

FREQUENTLY ASKED QUESTIONS

1. What is the OECD?

The OECD is a global economic policy forum. It analyses data and trends, provides advice to its 34 member governments and partner countries worldwide, and drives better policies for better lives.

Please visit <http://www.oecd.org/about/>.

For information on the history of the OECD, please visit <http://www.oecd.org/about/history/>.

2. How is the OECD funded?

The OECD is funded by its member countries. Contributions are based on the size of each country's economy. Countries may also make voluntary contributions to support specific outputs in the OECD work programme.

For information on how the OECD is funded, please visit <http://www.oecd.org/about/budget/>.

3. How does the OECD execute its work on public governance?

The OECD's work on public governance is led by the Public Governance Committee (PGC). The PGC helps countries strengthen their capacity to govern by improving policy-making systems and the performance of public institutions. Through meetings of member country officials and experts, as well as through exchanges of information, expertise, data and analysis, the PGC examines what governments do and how they seek to improve public policy effectiveness, efficiency, responsiveness to citizens, and quality of services. By providing information, oversight and direction to the OECD Secretariat's work, the PGC gives strategic direction to the OECD's overall work on public governance in the context of the OECD's broader mission: promoting Better Policies for Better Lives.

The PGC is assisted by the OECD Secretariat's Directorate for Public Governance and Territorial Development (GOV), whose experts prepare the documents and studies to be reviewed by the committee. GOV's mission is to help governments at all levels design and implement strategic, evidence-based, and innovative policies to strengthen public governance, respond effectively to diverse and disruptive economic, social, and environmental challenges, and deliver on governments' commitments to citizens.

In its work on public governance, the OECD focuses on elements such as the following:

- **Accountability:** it refers to the possibility and willingness of governments to show the extent to which its actions and decisions are consistent with clearly-defined and agreed-upon objectives.
- **Transparency:** government actions, decisions and decision-making processes are open to an appropriate level of scrutiny by other parts of government, civil society and, in some instances, outside institutions.
- **Integrity:** in the public sector this refers to the proper use of funds, resources, assets, and powers for the official purposes for which they are intended to be used.
- **Efficiency and effectiveness:** it is the government's capacity to produce quality public outputs, including services delivered to citizens, at the best cost, and ensures that outputs meet the original intentions of policy makers.

- Responsiveness: the government has the capacity and flexibility to respond rapidly to societal changes, takes into account the expectations of civil society in identifying the general public interest and is willing to critically re-examine its role.
- Forward-looking vision: the government is able to anticipate future problems and issues based on current data and trends and to develop policies that take into account future costs and anticipated changes (e.g. demographic, economic, environmental).
- Rule of law: the government enforces equally transparent laws, regulations and codes.

In addition to these elements, good public governance must consider strategic agility, which is the government's ability to anticipate and flexibly respond to increasingly complex policy challenges. It requires frameworks to enable fast and high-quality decisions, and to ensure their effective implementation in order to generate public value. Finally, good governance involves an efficient public service, an independent judicial system, accountable administration of public funds, and a pluralistic institutional structure.

For these purposes, the PGC is supported by different working groups, such as the Working Party of Senior Public Integrity Officials (SPIO). The SPIO promotes the design and implementation of integrity and anti-corruption policies that support good public governance and aims at strengthening core values, the credibility and capacity of the institutions involved in policy making and the underlying conditions shaping the policy making process. The SPIO pays specific attention to emerging issues related to risk areas at the interface between the public and private sectors, including conflict of interest, lobbying, and the role of money and influence in decision making, but also integrity and accountability mechanisms, including internal and external control.

For more information on public governance at the OECD, please visit <http://www.oecd.org/governance/>.

For more information on the PGC and its mandate, please visit: <http://www.oecd.org/gov/Handbook.pdf>.

For more information on the SPIO and its activities, please visit: <http://www.oecd.org/corruption/ethics/>.

For additional information on GOV's activities, please visit: <http://www.oecd.org/governance/>.

4. What does the “peer review” methodology consist of?

Peer review describes a method used by the OECD consisting of the examination of each country's policies and practices with the support of experts (*peers*) from other countries. This methodology allows these peers to identify common challenges and determine how different solutions can be adapted to country-specific contexts. It is an effective tool for policy improvement thanks to:

- dissemination of expertise and relevant peer lessons;
- a standardised methodology and criteria to assess performance for all countries;
- a systematic and recurring monitoring mechanism; and
- mutual peer learning and capacity building.

For further information on the OECD peer review methodology please visit <http://www.oecd.org/site/peerreview/>

5. What has the OECD contributed to integrity reforms globally?

The OECD has supported governments in reforming their integrity policies to ensure long-term sustainable and inclusive growth and trust in government by addressing the following areas:

- *Conflict of interest*: The OECD helps countries modernise their approach for managing conflicts of interest by mapping “at risk” areas and positions within the public service. It has identified a set of core principles and standards for the design and implementation of conflict-of-interest policies. In addition, the OECD has developed the *Guidelines for Managing Conflict of Interest in the Public Service*. It supports and measures progress in the implementation of the Guidelines through a toolkit to provide generic examples and practical ideas and instruments for policy-makers and managers. It also conducts analysis of the application of conflict-of-interest policies.
- *Lobbying*: In view of the risks of lobbying and the impressive mobilisation of private resources, public pressure is rising worldwide to put lobbying regulations on the political agenda. The experiences reviewed by the OECD show that regulating lobbying has proven difficult for decision makers due to its complexity and sensitive nature with many OECD countries relying on self-regulation of lobbyists. To help address these concerns, OECD member countries adopted in 2010 a *Recommendation on Principles for Transparency and Integrity in Lobbying* as guidance to decision-makers on how to promote good governance in lobbying. In addition, based on the key provisions of the Recommendation, the *OECD CleanGovBiz Toolkit on Lobbying*¹ offers practical guidance on how to implement the principles. The OECD publication *Lobbyists, Government and Public Trust: Volume 3 Implementing the OECD Principles for Transparency and Integrity in Lobbying*, takes stock of progress made by countries in implementing the OECD Principles and contributes to the OECD Trust Strategy; aimed at helping governments regain public confidence not only in regards to lobbying, but also in managing conflict of interest and campaign financing.
- *Financing democracy*: In its forthcoming publication *Financing Democracy: Framework for Supporting Better Public Policies and Averting Policy Capture*, the OECD presents a Financing Democracy Framework. This framework aims at mapping a wide range of risk areas and providing policy tools to adequately regulate the financing of political parties and electoral campaigns in order to strengthen the integrity and credibility of the government decision-making process. The publication contributes to the OECD’s horizontal efforts to restore commitment to the OECD Trust Strategy, with an aim to ensure trust in government and support inclusive growth. Furthermore, the framework advances transparency and promotes a level playing field on public funding to parties and candidates, private funding, spending limits, disclosure and scrutiny on funding, and compliance through independent and efficient oversight, sanctions, and monitoring. The framework also focuses on the need to foster a wider culture of integrity in the

¹ The CleanGovBiz Initiative supports governments to reinforce their fight against corruption and engage with civil society and the private sector to promote real change towards integrity.

public and private sectors, with codes of conduct, conflicts of interest rules, and a framework for lobbying and asset disclosure, among others.

- *Whistleblower protection*: Whistleblower protection is essential to safeguarding the public interest and to promoting a culture of public accountability and integrity. The OECD has collected and analysed information on approaches to and trends in whistleblower protection in OECD countries and developed a "toolkit" for policy makers. The forthcoming OECD report *Revisiting Whistleblower Protection in OECD Countries: From Commitments to Effective Protection* focuses on the main features of whistleblower protection laws and systems, within the public and private sectors, and provides examples of approaches and trends across OECD countries. At the Seoul Summit in November 2010, G20 Leaders identified the protection of whistleblowers as one of the high priority areas in their global anticorruption agenda. Following the request by members, the OECD prepared a study of the main features of whistleblower protection frameworks in place in G20 countries, together with guiding principles and best practices. Furthermore, based on the *G20 Guiding Principles for Legislation on the Protection of Whistleblowers*, the *OECD CleanGovBiz Toolkit on Whistleblower Protection* offers practical guidance through a priority checklist with seven questions addressed to policy makers who are interested in encouraging and protecting whistleblowers.
- *Public procurement*: The OECD Council adopted a new Recommendation on Public Procurement on 18 February 2015. This new Recommendation covers the entire public procurement process and underscores the recognition that public procurement is a crucial pillar of strategic governance, building on central principles such as transparency, good management, prevention of misconduct, compliance and monitoring, and accountability. By adding more detailed recommendations on how to implement a public procurement system that employs state-of-the-art tools and techniques to apply public funds sustainably and efficiently, the new Recommendation provides robust guidance for countries to undertake reforms and improve public procurement systems.

For more information, please visit <http://www.oecd.org/corruption/ethics/>.

6. How was the project with the Ministry of Public Administration (SFP) agreed?

The OECD may work bilaterally with countries on specific policy issues, upon request by countries themselves. In this case, Mexico's Ministry of Public Administration requested an OECD Integrity Review, focusing on anti-corruption and prevention of conflicts of interest, as well as on integrity in public service. For this purpose, the OECD and SFP established an agreement, which is financed by a contribution by the SFP.

7. What is the nature of the financial contribution made by Mexico to the OECD in the context of the project with SFP?

The contribution of the Government of Mexico to the OECD in the context of this specific project will fund operational expenses required to run the activities envisaged in the agreement between the SFP and the OECD. These expenses include staff time, travel costs for OECD staff, peers, and experts participating in meetings and seminars, costs incurred in translation of documents or simultaneous interpretation services, editorial work, and administrative expenses. The contribution covers these different items for the period through 30 June 2018. Mexico's

contribution covers only the OECD's costs incurred as a result of its work on this project. As it is not a consulting company, no profit margin is built into its budget for its activities.

8. What is the value-added of the OECD for the project with the SFP?

Mexico, through the SFP, will benefit from OECD's experience of working to improve the integrity policies of the governments of both OECD member and non-member economies. The knowledge and expertise created by our national reviews and the discussions held in the OECD Public Governance Committee, the Working Party of Senior Public Integrity Officials, and the Working Party of Leading Practitioners on Public Procurement are assets that no other organisation can provide. In addition, the support of peer practitioners to the review and capacity-building process provides a practical hands-on approach that is exclusive to the OECD.

In the recent past, the OECD has undertaken integrity reviews in Italy and Brazil. The Integrity Review of Italy, *Reinforcing public sector integrity: Restoring trust for sustainable growth*, provided guidance on the implementation of Law No. 190 of 6 November 2012 (also known as the Anti-corruption Law), particularly its key integrity and corruption prevention provisions pertaining to institutional co-ordination, the regulation of public servants' conduct and whistleblower protection, and the management of integrity risks in public sector activities.

Likewise, the Integrity Review of Brazil, *Managing risks for a cleaner public service*, examined the functioning of structures, practices, and procedures that have been established to enhance integrity and prevent corruption and identified areas where future attention could focus drawing upon recent experiences and good practice from OECD member countries.

9. What role will the OECD play in the project with SFP?

OECD's role is to provide knowledge to decision-makers and to transfer good practices in the design and implementation of integrity policies, particularly concerning ethics codes, transparency, accountability, conflict of interest, disclosure, and public procurement. For that purpose, we will rely on the expertise developed by our member countries. It will be the responsibility of Mexico's government to review and evaluate which OECD recommendations to adopt. The role of the OECD is focused on providing evidence-based experience to help national authorities make the best decisions themselves and, since it does not have the legal authority to do it, it will not review specific cases of alleged integrity breaches. It is up to Mexico to determine how best to implement OECD advice.

The OECD will prepare an Integrity Review following best international practices and suggest successful experiences of other OECD member countries, as a framework for the design of public policies aimed at advancing integrity, focusing on the following areas:

- 1) Institutional arrangements: organisations and coordination;
- 2) Values, standards, and codes of conduct;
- 3) Conflict of interests;
- 4) Whistleblower protection;
- 5) Internal control and audit.

To this end, the OECD will propose recommendations and will provide technical assistance, for example regarding the following:

- Identifying potential conflicts of interest;

- Training and specialisation aimed at curbing corruption and managing conflicts of interest for officials of the units responsible for determining the existence of conflict of interests, taking preventive measures and, where appropriate, applying the corresponding sanctions;
- Functioning of committees of ethics within government;
- Creating integrity rules for the Federal Public Administration, which are aimed at preventing conflicts of interest and ensuring the proper use and destination of the resources allocated to public officials in the performance of their duties, particularly regarding areas related to procurement procedures via tenders or direct adjudications;
- Protocols for proper contact between individuals and public officials involved in the procedures mentioned above;
- Mechanisms to certify on anti-corruption public officials linked to the procedures mentioned above;
- Assessment and training aimed at curbing corruption in public procurement and at preventing conflicts of interest;
- Review SFP's internal control mechanisms to ensure the appropriate use of public resources and the safeguarding of integrity in the public sector through the analysis of institutional capacities, skills, and the design of innovative tools and modern methodologies to upgrade internal control based on the experience of other OECD member countries;
- Implementation of consultative fora on collaboration with stakeholders, business associations, and civil society in the field of anti-corruption;
- Evaluation of the institutional setting aimed at curbing corruption and proposals for the allocation of responsibilities of all the authorities concerned, including the challenges identified, as well as suggestions to streamline the institutional set up, in light of the National System for the Fight Against Corruption;
- Creation of suitable procedures for collaboration with the private sector regarding transparency and curbing corruption; y
- Technical support on alternatives for anti-corruption policies and analysis of the conditions required to be successful.

In addition, as part of its technical assistance, the OECD will provide SFP with proposals to strengthen the institutional integrity architecture and bolster its efforts in advancing efficiency. This will involve the collaboration of SFP, representatives of the private sector, and academics.

This process will also involve the evaluation of laws and regulations aimed at advancing integrity, including the management of conflicts of interest, as well as the analysis and review of the actions that are implemented by SFP. The goal is developing options and proposals that reduce or eliminate corruption and conflicts of interest, as well as producing assessments that reflect the attainment of satisfactory levels of integrity in the public service.

Eighteen (18) months after the completion of the review, the OECD will analyse progress made by the stakeholders to advance anti-corruption policies and prevent conflicts of interest.

10. How will the OECD reach out to different non-governmental stakeholders during the project with SFP?

As part of its fact-finding methodology, the OECD will connect and have interviews with different types of stakeholders, such as NGO's, business chambers, think-tanks, and universities, with the purpose of gathering different perspectives as to the challenges that may impede integrity in the public administration and the possible solutions. Issues to be discussed with these groups include integrity, procurement, conflict of interest, risk management, and the applicable regulatory frameworks.