





# Foreword

The Anti-Corruption Commission (Commission) is pleased to present the second National Integrity Assessment (NIA) Report, 2012.

The NIA is ‘an assessment of whether, in an agency, a public official follows standard procedures in providing public services fairly and transparently and that the services are not processed based on personal propensity towards a special condition or inducement.’ Such surveys enable agencies to understand their level of integrity from the spectrum of experienced and perceived integrity and work towards enhancing their integrity through systemic corrections and institutionalization of integrity promotion instruments.

The Commission conducts the survey every three years in collaboration with the National Statistical Bureau. The survey is based on the first hand experience of service users and providers over a definite period of time. The first NIA survey was conducted in 2009.

This survey covers 379 services from 107 departments or agencies involving 67 independent organizations as against 43 services from 27 public agencies in 2009. The methodology is also an improvement over the first survey. The integrity score is now more comprehensive and accurate as it is assessed from the perspective of both external and internal clients (employees). Besides the corruption level, the survey also covers transparency of agencies and accountability of public officials and expands the concept of corruption from gratuities and entertainment to convenience and other gratifications. Combination of ex-

ternal and internal integrity score produces a comprehensive national integrity score. As the methodologies of the two surveys vary, the scores, therefore, cannot be directly compared.

The national integrity score is now 8.37 on a scale of 0-10 (0 means highly corrupt and 10 highly transparent). In 2009, it was 7.44 on the same scale.

The survey results once again confirm people’s reluctance to speak up. Of 6969 respondents, only 29 reported of having experienced corruption despite the stream of complaints that the Commission receives; of the 2097 internal respondents, 17 admitted of having paid bribe for personnel issues and

70 respondents having observed unlawful budget execution by either their seniors or other employees. The experienced corruption score is almost perfect at 9.91. However, the score for perceived corruption (others indulging in corruption, benefits accruing from gratification, etc.), accountability, integrity culture and effectiveness of whistle blowing are comparatively low.

The survey also covers people’s perception of corruption level and ACC’s effectiveness. 65.5% of the respondents perceive corruption to have decreased in the past five years as against 16.4% in 2007 Corruption Perception Survey; 17.9% perceive corruption to have increased as against 43.8 % in 2007. 64.9% of the respondents perceive the Commission to be very effective as against 31% in 2009 survey of People’s Attitude towards Corruption and ACC.

The survey findings provide good evidence base for the agencies to develop new strategies to prevent corruption and embed integrity within their internal governance systems. Core to integrity action plans are ethical leadership, staff integrity, system integrity and effective monitoring and implementation plan.

Corruption not only has destructive effects on the economic growth, investment, human development and environmental policies but it seriously erodes public trust in the governance system and engenders deep sense of

injustice and inequity, which will have pernicious impact on social harmony and security. The Commission is grateful to Anti-Corruption and Civil Rights Commission (ACRC), Korea for sharing their updated methodology (ACRC's Integrity Assessment Program was given the 1st prize in the category of Preventing and Combating Corruption in the Public Service at the 2012 United Nations Public Service Awards (UNPSA) and the Swiss Agency for Development and Cooperation (SDC) for funding the successful conduct of this vital assessment.



Neten Zangmo  
Chairperson

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## CHAPTER 1. INTRODUCTION

This is the second National Integrity Assessment conducted by the Anti-Corruption Commission in collaboration with the National Statistics Bureau, Royal Government of Bhutan. The first such assessment was conducted in 2009. The assessment was based on the services provided in the year 2011 and was primarily aimed at improving the level of integrity in the country through proper diagnosis of corruption prone areas and accordingly come up with effective anti-corruption policies. Although there are many definitions for Integrity, for the purpose of this survey, it is defined as “the degree to which a public official carries out his or her duties transparently and responsibly without committing acts of corruption<sup>1</sup>.”

The National Integrity score for the country was calculated at 8.37 on a scale of 0-10 (0 means highly corrupt and 10 highly transparent) and it is almost a point increase from the national integrity score of 2009 (7.44) (though cannot be compared because of varying methodology). Although the National Integrity score corroborates with the country’s improved ranking in Corruption Perception Index of the Transparency International and the general perception that corruption in Bhutan is being brought under control, there is a need to take proper caution while interpreting the findings of the survey. For example, in the ‘experienced corruption module’, almost no respondents or very few admitted to having participated in corrupt acts while

the experience of the Commission based on number of complaints indicate otherwise. As in the previous assessment, respondents’ reluctance to truthfully answer certain questions for fear of repercussion seem to have impacted the overall findings positively. However, the findings do provide decent insight about the impact of whatever is being done with respect to combating corruption in the country over a period of three years. It also provides good information to come up with new strategies and measures to combat and prevent corruption in the country in future.

Despite concerted efforts put in, challenges as encountered during the 2009 survey such as- lack of information due to poor information management in organizations, lack of proper home addresses of the clients and general reluctance of the people to speak-out honestly and openly still persisted. The survey covered 379 services from 107 departments or agencies involving 67 independent organizations as compared to 43 services from 27 public agencies in 2009. There is also a slight change in the methodology adopted compared to the previous one. The current methodology assessed integrity from the perspective of both external and internal clients. The survey was carried out at an approximate cost of Nu. 3.000m and was funded by the Swiss Development Corporation.

*‘The survey covered 379 services from 107 departments or agencies involving 67 independent organizations as compared to 43 services from 27 public agencies in 2009’.*

## CHAPTER 2. OBJECTIVES

*The National Integrity Assessment was primarily conducted to improve integrity through diagnosis and elimination of corruption opportunities in public organizations and has the following as subsidiary objectives;*

- ◆ To provide a Baseline Performance Index to serve as new benchmark against which organizations can strive to enhance integrity and strengthen good governance;
- ◆ To provide a Performance Target Index so that organizations can work towards achieving their set target in the subsequent year;
- ◆ To provide a Performance Diagnosis Index so that organizations know where exactly their problems are in the process of service delivery and address them through corrective and preventive measures;
- ◆ To provide information on the condition of service delivery and the prevalence of corruption in the country; and
- ◆ To study the impact of the ongoing anti-corruption efforts.

“If you cannot measure it, you cannot manage it”

Lord Kelvin

## CHAPTER 3. METHODOLOGY

### 3.1. Concept

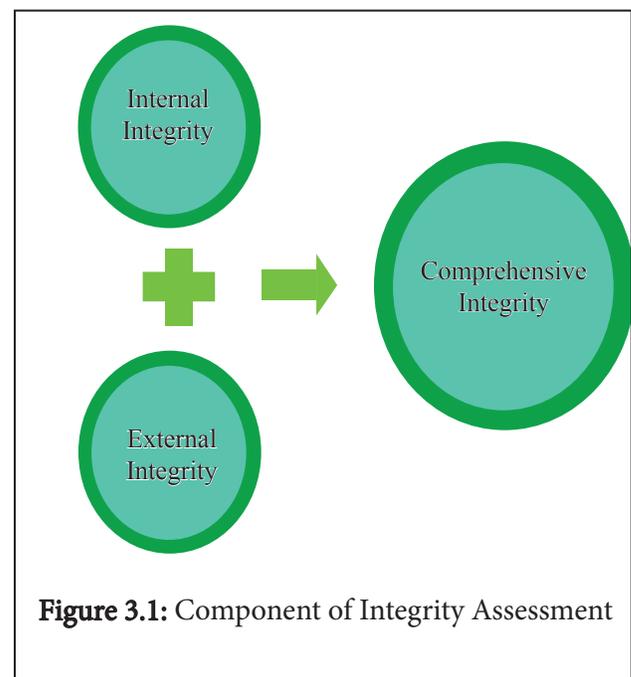
The ACRC, Korea, believes that although ‘integrity’ is an abstract concept that can be defined and interpreted differently by different people, effort is being made to assess it in organizations from a single and common perspective through this methodology. In other words, integrity in organizations can be looked at from “the degree to which a public official carries out his/her work of duties transparently and responsibly without committing acts of corruption<sup>2</sup>.” The acts of corruption here only refer to soliciting and giving bribes, entertainments and conveniences including other gratifications.

In assessing the level of integrity in public organizations, views from both service users (people who used the public service) and employees of service providing agencies are taken into consideration. In other words, integrity scores are produced by combining the scores of survey conducted on external clients and internal clients who have first-hand experience in dealing with that particular public organization.

### 3.2. Components of Integrity Assessment

Integrity Assessment is divided into assessments of External Integrity and Internal Integrity. The scores obtained by external and internal integrity are combined to produce the comprehensive integrity score which is the integrity score of the nation. The External Integrity is assessed by asking people, who have had first-hand experience in availing service from a particular organiza-

tion, about their perception on corruption in that organization and their involvement in corrupt acts if any. The assessment of Internal Integrity is carried out on employees of an organization by asking them about their participation and experience in corruption on internal affairs such as personnel management and budget execution and work order.



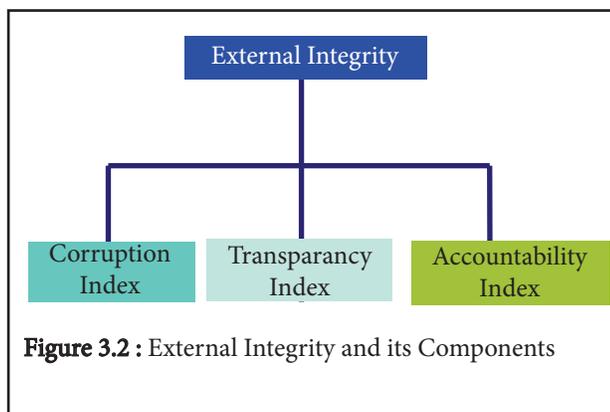
**Figure 3.1:** Component of Integrity Assessment

### 3.3. External Integrity and its Components

External Integrity refers to the degree to which public officials carry out their duties transparently and responsibly without committing acts of corruption, such as the acceptance of bribes in the form of conveniences, entertainments and other gratuities in the course of providing services to citizens or other public organizations. External Integrity

<sup>2</sup> The Manual of the National Integrity Assessment, Anti-Corruption and Civil Rights Commission (ACRC), Republic of South Korea.

is composed of 'Corruption Index', 'Transparency Index' and 'Accountability Index'. See Figure 3.2.



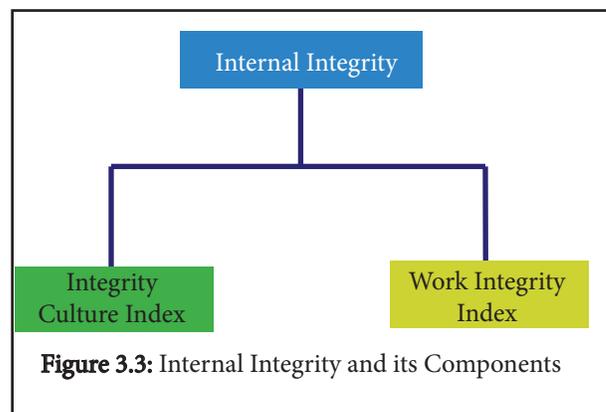
**Figure 3.2 :** External Integrity and its Components

- **Corruption Index:** Looks at the level of experience and perception on corruption, including the acceptance of gratuities, entertainment or convenience
- **Transparency Index:** Looks at the degree to which work standards and procedures are complied with transparently and fairly
- **Accountability Index:** Looks at the degree to which public officials accomplish their duties according to public service ethics without abusing their power

### 3.4. Internal Integrity and its Components

Internal Integrity refers to the level of integrity in public organizations as evaluated by the employees as internal customers. It is composed of Integrity Culture Index and Work Integrity Index (See Figure 3.3). 'Integrity Culture Index' shows the level of prevalence of corrupt practices and tolerance for corruption, and effectiveness of anti-corruption measures. It examines the existence or effectiveness of internal anti-corruption mechanisms and systems such as whistle-blowing, and employees' perception toward culture and behaviors related to corruption. 'Work Integrity Index' measures how transparently and fairly public officials

deal with internal affairs such as personnel affairs, budget execution and work orders without pursuing personal gains of themselves or third parties.<sup>3</sup>



**Figure 3.3:** Internal Integrity and its Components

- **Integrity Culture Index:** Looks at the level of the prevalence of corrupt practices and tolerance for corruption within a public organization, and effectiveness of anti-corruption measures.
- **Work Integrity Index:** Looks at the degree to which public officials carried out personnel affairs, budget execution, and work orders transparently and fairly without pursuing personal gains of themselves or third parties.

### 3.5 Scope of the Survey

#### 3.5.1 Identifying and Selecting Services

For the purpose of selecting target organizations, all public agencies were requested to submit the list of public services being offered by them. Based on the list of services submitted by the organizations, the services with wider public interface and those vulnerable to corruption were selected. The following are the category of services considered vulnerable for corruption;

- Services related to issuing of order and procurement

<sup>3</sup> As per the methodology adopted by the ACRC, Republic of South Korea.

- contracts.
- Supervisory tasks.
- Issuing of licenses and permits.
- Finance and services related to government subsidies.
- School education services.
- Public health services.

### 3.5.2 Criteria to select Corruption-Prone Services

Following criteria were used to select services for assessment.

- Service should have wider interface with general public
- Services should have substantial economic impact (positive or negative)
- Services should have reputational implication to the organizations.
- Services that are highly monopolized and exclusive in terms of the way public officials in charge conduct their duties were also selected
- Services should be vulnerable to corruption

The list of the organizations and their services selected for the survey is at Annexure-I.

### 3.6. Ratio of the Services in the Overall Integrity

Since the overall integrity is largely affected by the composition of integrity in each service, the need was felt to decide on how much of services were to be reflected to arrive at the overall integrity in an organization. Although a component

ratio of the survey sample is widely used for general opinion surveys, it has little to do with corruption probability. Therefore, for this survey, the composition of the overall integrity score is determined by corruption probability of services. Since there is no way to come up with corruption probabilities in advance, integrity score of each service was evenly counted to arrive at the total integrity score. In other words, an average of the surveyed services scores will be the score of the survey item in an organization.

### 3.7. Reference Period

2011 was considered as the reference period (January 1st – 31st December 2011) and all scores are determined based on services provided during that reference period.

### 3.8. Target Organizations

For the purpose of this survey, 379 services as provided by 107 departments/agencies from 67 independent organizations were selected as target service for the assessment of External Integrity and similarly employees from 67 independent organizations were selected as internal clients. The list of target organizations of Integrity Survey 2012 for both External and Internal Integrity assessments are attached in Annex II.

### 3.9. Sample Size and Response Rate

For the purpose of this study, at least 50 service users from among the total service users were selected wherever there were more than 50 service users and where there were less than 50 service users all users were selected as respondents. Simple Random Sampling method was used to select respondents for the survey.

Table 3.1: Sample Size and Sample Canvassed

Category	Target sample size	Canvassed sample size	Response Rate
External	10,948	6,969	63.66
Internal	3,800	2,098	55.21
Total	14748	9067	61.48

The number of sample size determined and sample canvassed are as presented in Table 3.1: Despite concerted efforts put in by field supervisors and enumerators, non-response could not be avoided. A service user is treated as a non-responsive if he/she could not be contacted even after three attempts. The overall response rate is 61.48 percent and this can be attributed to deficiencies in the list of service users provided by the organizations. Lists of clients/service users provided by some agencies were either is correct or lacked adequate details with respect to their current addresses. Some of the service users refused to cooperate due to the sensitive nature of the questionnaire although the nature and purpose of the survey were fully explained to them. The service users were assured that the data collect-

ed would remain confidential and that their identity would be protected. Media sensitization was also carried out through the Bhutan Broadcasting Service Corporation (BBSC) to improve the response rate.

### 3.10. Training and Field Operations

To equip enumerators and field supervisors with necessary skills and techniques, the Anti-Corruption and the National Statistics Bureau organized three days training (12th January to 14th January 2013) before sending them to their respective areas. The actual field work was carried out in two and half months (16th January to 30th March 2013).

### 3.11. Assessment Framework: External Integrity

Assessment factors of External Integrity are divided into “Corruption Index”, “Transparency Index” and “Accountability Index”. The table below illustrates the assessment framework of ‘external integrity’ along with survey items against each index.

Factors	Survey items
Corruption index	Favors for specific individuals
	Mediation/solicitation for undue advantage
	Favors based on religion/region/relationships
	Perusing private interest ignoring public ones
	Perception
	Experience
Transparency Index	Frequency of gratuities offers
	Amount of gratuities offered
Accountability Index	Frequency of entertainment offers
	Amount of entertainment offered
	Frequency of convenience offers
	Openness in work standards and procedures
	Practicality of standards & Procedures
	Abuse of Power
	Efforts to accomplish duties

Table 3.2: Assessment Framework: External Integrity

### 3.12. Assessment Framework: Internal Integrity

Assessment factors of Internal Integrity are divided into Integrity Culture Index and Work Integrity Index. The table below illustrates

the assessment framework of ‘internal integrity’ along with survey items against each index.

**Table 3.3:** Assessment Framework: Internal Integrity

Factors		Survey item		
Integrity Culture Index	Organizational culture		Fairness and transparency in the performance of duties	
			Mediation and undue solicitation within the organization	
			Prevalence of corrupt acts within the organization	
	Anti-corruption system		Effectiveness of whistle-blowing system	
			Appropriateness of disciplinary measures and punishment against corrupt acts	
			Effectiveness of internal audit system	
Work Integrity Index	Personnel affairs	Experience	Frequency of gratuity offers	
				Amount of gratuities offered
				Frequency of entertainment / conveniences offers
		Perception		Amount of entertainment / conveniences offered
				Perceptions of gratuities/ entertainment/convenience offers
				Effect of gratuities/ entertainment/convenience offers
	Budget execution	Experience		Frequency of unlawful or unjustifiable execution of budget for personal benefit
				Amount of budget used for personal benefit
				Frequency of unlawful or unjustifiable execution of budget to favor families and friends
		Perception		Amount of budget used to favor families and friends
				Perceptions of legal execution of budget
Fairness in work order	Experience		Frequency of work directives hindering fair performance of duties	
			Perception of responsible and active performance	
	Perception		Perception of fair distribution of work	
			Perception of disadvantages of disobeying orders	

### 3.13. Weight Generation

Different weights are assigned to different factors and survey items based on their importance. Although weights for factors and survey items were to be determined by Delphi Method by running a separate survey on academia, related experts, civic organizations, target organizations, for the purpose of this survey, weights determined and adopted by ACRC/Korea in their survey were used. This was done because the weights generated nationally in 2009 using the same method were almost similar to that of the ones used by

ACRC, Korea during that time. It is also assumed that Koreans, after having conducted integrity assessment for many years now would have had better idea with respect to the importance of each indexes and survey items. For those survey items which have been customized to our national context, weights were assigned without changing the relative importance of survey items and weights.

### 3.14. External Integrity Assessment Factors and Weights by Survey Items

Table 3.4 shows the survey items and weights for external integrity.

Factors		Survey items	Assessment method
Corruption index (0.483)	Perception (0.387)	Favors for specific individuals (0.400)	Individual respondent
		Mediation/solicitation for undue advantage (0.200)	Individual respondent
		Favors based on religion/region/relationships (0.200)	Individual respondent
		Perusing private interest ignoring public ones(0.200)	Individual respondent
	Experience (0.613)	Frequency of gratuities offers (0.246)	Integrated organization
		Amount of gratuities offered (0.227)	Integrated organization
		Frequency of entertainment offers (0.182)	Integrated organization
		Amount of entertainment offered (0.189)	Integrated organization
		Frequency of convenience offers (0.156)	Integrated organization
Transparency Index(0.317)	Openness in work standards and procedures (0.5546)	Individual respondent	
	Practicality of standards & Procedures(0.4453)	Individual respondent	
Accountability Index(0.200)	Abuse of Power(0.6488)	Individual respondent	
	Efforts to accomplish duties (0.3512)	Individual respondent	

### 3.15. Internal Integrity Assessment Factors and Weights by Survey Items

Table shows 21 survey items and weights for Internal Integrity.

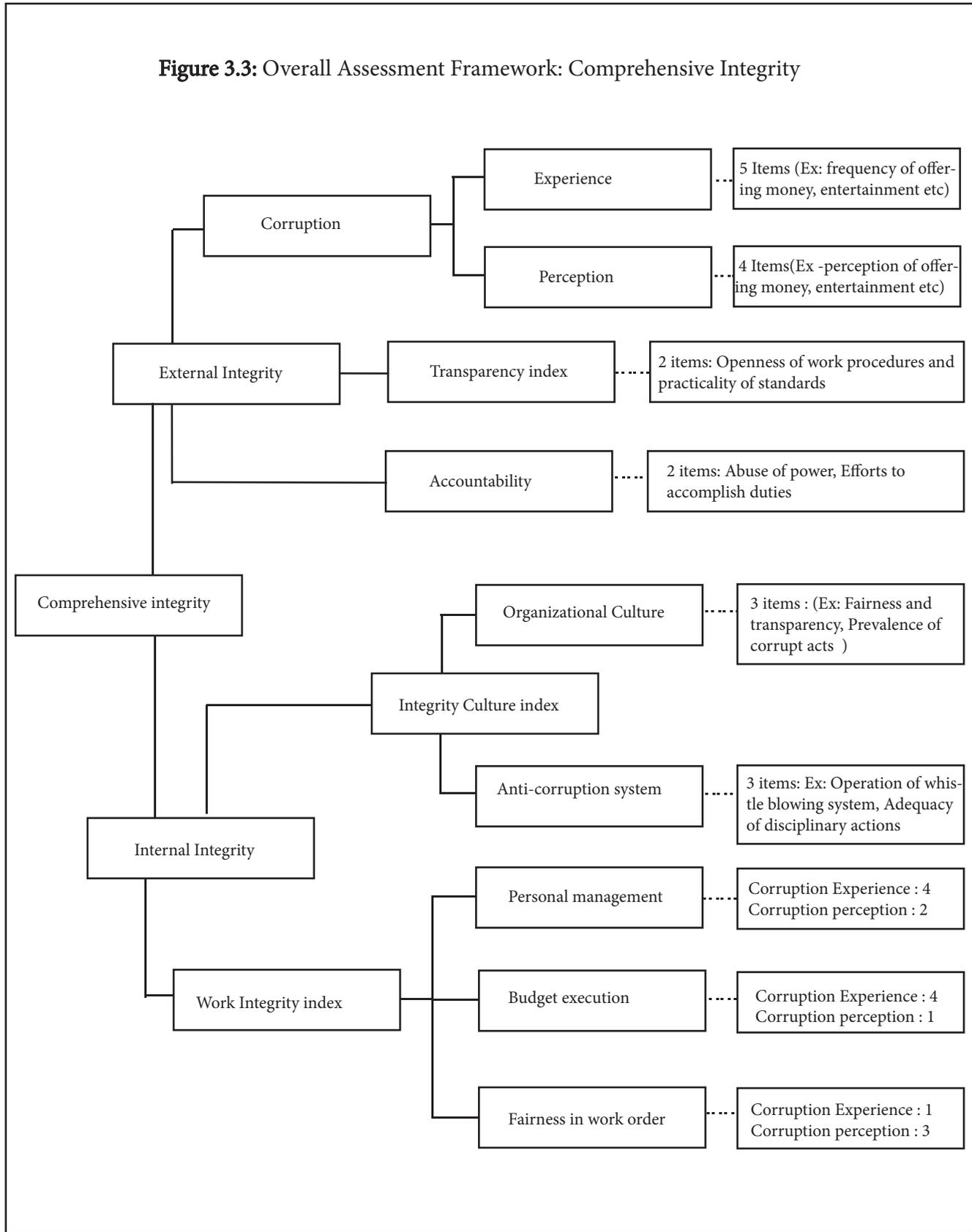
Table 3.5: Internal Integrity Assessment Factors				
Factors		Survey item	Assessment method	
Integrity Culture Index (0.4330)	Organizational culture (0.6310)	Fairness and transparency in the performance of duties (0.3584)	Individual respondent	
		Mediation and undue solicitation within the organization (0.2282)	Individual respondent	
		Prevalence of corrupt acts within the organization (0.4134)	Individual respondent	
	Anti-corruption system (0.3690)	Effectiveness of whistle-blowing system (0.3220)	Individual respondent	
		Appropriateness of disciplinary measures and punishment against corrupt acts (0.3810)	Individual respondent	
		Effectiveness of internal audit system (0.2970)	Individual respondent	
Work Integrity Index (0.567)	Personnel affairs (0.4130)	Experience (0.6090)	Frequency of gratuity offers(0.2370)	Integrated organization
			Amount of gratuities offered(0.2240)	Integrated organization
		Perception(0.3910)	Frequency of entertainment / conveniences offers(0.3440)	Integrated organization
			Amount of entertainment / conveniences offered (0.1950)	Integrated organization
			Perceptions of gratuities/ entertainment/convenience offers(0.5000)	Individual respondent
	Budget execution (0.3470)	Experience(0.6060)	Effect of gratuities/ entertainment/convenience offers(0.5000)	Individual respondent
			Frequency of unlawful or unjustifiable execution of budget for personal benefit (0.2630)	Integrated organization
			Amount of budget used for personal benefit (0.2370)	Integrated organization
			Frequency of unlawful or unjustifiable execution of budget to favor families and friends (0.2630)	Integrated organization
		Perception (0.3940)	Amount of budget used to favor families and friends (0.2370)	Integrated organization
			Perceptions of illegal/undue execution of budget (1.000)	Individual respondent
	Fairness in work order (0.2400)	Experience (0.6000)	Frequency of work directives hindering fair performance of duties (1.000)	Integrated organization
			Perception of responsible and active performance (0.2350)	Individual respondent
Perception (0.4000)		Perception of fair distribution of work (0.4130)	Individual respondent	
		Perception of disadvantages of disobeying orders (0.3520)	Individual respondent	
		Amount of budget used to favor families and friends (0.2370)	Integrated organization	

### 3.16 Overall Assessment Framework: Comprehensive Integrity

Comprehensive Integrity shows level of integrity as

derived from the evaluation of both citizen's and employee's responses and is produced by combining External and Internal Integrity.

**Figure 3.3:** Overall Assessment Framework: Comprehensive Integrity



### 3.17. Calculation of Integrity Scores

The highest possible score for all integrity regimes is 10 points meaning 'highly transparent' and '0' 'highly corrupt'. Integrity scores are produced by multiplying the scores for each survey item and their weights. The method with which the integrity score is calculated is explained below.

First, the score for each survey item is multiplied by its weight and the products are added up to get the index (factor) score. The score for each index or factor score is then multiplied by its weight and then the products are added up to get External or Internal Integrity score. Finally, the Comprehensive Integrity score is calculated by multiplying the External or Internal Integrity score by its weight and then by adding up the products.

### 3.18. Formula to Calculate External Integrity.

The following is the formula used to calculate 'external integrity' score:

$$T_i \times A_i \times W(A_i) \times B_i \times W(B_i) \times C_i \times W(C_i)$$

Where,  $T_i$  = i organization's External Integrity score  
 $A_i$  = Corruption Index score  
 $W(A_i)$  = weight of Corruption Index  
 $B_i$  = Transparency Index score  
 $W(B_i)$  = weight of Transparency Index  
 $C_i$  = Accountability Index score  
 $W(C_i)$  = weight of Accountability Index

The following is the formula used to calculate 'internal integrity' score:

$$T_i \times A_i \times W(A_i) \times B_i \times W(B_i)$$

Where,  $T_i$  = i organization Internal Integrity  
 $A_i$  = Integrity Culture Index score.  
 $W(A_i)$  = weight of Integrity Culture Index  
 $B_i$  = Work Integrity Index score.  
 $W(B_i)$  = weight of Work Integrity

And the following is the Formula used for score calculation by index:

$$C_i = \sum_{i=1}^n (X_i \times W_i)$$

Where,  
 $i=1$   
 $C_i$  = i index score,  
 $W_i$  = weight by survey item  
 $X_i$  = score by survey item,  
 $n$  = number of items

### 3.19. Calculation of the Scores for Each Survey Item

In order to produce the Integrity score, the scores for each survey item needs to be calculated first. Different score calculation methods are used for individual respondent assessment and integrated organization assessment. The method to calculate score for each survey item is explained below:

- Individual respondent assessment: It is called individual respondent assessment because scores are produced for individual respondents.

- **Score Calculation:**

Survey items of the individual respondent assessment type present 7-point scale ("Strongly dis-

agree”, “Disagree”, “Slightly Disagree”, “Neutral”, “Slightly agree”, “Agree” and “Strongly agree”) and 5 point scale (“Very often”, “Often”, “Neutral”, “Hardly” and “Never”) as answer choices, from which respondents are asked to choose the response that best suits them.. A full score for survey items will be 10. All survey items of External Integrity except for Corruption Experience and all items of Internal Integrity except for Corruption Experience in personnel affairs, budget execution, and fairness in work order fall under this category.

### • Calculation of the Scores for Individual Respondents

First, the scores for individual respondents are produced by converting the scores for each answer from a 7-point scale or 5 point scale to a 10-point scale. The formulas to turn 7 point and 5 point scale into 10-point scale are as follows:

$$10\text{-point score} = (7\text{-point score} - 1 / 6) \times 10$$

Answer	Score	10 Point Score
Strongly disagree	1	0 or 10
Disagree	2	1.67 or 8.33
Slightly disagree	3	3.33 or 6.67
Neutral	4	5
Slightly agree	5	6.67 or 3.33
Agree	6	8.33 or 1.67
Strongly agree	7	10 or 0

And similarly following formula is used to convert 5-point scale into 10-point scale:

$$10\text{ point score} = (5\text{ point score} - 1 / 4) * 10$$

Answer	Score	10 Point Score
Very often	1	0 or 10
Often	2	2.5 or 7.5
Neutral	3	5
Hardly	4	7.5 or 2.5
Never	5	10 or 0

The reason why two different scores are assigned to each scale conversion is that negative and positive questions have different scores assigned to the answers. For example, in a 7 point scale, for a positive question, if the answer is “totally disagree” (1 point on a 7-point scale) then the score is 0, and 10 for “totally agree”. In the case of a negative question, the score is calculated the other way around.

### • Calculation of the Scores for Each Work by Averaging Individual Respondents’ Scores

Survey item A’s score for each work is produced after the calculation of scores for each respondent. Scores for each work/service are generated by averaging individual respondent’s scores for each work.

$$\text{Score of "work a" in survey item A} = \frac{\text{sum of scores of "work a" respondents}}{\text{number of "work a" respondents}}$$

### • Calculation of the Scores for Each Survey Item by Averaging the Scores for Each Work

Score for survey item A is generated by averaging scores for each work. For examples, score for survey item A is calculated by adding up scores for work a, work b, work c and then divide the aggregate number by 3 (the number of work).

$$\text{Score of survey item A} = \frac{\text{score of work a} + \text{score of work b} + \text{score of work c}}{3(\text{the number of work})}$$

### ***Integrated Organization Assessment (IOA)***

Integrated organization assessment type items are survey items that ask questions about respondents' corruption experience/ frequency of offers/ size of offers, rather than presenting questions with 7-point scale or 5 point scale. Survey items that fall under this category are Corruption Experience in 'External Integrity' survey items and Corruption Experience regarding personnel affairs, budget execution and work order fairness from Internal Integrity survey items.

#### **• Score Calculation:**

Individual respondent's experience/frequency/ amount of corruption or gratuities are added together by organization, and then put into a set formula to come up with scores for each organization (scores for individual respondents are not produced).

#### **• Calculation of Organizations' Total Frequency and Total Amount of Corruption Experience**

Following formula is used to calculate organizations' total frequency and total amount of corruption experience. According to the formula given below, calculate frequency scores of respondents who experienced corruption and then add up all the scores calculated to produce total frequency of corruption experience of an organization and same goes for the calculation of total size of corruption experience.

Total size (or frequency) of organization A's corruption experience = the sum of scores for each respondent's corruption experience size (or frequency)

#### **• Calculation of Organizations' Average Frequency or Average Size of Corruption Experience**

After the total frequency/total size of organization's corruption experience are calculated, based on those total values, average frequency or average size of organization's corruption experience can be produced. Average frequency (size) is produced by dividing total frequency (total size) by total number of respondents.

In this case, respondents include not only those who answered that they experienced corruption but all people who answered the survey questionnaire, whether they have experienced corruption or not.

The following formula is used to calculate organization's average frequency and size of corruption experience.

Organization A's average frequency (size) of corruption experience = organization A's total frequency (total size) of corruption experience / total number of respondents

#### **• Calculation of Scores for Each Survey Item**

Scores for Integrated Organization Assessment type survey items is calculated by putting average frequency (size) of corruption experience into formula below.

Score by organization for frequency of gratuities/entertainment/convenience offered =  $10 \times (1 - \text{average frequency of offers/UCP1})$

Where, UCP1 = the value at 95% of cumulative gamma distribution of average offer frequency by organization

Score by organization for Size of gratuities/entertainment/ convenience offered=  $10 \times (1 - \text{average frequency of offers}/\text{UCP2})$

Where, UCP2= the value at 95%of cumulative gamma distribution of average offer size by organization

Score by organization for frequency of gratuities/ entertainment/ convenience offered or frequency of unreasonable work instruction and score for frequency of illegal/ unfair budget execution experienced =  $10 \times (1 - \text{average frequency of offers (experience) } / \text{UCP1})$

Where, UCP1= value equivalent to 95% of cumulative gamma distribution of average frequency of offers for all organizations subject to the survey

Score by organization for size of gratuities/ entertainment/ convenience offered and score for size of illegal/ unfair budget execution experienced =  $10 \times (1 - \text{average size of offers (experience) } / \text{UCP2})$

Where, UCP2 = value equivalent to 95% of cumulative gamma distribution of average amount of offers for all organizations subject to the survey

*(The values or numbers after 95% or 97% in a graph virtually do not have any meaning statistically. So they are regarded as zero (0). Hence UCP exists)*

### 3.20. Reliability

Measuring Integrity explicitly is impossible. Therefore, it is important to combine all questions into a single numerical value. When items are used to form a scale, they need to have internal consistency, i.e. all items should measure the same thing so that they are correlated with one another. A useful coefficient for

$$\alpha = \frac{N}{N-1} \left( 1 - \frac{\sum_{i=1}^N \sigma^2_{Y_i}}{\sigma^2_X} \right)$$

assessing internal consistency is Cronbach's alpha (Wikipedia) and the formula is given below:

Where N is the number of components (items or testlets),  $\sigma^2_X$  is the variance of the observed total test scores, and  $\sigma^2_{Y_i}$  is the variance of component i. Alpha ranges from zero (no internal consistency) to one (complete internal consistency). It calculates a number of commonly used measures of scale reliability. Specifically, it provides information about the relationships between individual items in the scale and measures the extent to which the items in the questionnaire are related to each other. It provides the overall index of the repeatability or internal consistency of the scale. It identifies problem items that should be excluded from the scale.

The two tables fig 3.6 and 3.7 show the calculation of Alpha for External and Internal Integrity.

### 3.21. Reliability: External Integrity

**Table 3.6: Reliability: External Integrity**

Item	Sign	item-test correlation	item-rest correlation	average inter-item covariance	alpha
Openness of work	+	0.5568	0.4364	1.774085	0.7445
Practicality of standards & Procedures	+	0.5644	0.4372	1.749208	0.7438
Abuse of power	+	0.6202	0.4759	1.63172	0.7355
Efforts to accomplish duties	+	0.4842	0.2603	1.79216	0.781
Favours for specific individuals	+	0.7539	0.6274	1.408503	0.7057
Favours based on religion/region/relationships	+	0.6797	0.4679	1.440694	0.7465
Mediation/solicitation for undue advantage	+	0.6832	0.5767	1.61197	0.7239
Perusing private interest ignoring public ones	+	0.6815	0.5625	1.576343	0.7226
Test scale				1.622813	0.7634

**Table 3.7: Reliability: Internal Integrity**

Item	Sign	Item test correlation	item-rest correlation	Average inter-item covariance	alpha
Fairness and transparency in the performance of duties	+	0.578	0.475	1.717718	0.7272
Effectiveness of Whistle Blowing system	+	0.5075	0.3517	1.722516	0.7405
Appropriateness of disciplinary measures and punishment against corruption	+	0.5882	0.4594	1.652855	0.726
Effectiveness of internal audit system	+	0.5765	0.4541	1.681487	0.7275
Mediation and undue solicitation within the organization	+	0.5984	0.5102	1.726073	0.7263
Prevalence of corrupt acts within the organization	+	0.6649	0.5657	1.609234	0.7156
Perception of legal execution of budget	+	0.3539	0.1643	1.894322	0.7679
Perception of responsible and active performance	+	0.5031	0.4027	1.801734	0.7358
Perception of fair distribution of work	+	0.5678	0.4517	1.703698	0.7285
Perception of gratuities/entertainment/conveniences offers	+	0.5856	0.4619	1.665837	0.7263
Effect of gratuities/entertainment/conveniences offers	+	0.3815	0.1884	1.862314	0.7659
Perception of disadvantages of disobeying orders	+	0.5038	0.3663	1.746396	0.7379
Test scale				1.731904	0.7523

### 3.22. Reliability: Internal Integrity

Using the Cronbach's alpha formula and data, Alpha for this survey calculates to 0.7634 and 0.7523 for External and Internal Integrity respectively, passing the reliability test. Alpha has the following general 'Rule of Thumb' to assess its reliability test.

#### Rule of Thumb

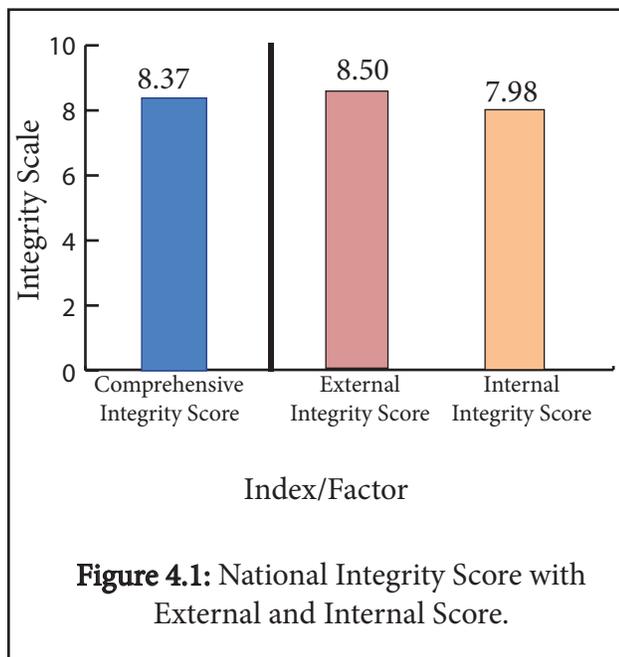
$\alpha > .9$  -- Excellent  
 $\alpha > .8$  --- Good  
 $\alpha > .7$  --- Acceptable  
 $\alpha > .6$  --- Questionable  
 $\alpha > .5$  --- Poor  
 $\alpha < .5$  --- Unacceptable

## CHAPTER 4. FINDINGS

### 4.1. National Integrity

On the scale of 0-10, (where 0 means highly corrupt and 10 means highly transparent), the national integrity score was calculated at 8.37 and it is almost a point increase from the previous score (7.44). The National Integrity is composed of 'external integrity' and 'internal integrity'. 'External integrity' is derived by interviewing people who availed public services from various public organizations about their perception and experience on corruption during the course of availing services. The 'internal integrity' is derived by interviewing employees of agencies about their perception and experience of corruption in the operation and management of their internal affairs such as personnel management, work order and budget execution.

Figure 4.1: The following figure shows the National Integrity Score with external and internal score.

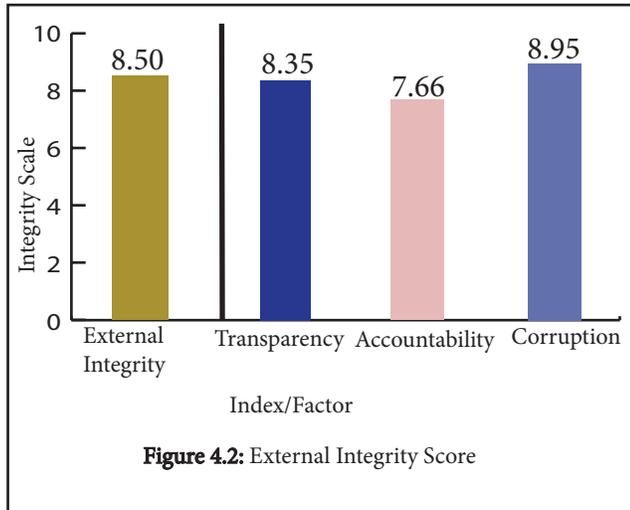


As illustrated in Figure 4.1, 'external integrity' contributed 8.50 score on the scale of 0-10 whereas 'internal integrity' contributed 7.98 score on the same scale indicating very good level of integrity at the national level. Almost a point increase in national integrity score from the previous score not only corroborates with country's improved ranking in the Corruption Perception Index of the Transparency International but also is in line with the general perception that corruption in Bhutan is being brought under control. However, the Commission is little apprehensive as unusually high points obtained in experienced corruption module does not corroborate with the number of complaints received every year.

### 4.2. External Integrity and its Components

As indicated earlier, 'external integrity' managed a total score of 8.50 on the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent) indicating very good level of integrity in 107 agencies across 67 organizations that provided services to general public. External integrity is composed of 'Transparency Index', 'Accountability Index' and 'Corruption Index'. While Corruption Index measures violation of integrity obligations stipulated by laws and regulations, such as public officials accepting gratuities, entertainment and convenience for discharging their duties, 'transparency index' gauges the degree to which public officials comply with the standards and procedures in a transparent and impartial manner while performing their duties. Accountability Index determines the degree to which public officials make efforts to accomplish their duties according to public service standards without abusing their authority.

The following figure shows external integrity score along with the components that contributes to its score.



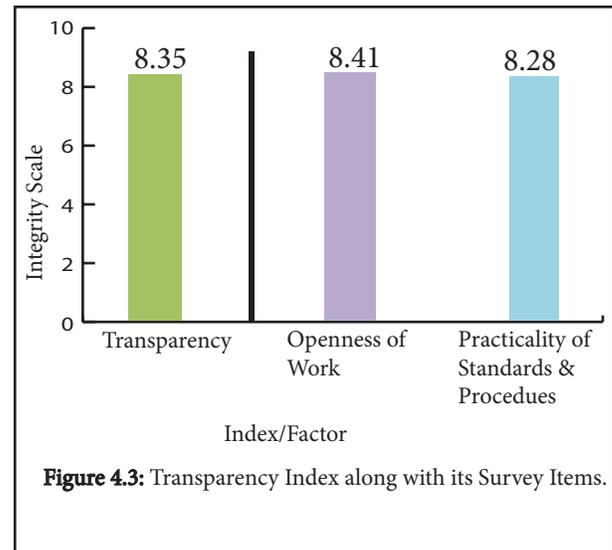
As illustrated in Figure 4.2 ‘Corruption index’ contributed 8.95 whereas ‘Accountability index’ and ‘Transparency index’ contributed 7.66 and 8.35 scores respectively to ‘external integrity’. As apparent from the figure above, ‘corruption index’ that assessed whether respondents experienced and perceived corruption during the process of availing services contributed the highest indicating that there was almost no incidences of bribery and offering of other gratifications and conveniences. While the findings also indicted to having very good level of transparency in the way things are processed in agencies, accountability seem to be lagging behind comparatively.

#### 4.3. Transparency Module and Survey Items

On the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent) transparency index managed a total score of 8.35 indicating very good level of integrity in 107 agencies across 67 organizations. Transparency index is made up of two survey items – ‘openness of work’ and ‘practicality of standards and procedures’. While ‘openness of the work’ assessed the degree to which administrative and other service procedures are disclosed to public, the ‘practicality of standards

and procedures’ examined the degree to which such standards and procedures are practicable.

The following figure shows Transpar-

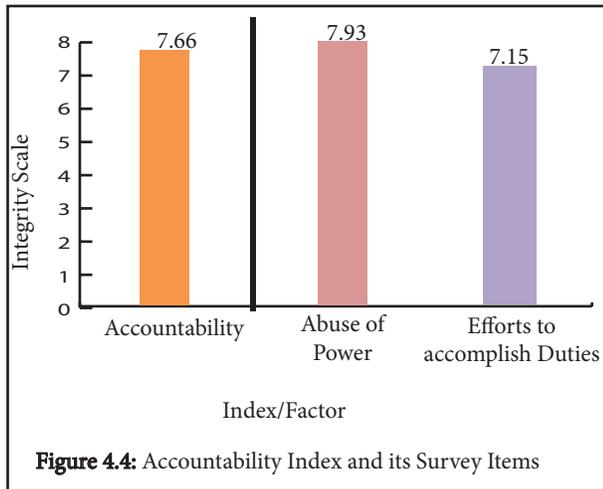


ency Index along with its survey items. As illustrated in Figure 4.3 ‘openness of work’ contributed 8.41 whereas ‘practicality of standards and procedures’ contributed 8.28 scores to ‘transparency index’. The high scores in both ‘openness of work’ and ‘practicality of standards and procedures’ indicated that administrative procedures and service standards within the agencies were not only practicable but were also disclosed to them in a transparent manner.

#### 4.4. Accountability Module and its Survey Items

On the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent) accountability index managed a total score of 7.66 indicating good level of accountability in 107 agencies across 67 organizations. Accountability index is made up of two survey items – ‘abuse of power’ and ‘efforts to accomplish duties’. While ‘abuse of power’ assessed whether public officials abused their powers while processing services to citizen-

ry, the 'efforts to accomplish duties' examined the extent to which public officials made efforts to pro-

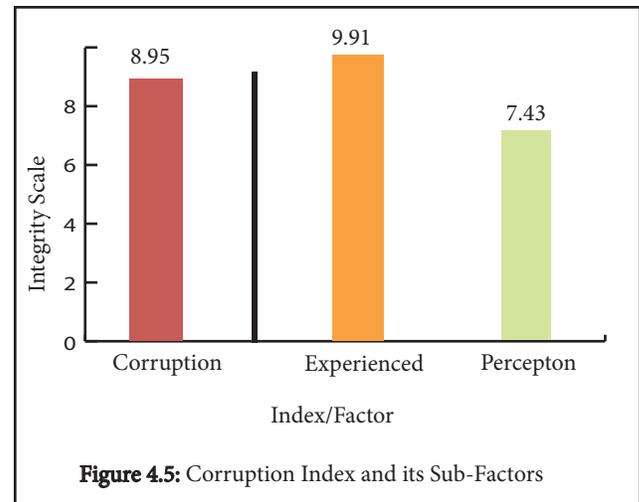


cess services on time without unnecessarily delay. The following figure shows Accountability Index along with its survey items. As illustrated in figure 4.4, 'abuse of power' contributed 7.93 whereas 'efforts to accomplish duties' contributed 7.15 scores to 'accountability index. The lower scores of both 'abuse of power' and 'efforts to accomplish duties' comparing to transparency index indicated that public officials do abuse their power sometimes and that services are unnecessarily delayed other times.

#### 4.5. Corruption Module and its Survey Items

On the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent) 'corruption index' obtained a total score of 8.95 indicating very good level of integrity in 107 agencies across 67 organizations. 'Corruption index' is made up of two sub-factors – 'experienced corruption' and 'perception of corruption'. While 'experienced corruption' assessed whether respondents provided money, valuables, entertainments, conveniences and other gratifications (such as doing private work and offering sexual favors) to public officials

while processing services, the 'perception of corruption' examined whether respondents, in the process of availing service from a particular agency, sensed any corruption taking place that agency. The diagram below shows the level of Corruption index with its sub factors/indices of Experienced and Perceived corruption.

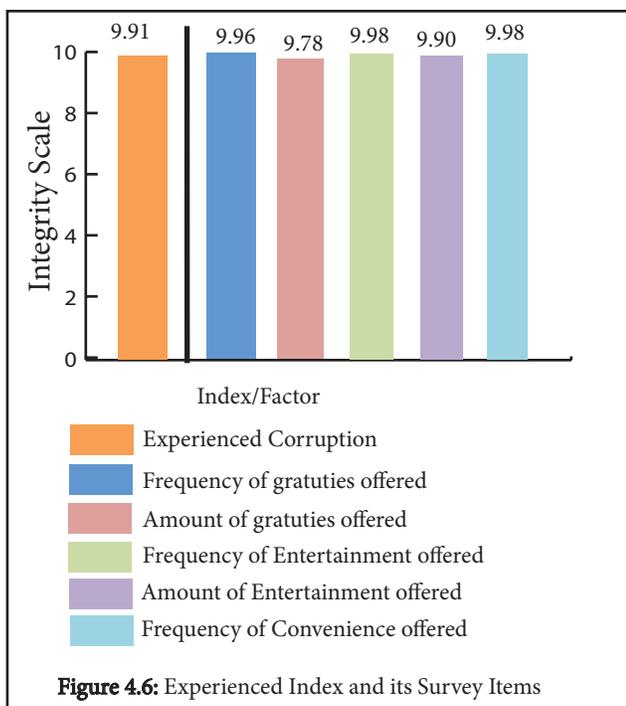


As illustrated in Figure 4.5, 'experienced corruption' contributed 9.91 whereas 'corruption perception' contributed 7.43 scores to 'corruption index making it the biggest contributor to the national integrity. The score of 9.91 in 'experienced corruption' is the highest score managed by any factors or sub-factors in the survey and it indicated that almost no or very insignificant number of respondents indicated to having involved themselves in corruption during the process of availing services from various agencies. However, the score of 7.43 in 'corruption perception' index indicated that respondents felt or sensed corruption taking place in agencies from where they availed services. The paradox of respondents not indulging in corrupt acts themselves to get their services delivered but sensing others indulging in corrupt acts to get their services warrants further probing. Perhaps the answer lies in how truthful and fearless

the respondents were in answering the questions.

#### 4.6. Experienced corruption and its Survey Items

On the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent) 'experienced corruption' index obtained a total score of 9.91 indicating almost no or very few cases of money, entertainments and conveniences being offered to public officials to get their service processed. 'Experienced Corruption index' is made up of five survey items – 'frequency and amount of gratuities



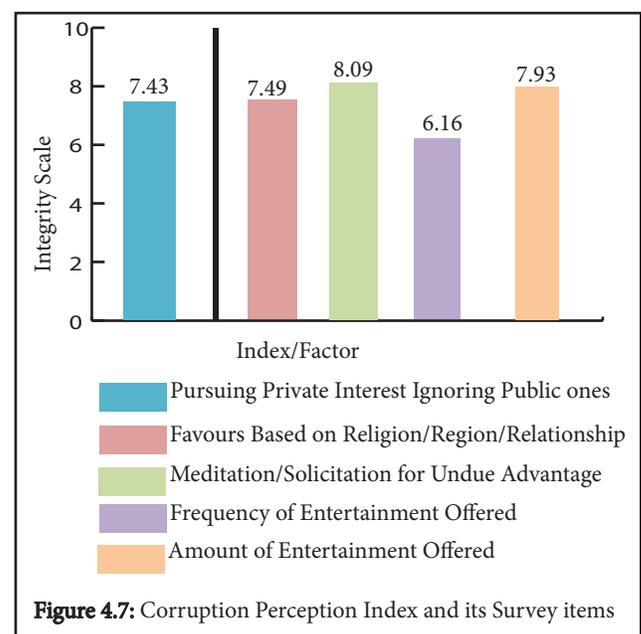
offered', 'frequency and amount of entertainments offered' and 'frequency of convenience offered'. As illustrated in figure 4.6, 'frequency of gratuities offered' contributed 9.96, 'amount of gratuities offered' contributed 9.78, 'frequency of entertainment offered' contributed 9.98, whereas 'amount of entertainment offered' and 'frequency of conveniences' contributed 9.90 and 9.98 scores to 'experienced corruption index' respectively. From the total of 6,969 respondents surveyed, only 29 respondents

(.41%) admitted to having provided bribes/gifts/entertainments/conveniences/gratifications to a public official during the course of availing service from public agencies. From the examination of responses, it can be concluded that many respondents either avoided answering questions related to experience corruption or simply provided negative responses to questions related to experience corruption.

#### 4.7. Corruption Perception and its Survey Items

On the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent) 'corruption perception' index obtained a total score of 7.43 indicating that there was corruption in agencies from where they availed or processed public services as sensed by respondents. 'Corruption perception index' is made up of four survey items – 'favors for specific individuals', 'meditation/solicitation for undue advantages', 'favor based on region/religion/relationships' and 'pursuing private interest'.

The following figure shows the level of integrity



score of corruption perception index and its survey items.

As illustrated in Figure 4.7, 'favours for specific individuals', 'mediation/solicitation for undue advantages', 'favour based on region/religion/relationships' and 'pursuing private interest' contributed 7.49, 8.09, 6.16 and 7.93 scores to corruption perception index respectively. Though 99.6 percent of the respondents admitted to have not indulged in unethical practices such as providing bribes/gifts/entertainments/conveniences/gratifications themselves, many have either seen or heard about public servants and service recipients indulging in giving and taking bribes/entertainment during the course of availing and providing public services. From the four survey items, 'Favors based on religion/region/relation' scored the least with a score of 6.16 indicating more biasness based on relationship/region/region.

#### 4.8. Corruption Control System

Unlike in the previous National Integrity Assessment, the score of 'Corruption Control System' is not added to the national integrity however, it has direct relationship to the occurrence of corruption in the system. Stronger the corruption control system, lesser will be the opportunity for people to indulge in corrupt acts. Therefore, it is important to assess if there was adequate system to control corruption in agencies. The 'corruption control system' obtained a total score of 7.65 on the scale of 0-10 indicating good level of corruption control system.

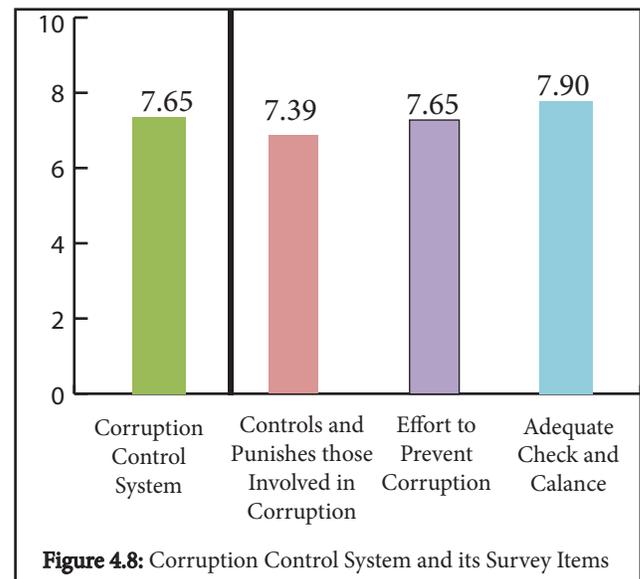
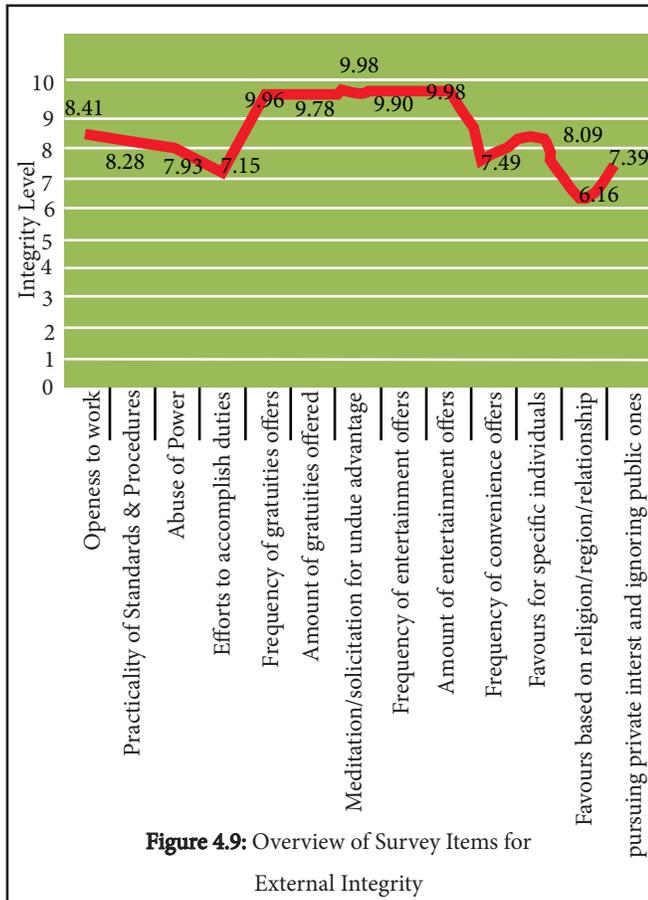


Figure 4.8 shows the level of corruption control system along with its three survey items. As illustrated in figure 4.8, 'Corruption control system' is made up of three survey items – 'controls and punishment', 'efforts to prevent corruption' and 'adequate checks and balances'. 'Controls and punishment' contributed 7.39 'effort to prevent corruption' contributed 7.67 and 'adequate checks and balance' contributed 7.90 to the total score of 'corruption control system'. As apparent from their scores, corruption control and punishing those involved in corruption appeared to be lagging behind even though there seemed to have adequate check and balances. The score of 7.39 for 'Control and punishment' further validates the finding of relatively poor accountability in the system.



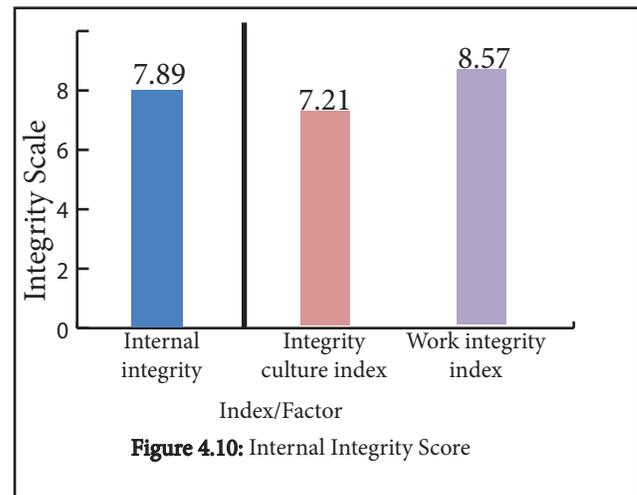
#### 4.9. Survey Items and Scores: External Integrity

The following graph shows scores for 13 survey items that added up to form external integrity score. ‘Favors based on religion/region/relationships’ under Perception Corruption Index scored the lowest indicating the prevalence of the most subtle form of corruption in the country and it is followed by ‘efforts to accomplish duties’ in the Corruption Risk Index where, public officials are judged not to be putting any efforts to accomplish their duties on time. ‘Frequency of entertainments and conveniences offered’ and ‘Amount of Bribery’ in the Corruption Index scored the highest indicating that most of the respondents did not partake in giving bribes while availing services during the reference period of 2011. High scores in ‘corruption index’ however, may not necessarily reflect the reality as

most of the respondents were found to have avoided or ignored answering questions related to ‘experienced corruption index’ for whatever reasons.

#### 4.10. Internal Integrity and its Components

Internal Integrity is assessed from the perspective of employees in public organizations and it measures the level of integrity in organizations in terms of internal affairs such as organizational culture, personnel management, work distributions and budget execution. On the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent), internal integrity managed a to-

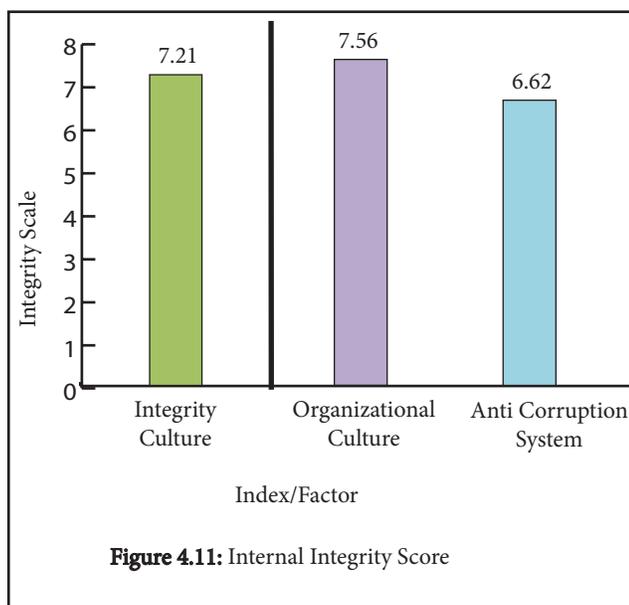


tal score of 7.98 indicating good level of integrity. As illustrated in figure 10, internal integrity is composed of ‘Integrity Culture index’ and ‘Work Integrity Index’. ‘Integrity Culture Index’ measures the prevalence of corrupt practices and tolerance for corruption within organizations and effectiveness of anti-corruption measures whereas ‘Work Integrity Index’ measures the degree to which officials manage personnel affairs, budget execution, and work orders transparently and fairly without pursuing personal gains for themselves. ‘Integrity Culture Index’ contributed 7.21 whereas ‘Work Integrity index’ contributed 8.57 scores to Internal Integrity.

#### 4.11. Integrity Culture Index

On the scale of 0-10 Integrity Culture' index managed a total score of 7.21 indicating good level of integrity in 107 agencies across 67 organizations. 'Integrity Culture' index is made up of two sub-factors – 'organizational culture' and 'anti-corruption system'. While 'organizational culture' assessed the cultural characteristics within an organization with respect to performing one's duty transparently, not pursuing private interest, accepting and soliciting bribes, favoring certain section of society and prevalence of corruption whereas, 'anti-corruption system' examined the level and extend to which employees were encouraged to report corruption, punished when involved in corrupt acts. It also examined if there was an adequate internal control system to prevent corruption.

The following diagram illustrates the level of integrity culture index with its sub factors:

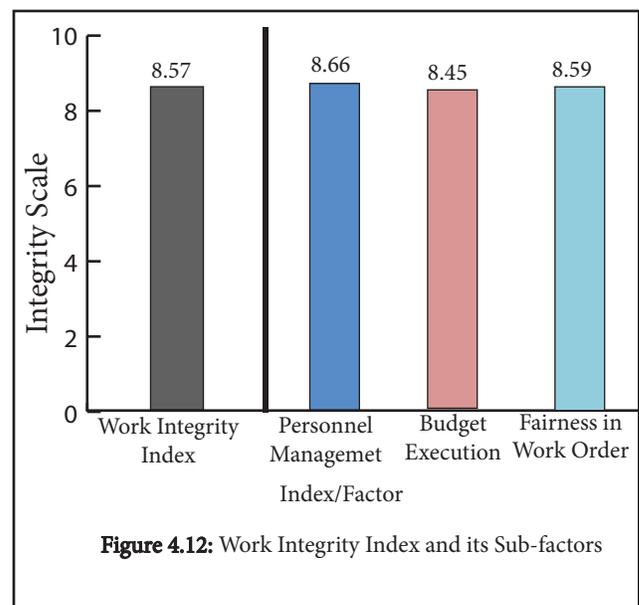


As illustrated in Figure 4.11, 'organizational culture' contributed 7.56 whereas 'anti-corruption system' contributed 6.62 scores to 'integrity culture' index. Relatively low score in 'anti-corruption system' describes how employees were not encouraged to report corruption in organizations and that there were no adequate internal control mechanism to check corruption.

#### 4.12. Work Integrity Index

'Work Integrity Index' measures the degree to which public officials carry out personnel affairs, budget execution, and work orders transparently and fairly without pursuing personal gains. On the scale of 0-10 'Work Integrity' index managed a total score of 8.57 indicating very good level of integrity in 107 agencies across 67 organizations.

The following diagram illustrates the level of work integrity index with its sub factors: Under 'Work Integrity' index, 'Personnel Management' obtained the highest with 8.66 points

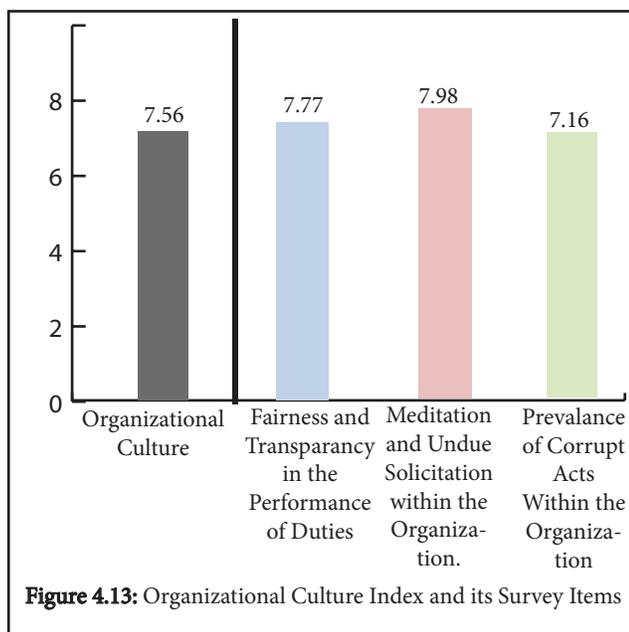


indicating that very few or negligible respondents believed in bribes/entertainment/conveniences/gratifications being provided in relation to personnel affairs such as recruitment, promotions, and transfer within their organizations. 'Budget Execution' scored the lowest suggesting the need for greater transparency, effective check and balance, greater emphasis on accountability and strengthening of oversight mechanisms.

#### 4.13. Organizational Culture

'Organizational Culture' assesses the cultural characteristics within an organization with respect to performing one's duty fairly and transparently, meditation and undue solicitation and prevalence of corruption. On the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent) 'Organizational culture' managed a total score of 7.56 indicating good level of integrity in 107 agencies across 67 organizations.

The following figure 4.13 illustrates the level of integrity in organizational culture with its sub factors: With 7.16 score 'Prevalence of corrupt acts within

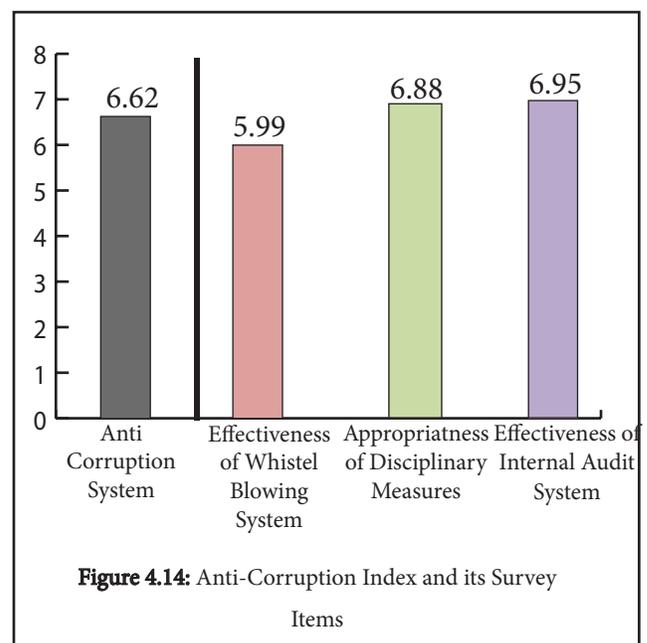


the organization' obtained the lowest score and indicated the prevalence of unethical practices (corruption) within the organisation. 'Fairness and transparency in performing one's duties' managed 7.77 whereas 'solicitation of bribes/entertainments and other gratifications' within the organization' got 7.98.

#### 4.14. Anti-Corruption System

'Anti-Corruption System' looks at whether organizations have instituted anti-corruption measures such as effective whistle blowing system, internal control and whether those involved in corrupt acts are appropriately dealt. On the scale of 0-10 (where 0 means highly corrupt and 10 means highly transparent) 'Anti-Corruption System' managed a total score of 6.62 only and it's comparatively the lowest score.

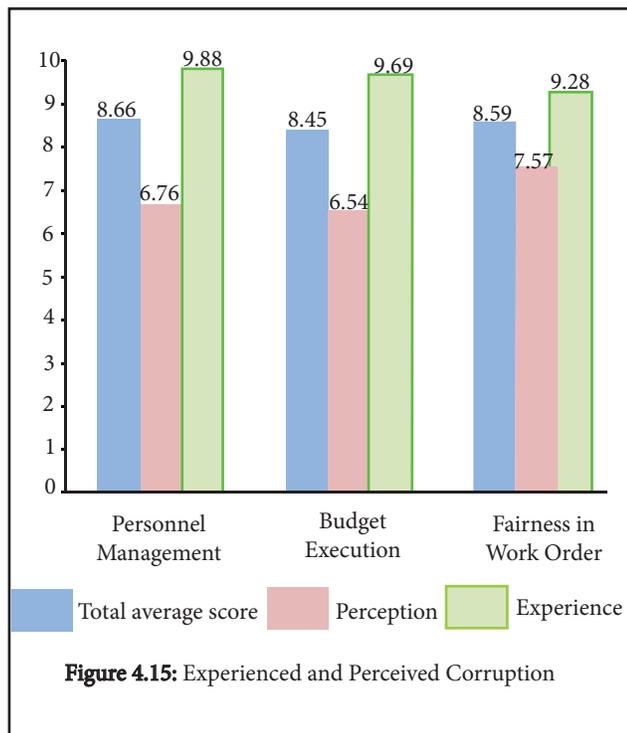
Figure 4.14 illustrates the level of anti-corruption system along with sub factors. From the three survey items that contributed to 'Anti-Corruption System', 'Effectiveness of whis-



the blowers system' scored the lowest with 5.99 points indicating poor habits of reporting corruption within the organization. The scores obtained by 'Appropriateness of disciplinary measures and punishment against corrupt acts' and 'Effectiveness of internal control system' were also low comparatively and highlighted that importance be accorded to those measure in the organizations.

#### 4.15. Work Integrity Index: Experienced and Perceived Corruption

All the factors/indices of "Personnel Management", "Budget Execution" and "Fairness in work order" under Work integrity index are divided into perception and experienced corruption. The score for each of the perceived and experienced corruptions for the sub factors of "Personnel Management", "Budget Execution" and "Fairness in work order" are shown in the graphs below: As in the case of external integrity, the above figure tells the same story about how most of the respon-



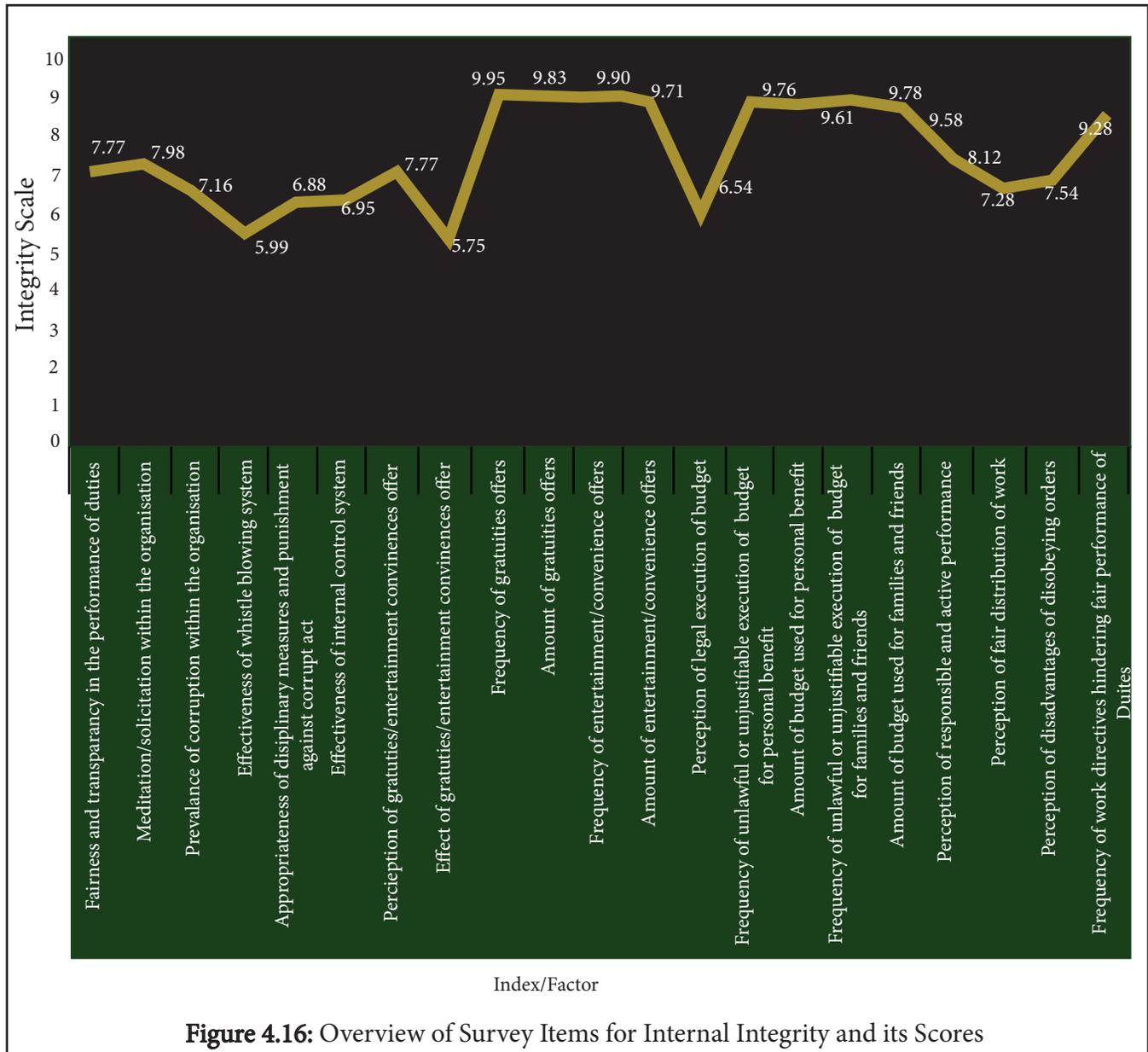
dents did not partake in giving bribes/entertainments/gratifications including sexual favors to relevant or concerned supervisors or authority within the organizations while processing their personnel, administrative or financial matters during the reference period of 2011 while they felt or sensed that others in the organizations were involved in giving and taking bribes/entertainments/conveniences and other gratifications to process their administrative, personnel or financial matters. This is apparent from extraordinarily high score managed by 'Experience Corruption' in all the three sub-factors of 'Work Integrity'. From the total of 2,098 internal respondents, only 17 admitted to having provided money/valuables/entertainment/conveniences/gratifications in relation to personnel affairs whereas 70 respondents agreed to having observed incidences of unlawful or unjustified manipulation in the execution of budget for personal/families/friend's benefits. This finding is in contradiction to the number of complaints received by the ACC especially with regard to embezzlement/misappropriation of funds. The Commission received a total of 72 complaints (15.75% of the total complaints) related to embezzlement or misappropriation in 2011.

However, the scores obtained by 'Corruption Perception' index in all the three sub-factors are comparatively low and it indicated the condition within which the overall system functioned. This fact compares well with the number of complaints the Anti-Corruption Commission receives every year. In 2011, from the total of 457 complaints received by the Commission 58 or (12.7%) of them were related to personnel. In the case of 'fairness in work order' 216 respondents or 10.3% of the total respondents felt they were given unreasonable work instructions within the past 12 months.

#### 4.16. Survey Items and Scores: Internal Integrity

Figure 4.16 shows scores for 21 survey items that added up to form internal integrity score.

From Figure 4.16, it can be deduced that any questions related to personally experiencing corruption by giving bribes/entertainments/conveniences and other gratifications to get their work processed



**Figure 4.16:** Overview of Survey Items for Internal Integrity and its Scores

scored the highest indicating their non-involvement. As illustrated by Figure 4.16, ‘Effectiveness of whistle blowing system’ and ‘Effect of gratuities/entertainment/conveniences offers’ obtained the least score indicating inefficacy of whistle blowers in reporting corruption and effectiveness of brib-

ery and other gratifications in getting one’s work done. ‘Incidence (frequency) and Amount of Bribery scored the highest indicating that most of the respondents did not partake in giving bribes/entertainment/conveniences/gratifications during the reference period of 2011 and even if one did partake

in providing bribes and other forms of gratification, the frequency and amount involved is minimal.

#### 4.17. Corruption Experience:

##### • *Amount of Bribery and entertainments by external clients*

From the total of 6,969 respondents, 29 admitted to having offered bribes/entertainments/conveniences and other gratifications during the course of availing public services from various agencies. The average amount of bribery and entertainment provided by external clients are given in the tables below:

Unlike in the first National Integrity Assessment, respondents were provided with an option to choose the bracket of money that best suited their

**Table 4.1:** Average Amount of Bribery

Average Amount of Bribes Offered (Money and Other Valuables)	Average Amount of bribes offered (Money spent in Providing Entertainment)
8,448.27	66,481.48

response when it pertained to the amount of bribes offered. Of the 29 respondents who offered bribes, 86.21 percent of them reported to have offered money and other valuables below Nu. 10,000.00 whereas 13.79 percent of them offered within the range of Nu. 10,000.00 to 50,000.00. In so far as the offerings in the form of entertainment is concerned, 68.97 percent of the respondents reported to have provided entertainment worth Nu.10,000.00 and below, whereas 31.04 percent of them provided within the range of Nu.10,000.00 to Nu.1,000,000.00. An average amount of bribe in the form of money and other valuables was calculated to be Nu. 8,448.27 and Nu. 66,481.48 was calculated as bribes in the form of entertainment. This particu-

lar finding indicated the prevalence and popularity of indirect bribery comparing to direct bribery. In the first national integrity survey, average amount of bribery was calculated at Nu. 5,043.00 and it ranged from Nu.5.00 to Nu. 300,000.00.

##### • *Average Frequency of Bribery*

The following table shows the average frequency of bribery in terms of money, entertainment and other conveniences as offered by the 29 respondents: As indicated in table 4.2, each bribe payer paid money and other valuables two times, entertainment such as dine and drinks three times and conveniences such as accommodation and transportation four times during the reference period of 2011.

**Table 4.2:** Average Frequency of Bribery

Money and Other Valuables	Entertainment (dine out, drinks etc.)	Conveniences (accommodation, transportation etc.)
1.8965	2.8620	3.6551

##### • *Kind of Bribes Offered*

Table 4.3 illustrates the percentage of respondents against the kind of bribes offered by external clients in the course of availing public services in 2011.

From the kind of convenience/gratifications provided 20.69 percent of the 29 respondents admitted to have offered bribes in the form of transportation and 13.79 percent supported events such as birthdays and archery matches and lent money without charging interest. About 10.34 percent of the respondents offered accommodation while none of the respondents offered gratifications like event tickets, overseas trip and sexual favors. 48.28

**Table 4.3:** Kinds of Bribes Offered

Kind of Conveniences/Gratification Offered	Service Users Who Offered Bribes or Entertainment (%)
Accommodation	10.34
Transportation	20.69
Support for events like birthdays and archery match	13.79
Lending money for interest free	13.79
Event tickets	0
Overseas trip	0
Sexual Favors	0
Others <sup>4</sup>	48.28

percent of the respondents offered gratifications under the category of 'others' such as rice, butter, eggs and cheese.

#### • When was the Bribes Offered?

Table 4.4 illustrates the percentage of respondents against the timing of when the bribes were offered by external clients during the course of availing public services in 2011.

The survey revealed that 34.48 percent of the respondents have actually paid bribes before and

**Table 4.4:** Timing of Bribes Offered

When Provided?	Service Users Who Offered Bribes or Entertainment (%)
Before processing of the work	34.48
During processing of the work	34.48
After processing of the work	20.69
Frequently	3.45
On special occasions	6.90
During account settlement	3.45
Others <sup>5</sup>	0

<sup>4</sup> Others refer to all those not listed in Table 4.3 and 4.5

<sup>5</sup> Others refer to all those bribes that are not listed in table 4.4 but have money's worth such as rice, butter, eggs and cheese

during the processing of their services and 20.69 percent of the respondents offered bribe after processing of their services. 6.90 percent of them offered on special occasion such as national day, birthdays and New Year. About 3.45 percent offered bribes frequently and during account settlement.

#### • Reasons for Offering Bribes

Table 4.5 illustrates the percentage of respondents against the reason of why bribes were offered by external clients during the course of availing public services in 2011.

Since bribes, entertainments and other gratifications are generally to obtain certain benefits, an attempt was made to find out the reason as to why bribes in various forms are offered during the course of availing services. Staggering 37.93 percent of the respondents admitted to have offered bribes to speed up the process of service delivery and 31.03 percent of them reported to have offered bribes as an appreciation for the service public officials provided. 27.59 percent of them offered bribes as a customary practice or courtesy while 17.24 percent offered bribes upon request by the public officials. As much as the findings indicated as to how brib-

**Table 4.5:** Reasons of Bribes Offered

Reasons for Offering Bribes or Entertainment Stated by Service Users Who Offered Bribes or Entertainment	Service Users Who Offered Bribes or Entertainment (%)
It was requested by the public official (employee) in charge	17.24
To speed up the process	37.93
To alleviate or cancel the penalty	0
As an appreciation for the service	31.03
As a customary practice or courtesy	27.59
Others <sup>4</sup>	3.45

ery was almost being normalized in the guise of customary practice and courtesy, it also underlined the efficacy of public service delivery as majority of the respondents appeared to have offered bribes to speed up the service delivery process. In the first national integrity survey, 56 percent of the respondents said they offered bribes to express their gratification for processing their services and 28 percent offered to speed up the process.

- **Amount and Frequency of Bribes by Internal Clients**

From the total of 2,098 internal respondents, 17 admitted to having offered bribes/entertainments/conveniences and other gratifications to concerned authority during the course of processing their personnel, administrative and financial services in the reference year of 2011. The average amount of bribery and entertainment provided by internal clients are given in the tables below:

- **Personnel Management: Average Amount and Frequency of Bribery for Personnel Affairs**

The average amount and the average frequency of bribery are based on the 17 respondents who offered bribe in relation to personnel affairs for the reference year 2011. The average amount of bribe paid in the form of

gratuities for personnel affairs such as recruitment, transfers, performance evaluation and promotion was Nu. 82,187.5, and in the form of entertainment/conveniences, it was Nu. 21,562.5. From the total of 17 respondents who admitted to paying bribes 47.06 percent of them reported to have paid up to Nu. 10,000.00 and the rest paid within the range of Nu.10,000-1,000,000. In terms of entertainment and conveniences, 52.94 percent of the respondents reported to have provided entertainment worth up to Nu. 10,000 and the rest of them offered in the range of worth Nu.10,000 -1,000,000. And insofar as the frequency of the bribes is concerned, it was paid on average two and three times for bribes in the form of gratuities and entertainment/convenience respectively.

- **Reasons for Offering Bribes for Personnel Affairs**

Table 4.7 illustrates the percentage of respondents against the reason of why bribes were offered in 2011.

From the 17 respondents who offered bribes, 35.29 percent of them offered as an appreciation for processing their personal affairs work, 23.53 percent offered to collect relevant information, 17.65 percent offered to prevent disadvantages in terms of personal affairs, 17.65 percent offered as a customary practice and 11.76 percent offered because it was requested by those in charge of the personnel affair matters.

**Table 4.6:** Average Amount and Frequency of Bribes in Personnel Affairs

Average Amount of Bribe		Average Frequency of Bribery	
Gratuities offered	Entertainment/ conveniences offered	Gratuity offers	Entertainment/ conveniences offers
82,187.5	21,562.5	2.2941	3

**Table 4.7:** Reason for Paying Bribes

Reasons for offering bribes or entertainment for personnel affairs stated by respondents who offered bribes or entertainment	Service users who offered bribes or entertainment (%)
It was requested by those related to personnel affairs such as superiors or personal committee members	11.76
To collect relevant information	23.53
As an appreciation for the processing of personnel affairs	35.29
To prevent disadvantages in terms of personnel affairs	17.65
It is a customary practice	17.65
Others <sup>6</sup>	11.76

#### • Budget Execution: Average Amount and Frequency of Unlawful Execution of Budget

From the total of 2,098 internal respondents, 70 admitted to having observed unlawful or unjustifiable execution of budget by either their leaders or other employees in the organization for the benefit of themselves, their families or friends during the reference period of 2011. Unjustifiable or unlawful execution of budget includes spending government budget for purpose other than what was allocated for including manipulation of travel claims.

Table 4.8 shows the average amount and frequency of unlawful or unjustifiable execution of government budget for the benefit of personal self, friends and relatives.

As indicated in the table above, on average Nu. 89,926.00 and Nu. 131,364.00 was observed to have

**Table 4.8:** Average Amount and Frequency of Unlawful Budget Execution

Average Amount		Average Frequency	
For personal benefit	Used to favour families and friends	Unlawful execution of budget for personal benefit	Unlawful execution of budget to favour families/ friends
89,926.471	131,363.64	2.34	2.65

unlawfully executed by either leaders of the agencies or other employees for personal benefit and the benefit of their families or friends respectively. While 37.14 percent of the total respondents observed unlawful execution of budget to the extent of Nu. 10,000.00 the rest of the respondents observed unlawful execution of budget in the range of Nu. 10,000.00 -1,000,000.00 On the front of frequency, government allocated budget was unlawfully executed

twice for both personal benefit and for the benefit of families or friends during the year 2011.

#### • Reasons for Unlawful Execution of Budget

Table 4.9 illustrates the percentage of respondents with their observations as to why government budget was unlawfully executed to benefit self and their friends and relatives.

**Table 4.9:** Reasons for Unlawful Execution of Budget

Reasons for unlawful execution of budget as stated by the respondents	(%)
Insufficient pay and allowances	45.71
It had been a customary practice for a long time	12.86
Poor leadership	31.43
Due to external pressure, lobbying, solicitation, etc.	2.86
Lack of ethics among individuals	7.14

<sup>6</sup>Others refer to all those reasons that are not listed in Table 4.7

One of the major reasons for unlawful budget execution appeared to be because of insufficient pay and allowances. This has also been highlighted as one of the causes of corruption by many during dialogues and awareness creation programs. Poor leadership featured as second main reason for unlawful budget execution. All the investigations conducted by the ACC confirm that inefficiency and corruption prevail in agencies primarily because of weak leadership, weak oversight mechanism and hence weak systems. Both the problems and solutions reside in them. Recruitment/election of dynamic and ethical leaders and nurturing the crop of future leaders in public service is of paramount importance.

- ***Fairness in Work Order: Average Frequency of Unreasonable Work Instruction***

From the total of 2,098 internal respondents, 216 admitted to having received unreasonable work instruction from their senior staff in the organization during the reference period of 2011. Unreasonable work instruction refers to those instructions that the recipients are either not capable of doing or outside the mandate of one's terms of reference. Table 4.10 shows the average frequency of unreasonable work instruction given during the reference period of 2011.

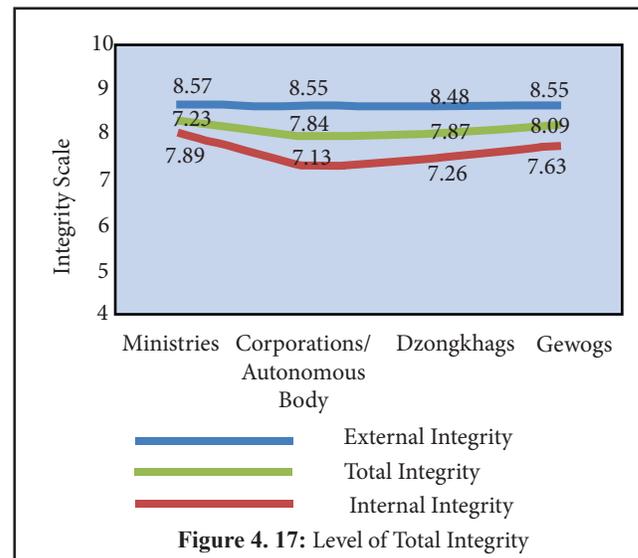
Table 4.10: Reasons for Unlawful Execution of Budget	
Frequency of unreasonable work instruction	
	2.6018

On an average, these 216 respondents who admitted to have received unreasonable work instructions from their supervisors were almost instructed three times to perform official task that is either outside their mandate or beyond their official capacity.

#### 4.18. Integrity by category of organization

Because of the fact that different number of services were picked up from different organizations, comparison per se cannot be made between organizations. However, it is important to understand the level of integrity by the category of organizations. Therefore, for the purpose of understanding which category of organizations has better integrity the public service agencies have been categorized into Ministries, Autonomous Bodies/Corporations, Dzongkhags and Gewogs.

Figure 4.17 shows the level of total integrity by category of organizations as provided by internal and external integrity.

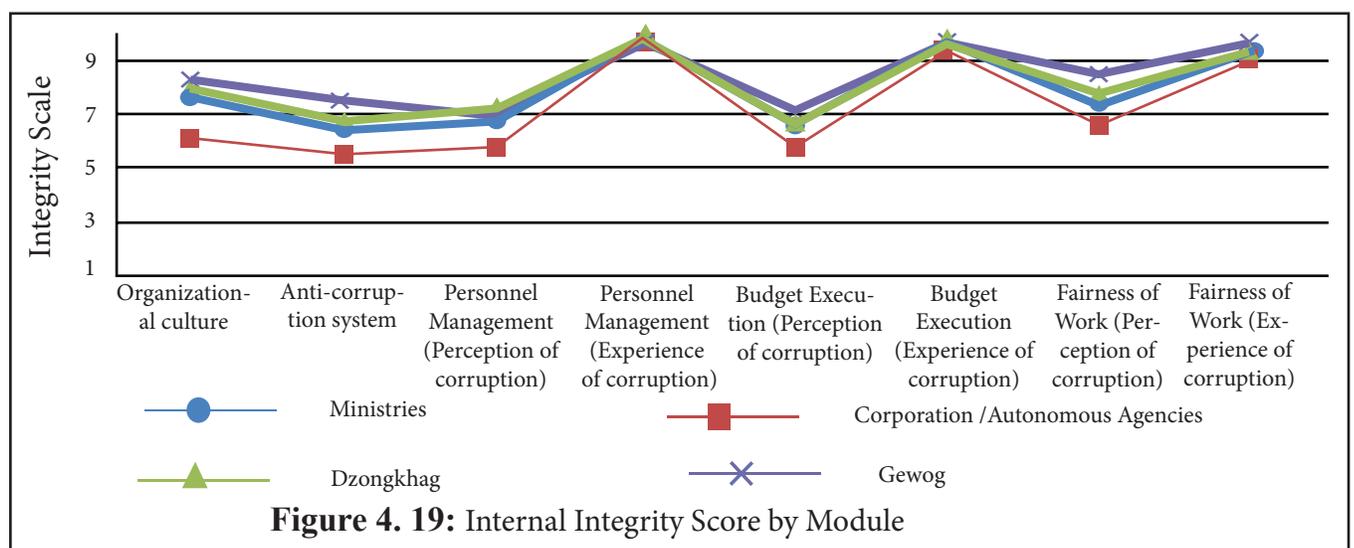
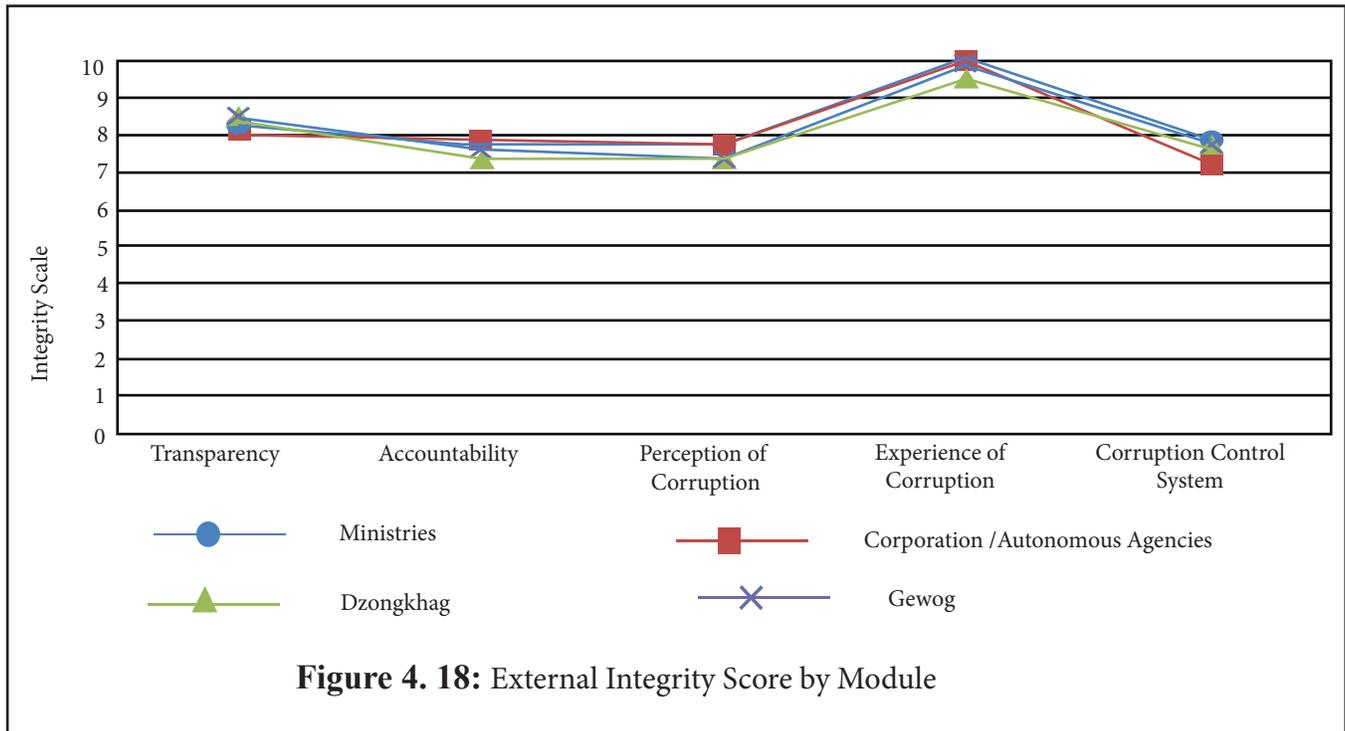


As illustrated in figure above, in general, internal clients of the organizations rated their organizations lower comparing to that of external clients. From the perspective of external clients, Ministries managed the highest score of 8.57 whereas Dzongkhags managed the lowest. From internal clients, corporations and autonomous agencies obtained the lowest with the score of 7.13 whereas ministries ob-

tained the highest with the score of 7.89. With the total score of 8.23 ministries were rated the highest indicating better level of integrity comparing with other categories of organizations. Corporations and autonomous agencies scored the lowest.

#### 4.19. Comparison by Modules Between the Categories of Organizations

As explained earlier, overall integrity is assessed from the perspective of internal and external clients who



had first-hand experience in dealing with a particular agency. While external clients assessed agencies on the parameters of accountability, transparency, perception of corruption, experience of corruption and internal control system in the agency internal clients rated their agencies based on organizational culture, personnel management, anti-corruption system, budget execution and fairness in work order. Figures 4.18 and Figure 4.19 illustrate the level of scores managed by four different categories of organizations with respect to different parameters.

From the perspective of external clients (see Figure 4.18), all four categories of organizations appeared to be doing equally well as there is hardly any difference in the level of scores in all parameters. However, they seem to be lacking behind with respect to accountability, corruption perception and corruption control system. Corporations and autonomous agencies managed slightly lower score in corruption control system and Dzongkhags scored slightly less in accountability comparing with others.

And from the perspective of internal clients (see Figure 4.19) Corporations and Autonomous agencies appeared to be lacking behind in almost all parameters of organizational culture, anti-corruption system, personnel management, budget execution and fairness of work order. It is closely followed by Ministries and Dzongkhags.

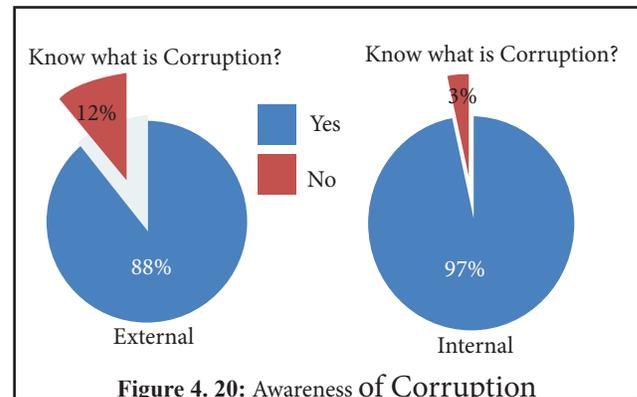
#### 4.20. General Corruption Perception

Ever since its establishment in 2006, the Anti-Corruption Commission has put in concerted effort through numerous strategies and programs to combat corruption in the country. However, because of certain constraints no independent evaluation of its impact on corruption could be carried out. Therefore, an attempt was made

to understand some basic but important parameters of corruption scenario in the country.

#### • Awareness of Corruption

Figure 4.20 illustrate the percentage of respondents with respect to knowledge about corruption in external and internal clients.



From the total of 9,067 respondents, 88 percent of external and 97 percent of internal clients responded positively on the awareness of corruption. As much as it is understandable to have 12 percent of external clients not knowing about corruption as many of them constituted illiterate farmers, it is interesting to note that there are people still within the literate lots who do not know about corruption.

#### • Trend of Corruption

Figure 4.21 shows the trend of corruption in the country as perceived by the respondents along with the findings of 2007 survey.

As far as the trend of corruption in the country is concerned, staggering 65.5 percent of the respondents felt that corruption in the country has decreased over the period of five years and only 17 percent felt it to be in the increasing trend. Comparing with the findings of the previous perception survey conducted in 2007, there is a major shift in the perception of people with respect to corruption trend in the country. In 2007, 44 percent of the re-

spondents indicated the corruption in the country to be in the increasing trend. (See Figure 4.21)

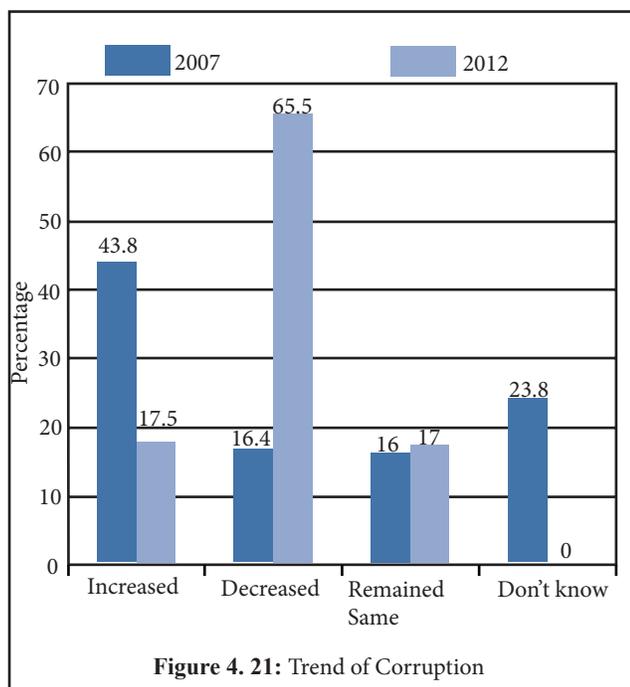


Figure 4.21: Trend of Corruption

#### • Anti-Corruption Commission's Effectiveness

Every effort does not necessarily result into fruition. Therefore an attempt is made to understand how the Anti-Corruption Commission's effectiveness is being perceived by general public in combating corruption in the country.

Figure 4.22 illustrates how the respondents perceived the Commission effort to combating corruption in the country along with the findings of 2009 survey.

About 62 percent of the respondents felt that the Commission was doing very well in combating corruption in the country as compared to only 31 percent in 2009. There was a major jump in the percentage of respondents from those who said the Commission was doing fairly well in 2009 to Commission doing very well in 2012.

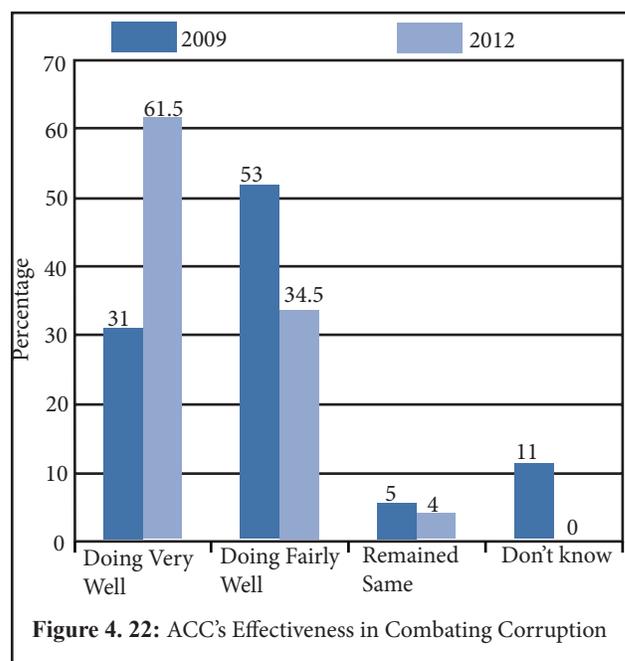


Figure 4.22: ACC's Effectiveness in Combating Corruption

#### General Comments/Opinion to Prevent Corruption

In the process of assessing integrity through various parameters, general views on preventing corruption were also sought from the respondents. 801

Is there anything that needs to be improved to prevent corruption?	Percent
Strong law/ rules and regulation	12.58
Integrity/Honesty	7.10
Equity and justice/no partiality	17.31
Transparency	3.86
Awareness of corruption	7.47
Strengthen ACC/ give full authority to ACC , ACC in each Dzongkhag and Gewogs	6.97
Investigation/inspection and proper information delivery by ACC	9.09
Service delivery efficiency	24.03
Reporting corruption	1.87
Responsible/ faithful	5.35
ACC is doing well	4.36
Total	100

respondents out of 6,969 interviewed responded to it. The table 4.11 presents a list of opinions or comments as provided by 801 respondents. As apparent from the above table, 24 percent of the respondents mentioned about having to enhance efficiency in service delivery and 18 percent of the

respondents mentioned about the need to treat everyone equally and without partiality while delivering services. Another 13 percent mentioned about how there should be stronger laws, rules and regulations to punish those involved in corruption and accordingly deter others from indulging in corrupt acts.

**‘As far as the trend of corruption in the country is concerned, staggering 65.5 percent of the respondents felt that corruption in the country has decreased over the period of five years.’**

## CHAPTER 5: CHALLENGES AND LIMITATIONS

### 5.1. Challenges

The following are some of the challenges encountered while conducting the National Integrity Assessment.

#### **1. Inaccurate or Lack of Information for External Clients:**

Inaccurate and inadequate current addresses and contact details in the list of clients provided by some agencies was one of the major challenges faced in carrying out this survey. This resulted into difficulty in contacting the respondents and was one of the main reasons for lower response rate. Information management is still a problem in agencies; organizations have failed to act on the Commission's recommendation to maintain proper record of service recipients, based on the previous survey experience seem to have fallen on deaf ears.

#### **2. Respondent's Reluctance to Speck Truth:**

Reluctance of respondents to answer questions related to experienced corruption truthfully was another major challenge faced during the survey. This particular challenge was also faced during the previous survey and the Commission's efforts to boost their confidence to answer truthfully through various means remained futile. Despite assurance of confidentiality and protection of their identity, some of the service users simply refused to cooperate due to the sensitive nature of the questions. This has had its implications in the overall findings of the survey.

#### **3. Poor Co-operation from Internal Clients:**

Internal clients (employees) were interviewed for

the first time. As apparent from the sample size and its response rate, cooperation from internal clients had been poor. For whatever reasons, many respondents refused to participate in the survey.

### 5.2. Limitations

Since different organizations have different mandate with different characteristics of task and provide different number of services to the citizen, target works are chosen differently and are not necessarily the same in number. This survey therefore, limits comparasions among target organizations. However, agencies that provided similar service like Dzongkhags, Geogs and Thromdeys were assessed on similar parameters and thus can well be compared.

Another limitation of this survey is with respect to the quality of respondents' response to questions pertaining 'experienced corruption'. Because 'Experience Corruption Index' carried substantive weightage, any misinformation or wrong answers to questions related to experiencing corruption would have significantly swayed the level of integrity in organizations and accordingly at the national level. And it was reported that respondents were either refusing to answer questions related to experiencing corruption or not answering truthfully for fear of repercussion.

It may also be noted that when reference is made to corruption in this survey, only offering of bribes, entertainments, conveniences and other gratifications including sexual favors were taken into consideration and do not mean other offences of corruption as defined in the Anti-Corruption Act 2011.

## CHAPTER 6: CONCLUSION AND RECOMMENDATION

### 6.1. Conclusion

The findings of the second national integrity assessment indicate that the corruption scenario in the country, in general, has improved over the period of three years. Although scores obtained in 'experienced corruption' module for both external and internal assessment remains dubious, the scores obtained in other modules provided good insight into the state of accountability, transparency and anti-corruption system in the country. It also provided good insight into the management and operations of internal affairs such as personnel, administration and finance in the organizations. In general, external clients rated their organizations better than internal clients.

As much as the Commission was perceived to be doing an excellent job in combating corruption and as much as corruption in the country was found to be on the decreasing trend, there are also strong indicators that pointed towards poor service delivery, weak leadership and inadequate anti-corruption measures in the system. These issues are all core to combating corruption in the country.

Along with the need to take cognizance of the subtle form of corruption existing in the country, there is also a need to reinforce coordinated efforts towards improving service delivery, quality of leadership at critique level and anti-corruption measures in organizations to enhance the level of national integrity. The investigation experience of the Commission also points towards the above deficiencies as some of the major causes of corruption in the country.

Conscious efforts have to be made by the top management of the organizations to institutionalize ethical leadership, staff integrity and systems integrity within the internal governance system.

### 6.2. Recommendations

The following are some of the points that needs to be kept in mind in order to make future survey more effective and efficient.

- ***Information Management:***

As in the previous assessment, one of the major challenges faced during the survey was pertaining to finding respondents to administer the questionnaire. The addresses of the clients as obtained from the agencies were either inadequate or out dated. In most of the cases, there were no contact numbers. This has not only led to delay in completing the survey on time but also increased the cost of the survey. Therefore, it is recommended that all agencies that provide service to general public be reminded or requested to maintain proper records of every service recipients with complete address and contact numbers.

- ***More Sensitization of the Respondents:***

Because the integrity survey is designed on the module of corruption perception and corruption experience it is absolutely necessary for respondents to answer the questions truthfully. If the feedback of the enumerators were anything to go by, respondents were not only refraining from speaking the truth when it came to questions related to experiencing corruption but were also refusing to participate in the survey for fear of retribution. Therefore, it is important that the Commission either explore other ways and means to instill confidence in respondents or establish other interviewing mechanism to extract truth from the respondents.

## List of agencies and the services included in the survey for the assessment of External and Internal Integrity

## External Integrity, Ministries

Sl No.	Organization	Departments	Services
1	Ministry of Home and Cultural Affairs	Department of Civil and Census Registration (DCRC)	Issuance of new CID card, name change, replacement of lost ID
			Census transfer, correction of date of birth. issue of nationality certificate; issue of special residence permit.
		Department of Disaster Management	Facilitate and coordinate faster insurance claims to the disaster victims; relief assistance to disaster victims
		Department of Culture	Issuance of approval for construction /renovation of religious structure and timber approval
			Issuance of artifact or non -antic permit
		Department of Immigration	Issuance of work permit; entry permit / route permit and visa
AFD	AFD services		
2	Ministry of Finance	Department of National Properties	Auction services
			Hiring of chadi services
		Department of Revenue and Customs	Approval and refund of tax services (PIT,BIT,CIT)
			Approval and provision of Import duty exemption certificate (IDEC)- tax exemption on raw materials, plants , machineries and vehicles
		Financial Secretariat	Vehicle import license
AFD	AFD services		
3	Ministry of Agriculture and Forest	Department of Forest and Park Services	Supply of rural timber and commercial timber
			Supply of non wood forest produce including sand , stone boulders and other NWFP
			GRF land allotment and land lease
		BAFRA	Import and export permit
		Department of agriculture marketing and cooperatives	Approval of group and cooperative framing
		AFD	AFD Services
4	Ministry of works and Human Settlements	Construction Development Board	New contractors registration/up gradation/ renewal of contractors
			Renewal and registration of consultant /architect
		Department of Engineering	Rural/urban building permit approval
		AFD	AFD services
5	Ministry of Economic Affairs	Dept. of Trade	Approval and issuance of whole sale dealership, import license and other trade licenses
			Approval foreign direct investment and domestic industrial projects
			Leasing of industrial plots and sheds
		Dept. of Geology and Mines	Approval and leasing of mines and stone quarry and inspection services
		Department of cottage and small industries	Approval of cottage and small scale industry (CSI) ( other than 59 delegated activity to RTIO)
			Approval of rural grant
		Department of renewal energy	Approval and supply of solar photo voltaic system
		Regional Trade and Industry Office	Approval and renewal of all trade license
AFD	AFD services		

6	Ministry of Education	Department of Adult and Higher Education	Student scholarship and support services
		Department of Youth and Sports	Hostel facilities for youth
		Department of School Education	Approval for the establishment of private schools
			Approval for the establishment of early child day care center
AFD	Administration and finance services (procurement)		
7	Ministry of Foreign Affairs	Protocol Dept.	Approval and issuance of passport
		AFD	Administration and finance services
8	Ministry of Health	Dept of Medical Services	Approval and referral of patients outside
		Dept of Public Health	Ambulance services
			Recognition and registration of medical and health professionals' qualification
			Approval of private health clinics
AFD	AFD services		
9	Ministry of Information and communication	Road Safety and Transport Authority	Approval and issuance and renewal of driving licenses including professional driving)
			Registration, transfer and renewal of vehicles
		AFD	AFD services
		Dept. of Information and Technology	Specification clearance for procurement of computer hardware
10	Ministry of Labor and Human Resources	Dept. of Employment	Approval and grant of internship and funding
		Dept. of Labor	Approval of work permit for foreign workers
		Dept. of Human Resources	Approval and registration of private training institutes
		AFD	AFD services

### Autonomous Agency / Corporation

Sl. No	Organization	Departments/ Divisions	Services
1	NHDCL	NHDCL	Approval, allotment of houses
			Maintenance of houses
			AFD services
2	Bank of Bhutan	BOB	Personal banking services
			Credit card services
			AFD services
3	Bhutan Power Corporation	BPCL	Express mail services
			Local urgent mail services
4	Drug Regulatory Authority	DRA	Registration and renewal of medicinal products
			AFD services
5	National Environment Commission	Environment Service Division	Approval and issuance of environment clearance to all developmental activity which has environmental issues such as forestry hydropower mines tourism highways & roads transmission lines urban development
		Compliances and Monitoring Division	Inspection services for compliances

6	Bhutan Development Bank Limited	BDBL	Approval and disbursement of loans
			AFD services
7	Bhutan Narcotic Control Agency	BNCA	Registration of schedule II, III and IV substances
			Authorization of import/export of schedule IV substances
			AFD services
8	Bhutan National Bank Limited	BNB	Approval and disbursement of loans
			Credit card services
			AFD services
9	NRDCL	NRDCL	Supply of rural timber
			Supply of sand
			Supply of stone boulders and chips
			Supply of firewood and briquettes
10	Druk Air Corporation	DAC	Ticketing and reservation services
			Administration and finance services (AFD)
11	National Land Commission	NLC	Cadastral surveying services (private request)
			Approval of land transaction and land conversion and compensation
12	BICMA	BICMA	Approval and renewal of printing and publishing licenses
			Approval of entertainment license and permit
			Film permit for national and international
			AFD services
13	National Pension Provident Fund	NPPF	Approval and allotment of houses
			Approval and disbursement of loan
			Approval and settlement of pension

## Local government

Sl No.	Organization	Departments	Services
1	Dzongkhag	Dzongkhag	Approval for rural timber
			Approval for construction of rural house
			Land transaction services
			School admission services
			Rural life insurance services
			Supply of agriculture and livestock inputs
			Dzongkhag AFD services
2	Gewog	Gewog	Approval of rural timber
			Land transaction approval
			Life insurance claim
			Approval for construction of house
			Verification service for kidu
			AFD services
3	Thromde	Engineering Division	Water supply connection and maintenance services
		Urban Planning Division	Approval of site plan and construction of building
			Survey and demarcation services
			Approval of land transaction
			Approval and lease of urban land
		Department control division	Construction inspection and occupancy certificates services
			Dept control AFD
Thromde AFD	Thromde AFD		

## Internal Integrity, Ministries

Sl No.	Organization	Departments	Services
1	Ministry of Finance	Department of National Properties (DNP)	Department of National Properties (DNP) services
		Department of Revenue and Customs (DRC)	Department of Revenue and Customs (DRC) services
		Department of National Budgeting (DNB)	Department of National Budgeting (DNB) services
		Department of Public Accounts	Department of Public Accounts services
		MOF AFD	AFD services
2	Ministry of Home and Cultural Affairs	DCRC	DCRC services
		Department of Immigration	Department of Immigration services
		Department of Disaster Management	Department of Disaster Management services
		Department of Local Governance	Department of Local Governance services
		MOHCA AFD	AFD services
3	Ministry of Economic Affairs	Department of Hydromet services	Department of Hydromet services
		Department of Geology and mines	Department of Geology and Mines services
		Department of Industry	Department of Industry services
		Department of Cottage and Small Industries	Department of Cottage and Small Industries services
		Department of Renewal Energy	Department of Renewal Energy services
		Department of Trade	Department of Trade services
		MOEA AFD	AFD services
4	Ministry of labour and Human Resource	Dept of Employment	Dept of Employment services
		Dept of Labour	Dept of Labour services
		Dept of Human Resource	Dept of Human Resource services
		MOLHR AFD	MOLHR AFD
5	Ministry of Information and Communication	Dept. of Information and Technology	Dept. of Information and Technology services
		MOIC AFD	MOIC AFD
6	Ministry of Agriculture	Department of Forest and Park Services	Department of Forest and Park services
		BAFRA	BAFRA services
		Department of Agriculture	Department of Agriculture services
7	Ministry of Health	Dept of Medical Services	Dept of Medical services
		Dept of Public Health	Dept of Public Health services
		MOH AFD Services	AFD services
8	Ministry of Foreign Affairs	MOFA AFD Services	AFD services
9	Ministry of Education	Department of Adult and Higher Education	Department of Adult and Higher Education services
		Department of School Education	Department of School Education services
		MOE AFD	MOE AFD
		Department of Youth and Sports	Department of Youth and Sports services
10	Ministry of Works and Human Settlement	MOWHS	MOWHS services

## Autonomous Agencies and Corporations

Sl No.	Organization	Departments / Divisions	Services
1	NRDCL	NRDCL	Supply of rural timber
			Supply of sand
			Supply of stone boulders and chips
			Supply of firewood and briquettes
		NRDCL AFD Services	AFD services
2	NHDCL	Approval, allotment of houses	Approval, allotment of houses
		Maintenance of houses	Maintenance of houses
		NHDCL AFD Services	AFD services
3	Druk Air Corporation	DAC	Ticketing services
		DAC AFD	DAC AFD
4	National Land Commission	Cadastral surveying services	Cadastral surveying services
		Land Registration Division	land registration division
		NLC AFD	NLC AFD services
5	Bhutan Power Corporation Limited	Local Urgent Mail services	Local Urgent mail services
		EMS	EMS
		BPCL AFD	BPCL AFD
6	NPPF	NPPF	Approval and allotment of houses
			Approval and disbursement of loan
			Approval and settlement of pension
		AFD Services	AFD Services
7	Drug Regulatory Authority	DRA	Registration and renewal of medicinal products
			Registration and renewal of competent persons to set up pharmacies
			Authorization to import medicinal products for sale and distribution in Bhutan
		DRA AFD	AFD
8	National Environment Commission	Environment Service Division	Environment service division
		Compliances and Monitoring Division	Compliances and monitoring division
		NEC AFD	AFD service
9	Bhutan National Bank Limited	Banking and Credit Division	Personal banking services
			Approval and disbursement of loans
			Credit card services
		BNB AFD Services	AFD Services
10	BNCA	BNCA	BNCA
11	BICMA	Media Division	Media division services
12	Bank of Bhutan	Banking and Credit Division	Personal banking services
		Approval and disbursement of loans	Approval and disbursement of loans
13	BDBL	Banking services	Banking services
		Approval and disbursement of loans	Approval and disbursement of loans
		Credit card services	Credit card services

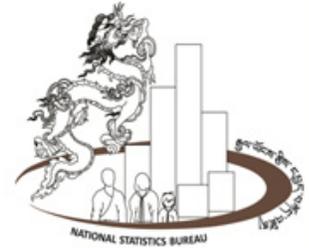
## Local Governments

Sl No.	Organization	Department	Services
1	Dzongkhag	Dzongkhag	Dzongkhag administration services
2	Gewog	Gewog	Gewog administration services
3	Thromde	Thromde	Thromde services



དཔལ་ལྷན་འབྲུག་གཞུང་།  
 རྒྱལ་ཡོངས་རྩིས་དཔྲད་བཀོད་འཛིན།

National Statistics Bureau  
 Royal Government of Bhutan



# National Integrity Survey 2012

## Questionnaire for External Clients

Dzongkhag:  —

Gewog/Town:  —

Public Sector Organisation:  —

Area of Public Sector:  —

Service User Serial Number:  —

Enumerator's Name:

Signature:  Date of Interview ( day/month)  
  /   / 2012

Supervisor's Name:

Signature:  Date of control by supervisor  
 (day/month)  
  /   / 2012





## Module E: Indirect Experience of Corruption

E1. How often have you seen or heard of anyone providing money, valuables, entertainment or conveniences and other gratifications (doing personal work for supervisors and offering sexual favors etc.) to public officials (employees) involved in processing afore-mentioned service in the past 12 months? [Tick (√) one]

1. Very often  2. Often  3. Rarely  4. Never  5. Don't know/ No response

## Module F: Direct Experience of Corruption

F1. Have you provided money, valuables, entertainment, conveniences and other gratifications (doing personal work for supervisors and offering sexual favors etc.) to a public official (employee) in the past 12 months?.

Yes  2. No

If No, skip to question F5

	0-5 times	6-10 times	11-15 times	Over 15 times	Don't Know/ No response
F1.1 (If you have provided money or other valuables) Then, how many times in total did you provide money or other valuables in the past 12 months?	<input type="radio"/>				
F 1.2 (If you have provided entertainment such as dine-out with food and/or drinks) How many times in total did you provide entertainment costing over Nu.1,000 per person in the past 12 months?	<input type="radio"/>				
F 1.3 (If you have provided conveniences and other gratifications such as accommodation, transportation, sexual favors, and support for events such as sponsoring archery match, etc.) How many times in total did you provide conveniences in the past 12 months?	<input type="radio"/>				

Under 10,000  
 Nu.10,000- Nu. 50000  
 Nu.50,000- Nu. 100,000  
 Nu.100,000- Nu. 500,000  
 Nu.500,000- Nu. 1,000,000

F1.4 (If you have provided money or other valuables) Then, what is the total amount of the money and valuables you provided in the past 12 months?

<input type="radio"/>				
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F1.5 (If you have provided entertainment) How much in total did you spend in providing entertainment in the past 12 months?

<input type="radio"/>				
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F2. (If you have provided conveniences and other gratifications) What kind of conveniences did you mainly provide?

a. Accommodation (e.g. apartment)

b. Transportation

c. Support for events like birthdays and archery match

d. Lending money for interest free

e. Event ticket

f. Overseas trip

g. Sexual favors

h. Other (please specify: .....)

i. Do not know / No response

F3 (If you have provided money, valuables, entertainment, conveniences and other gratifications) When did you provide? Please indicate all that apply.

- a. Before processing of the work
- b. During processing of the work
- c. After processing of the work
- d. Frequently
- e. On special occasions such as holidays or events held by the public organization
- f. During account settlement
- g. Other (please specify: .....)
- h. Do not know / No response

F 4 (If you have provided money, valuables, entertainment, conveniences and other gratifications) What was the reason for providing money, valuables, entertainment and/or conveniences? Please indicate all that apply.

- a. It was requested by the public official (employee) in charge
- b. To speed up the work process
- c. To alleviate or cancel the penalty
- d. As an appreciation for the service
- e. As a customary practice or courtesy
- f. Other (please specify: ..... )
- g. Do not know / No response

If there is anything that needs to be improved to prevent corruption in relation to the service, please specify.

#### Module G: Corruption Perception in General (not related to service availed)

Do you know what corruption is?

1. Yes  2. No  **If No, End Interview**

What do you think about the trend of corruption in the country?

1. It has increased over the past 5 years
2. It has decreased over the past 5 years
3. It has remained as it was in the past 5 years

What do you think about the Anti-Corruption Commission's effort to combating Corruption?

1. ACC is doing very well to combat corruption in the country
2. ACC is doing fairly well to combat corruption in the country
3. ACC is not doing well to combat corruption in the country

THANK YOU VERY MUCH FOR YOUR TIME



**No two ways about it !**

# Integrity

*is clean, strong and straight !*

*“Integrity is doing the right thing even when no one is watching”*



**It is a road to disgrace for you, your loved ones and your society without integrity !**

*“Natural responsibility means upholding values such as integrity, justice and compassion and above all living by that unwritten but absolute code of right over wrong, no matter what it is we are trying to achieve as individuals or as a nation. After all, while the objectives are important, the manner in which we achieve these objectives is a far more important indicator of our strength as a nation. We must achieve everything as a united harmonious family. I truly believe that it would be a great service to the nation if, as individuals, we always treat each other with respect and dignity.”*

*His Majesty the King of Bhutan*



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To lodge a complaint (corruption related), please call Tel (+975)-2-322987