



# Ethics and anti-corruption in Norwegian municipalities

## - framework, fact and KS advises

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9. February 2024

Iceland   
Liechtenstein  
Norway grants

KOMMUNSEKTORENS ORGANISASJON  
The Norwegian Association of Local and Regional Authorities



# Why are the municipalities exposed to corruption?



- A lot to gain!
- Public authority – can be influenced
- Has 50 bn Euro per year at its disposal
- Ca. 515 000 employees
- 11 000 elected representatives
- 2500 municipal companies – 14 bn Euro



## **Corruption a threat to:**

- The rule of law and equal treatment of citizens
- Impartiality and integrity
- The municipality's use of resources
- The municipality's reputation /trust

## **... leads to:**

- Financial loss
- Loss of trust of the citizens
- Individual consequences

# It`s also about good governance

## *What is ethics about?*

- Work with ethics to obtain a high **ethical standard**
- About municipalities **safeguarding** the community`s interests
- Ethics is about **trust** - high ethical standard leads to trust
- Trust - a prerequisite in a well functioning local **democracy**

## *Work with ethics – concrete purpose:*

- To be **aware and recognize** when you are facing a dilemma
- To be prepared and equipped **to clarify** what is the right thing to do
- Help make the **right decision** when facing a dilemma
- Build an **integrity system** to prevent, unveil and handle

# Frame and Facts



COUNCIL OF EUROPE



CONSEIL DE L'EUROPE



Illustration:  
The Effects of Good Government  
by A. Lorenzetti - Sala dei Nove  
Siena, Italy (1339)

# 12

## PRINCIPLES OF GOOD DEMOCRATIC GOVERNANCE

© Centre of Expertise 2018

1. Participation, Representation, Fair Conduct of Elections
2. Responsiveness
3. Efficiency and Effectiveness
4. Openness and Transparency
5. Rule of Law
6. Ethical Conduct
7. Competence and Capacity
8. Innovation and Openness to Change
9. Sustainability and Long-Term Orientation
10. Sound Financial Management
11. Human Rights, Cultural Diversity and Social Cohesion
12. Accountability

■ The 12 Principles of Good Democratic Governance encapsulate fundamental values defining a common vision of European democratic governance.

■ Enshrined in the Strategy for Innovation and Good Governance at Local Level, the 12 Principles assist public authorities in improving governance and enhancing service delivery to citizens.

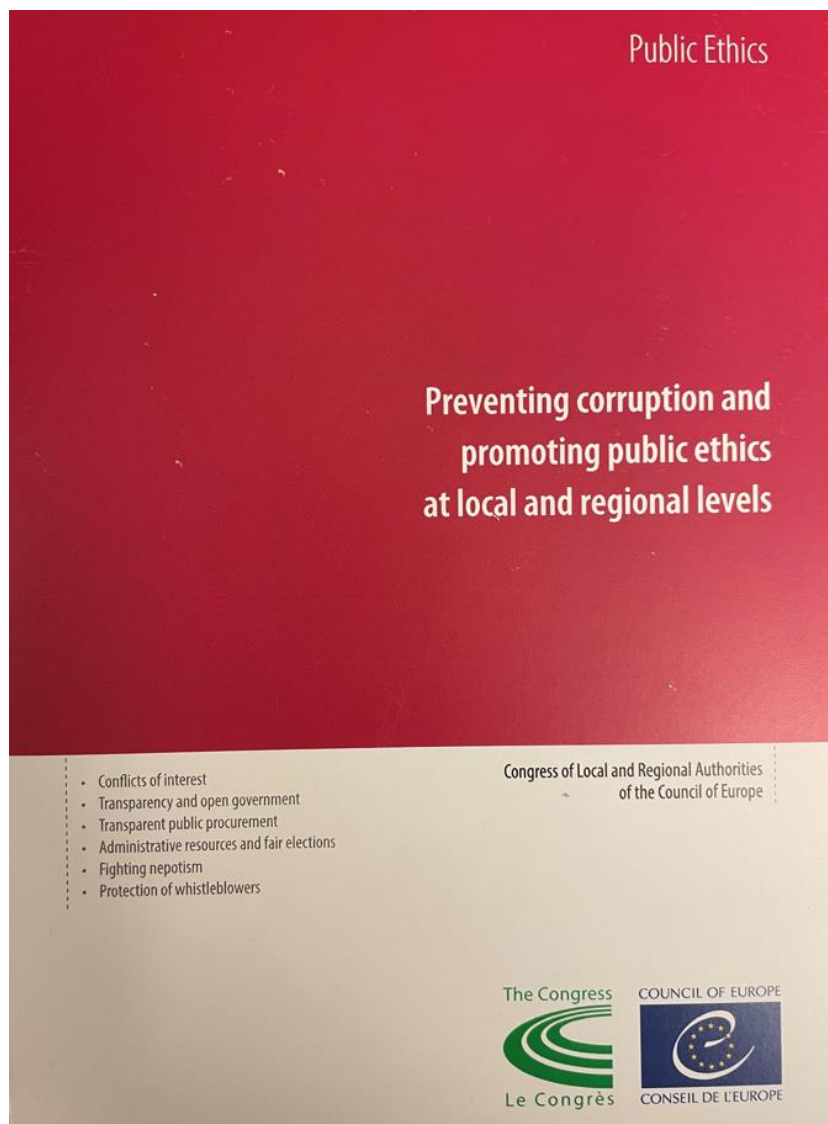
■ Toolkits, training materials and benchmarks, developed by the Centre of Expertise, are available to governments at local, regional and central level alike.



[www.coe.int/good-governance/](http://www.coe.int/good-governance/)



# Ethic and ethical standard – general and consisting of



- Conflicts of interest
- Transparency and open government
- Transparent public procurement
- Administrative resources and fair elections
- Fighting nepotism
- Protection of whistleblowers

Adoption: 2 December 2022  
Publication: 13 January 2023

Public  
GrecoRC5(2022)2

## FIFTH EVALUATION ROUND

Preventing corruption and promoting integrity in  
central governments (top executive functions) and  
law enforcement agencies

### COMPLIANCE REPORT

# NORWAY

Pieņemts: 2022. gada 2. decembris  
Publicēts: 2023. gada 17. janvāris

Publisks  
GrecoRC5(2022)6

## PIEKTĀ NOVĒRTĒŠANAS KĀRTA

Korupcijas novēršana un godprātības veicināšana  
centrālās valdības (augstākās izpildvaras funkcijas) un  
tiesībsargsardzības iestādēs

### OTRAIS ATBILSTĪBAS ZIŅOJUMS

# LATVIJA

# Newsroom

## Latvia - Publication of 5th Round Second Compliance Report

STRASBOURG | 17/01/2023



<https://www.coe.int/en/web/greco/-/latvia-publication-of-5th-round-second-compliance-report>



# Legal framework - Norwegian law

Number of measures that hinder corrupt actions.

*§ Local Government Act § General Civil Penal Code §  
Representation of the People Act - The Election Act  
Public Administration Act § Freedom of Information  
Act § Act on Public Procurement § Accounting Act §  
Working Environment Act § Competition Act etc.*

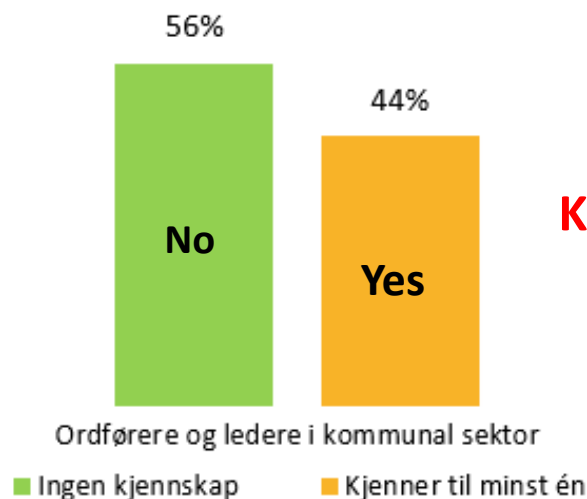
- Nevertheless... corruption can develop*
- Compliance with the law?*
- Continual attention to the theme is necessary*



# Corruption seen from within and the outside

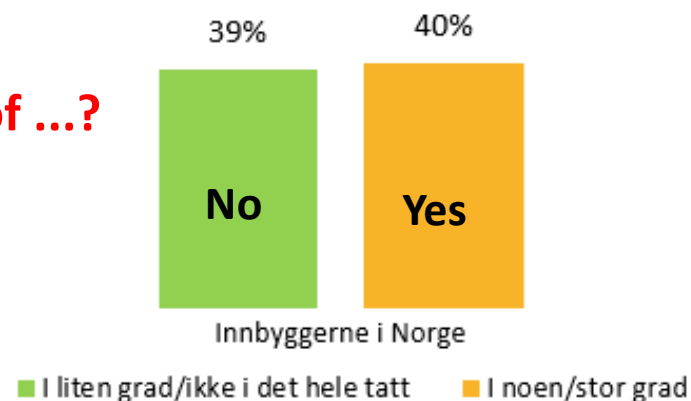
## From within – elected politicians local level

Er du kjent med at noen i kommunen/ det kommunale selskapet har opplevd situasjoner med forventning om uetisk atferd eller tilbud om utilbørlig fordel?



## From the outside - citizens

I hvilken grad tror du ulike former for korrupsjon skjer i kommunen din?



Kilde: Ipsos (2022) Undersøkelse på oppdrag for KS: Uetisk atferd og korrupsjon i kommunesektoren, DFØ 2021, Innbyggerundersøkelsen

# Great pressure on municipal leaders in Norway!

## Local councillors and managers

- 90 % believe corruption is a minor or very minor problem in their own municipality
- More than 4 out of 10 know that **someone** in the municipality has been offered improper benefits in the form of bribes, 'greasing the wheels', circumvention of rules or favourism in various situations.
- More than 4 out of 10 respond that they have **experienced** situations with pressure or expectations to engage in unethical behavior or corruption
- Corruption in the form of **bribes** is **not** particularly widespread.

# Risk

## In which sector

... are inquiries about undue advantage most common?

- The majority - 32% - believe that area, planning and building matters are most at risk
- 15% answer property
- 5% believe that no particular sector stands out
- Middle managers (33%) top managers (16%) none most exposed (20%)

## From whom

...do inquiries about undue advantage most often come?

- From landowners and private individuals 26%
- No particular players 23%
- From associations in the local community 21%
- Friend, family, private contact 14%
- Don't know 12%



## What`s in place and what`s not? Status in municipalities` effort - main findings

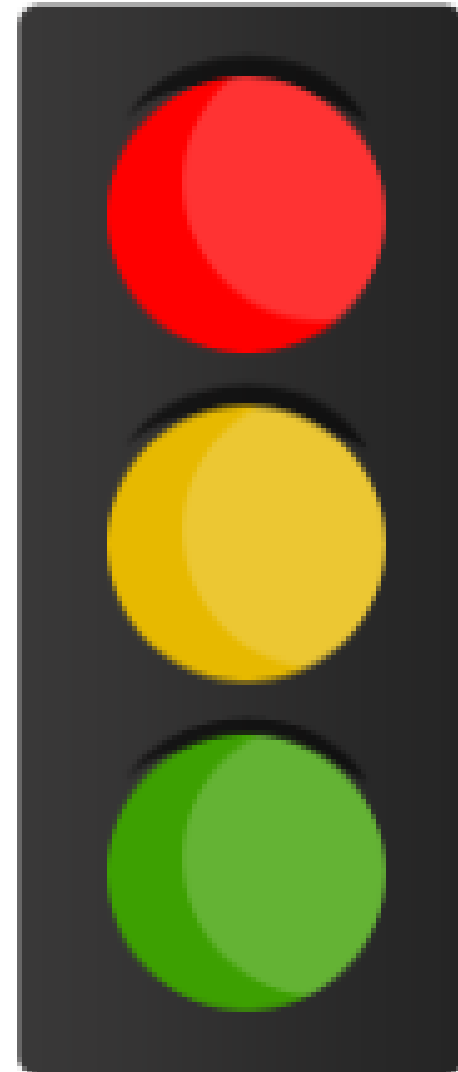
5 % do not have routines about **whistle blowing**

33 % have missings in their **ethical guidelines**

40 % do not implement **risk analysis** about the risk of unethical behavior and corruption

General several areas with **potential for improvement**

**Larger municipalities** have more in place than smaller



# Vulnerabilities in everyday life

- “It doesn’t affect us”
- Unaware of conflict of interest
- Gifts and other offers
- Different rules apply for politicians
- Do nothing with warnings of something suspicious
- Private use of municipal equipment
- Employees with multiple roles – board members or having private companies
- Violation of procurement regulations
- Consultants working on municipal projects
- Lack of knowledge among the suppliers the municipality uses
- Projects that external actors conduct for the municipality
- Procurement – without tenders, desire for “local” suppliers, use of subcontractors





KS advises



# Anti-corruption work – both *structure* and *culture*

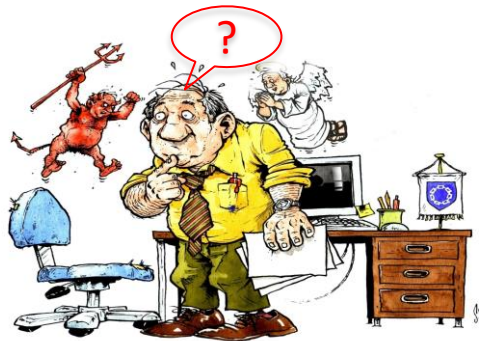
## Structure:

- Laws, rules and routines for prevention, oversight and enforcement
- The law as a barrier to fraud and corruption.



## Culture:

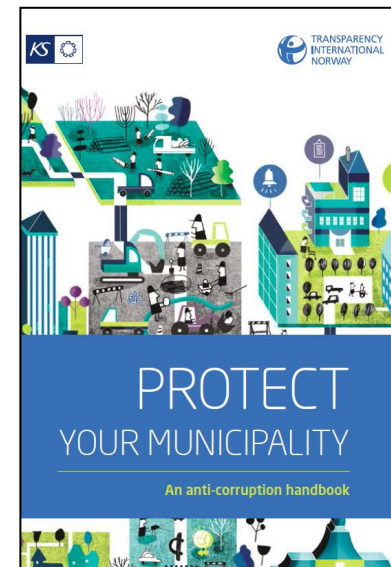
- How to develop a practice in our municipality that ensures that we don't go wrong? For example, knowledge and practice of the law
- How can employees react and do the right thing when they end up in situations where the ethical boundaries are unclear?



**Ethics work: help to clarify what is right and wrong in certain situations**

# KS role – to support local authorities

- [Website www.etikkportalen.no](http://www.etikkportalen.no)
- **Committee on Ethics in the Municipal Sector**
- **Guidelines and self-assessment tool**
- **Protect your municipality - Handbook**
- Guide on Whistleblowing
- **Collection of Dilemmas**
- Register of Board Positions
- Recommendations on municipal ownership
- Ethics conferences
- Councillors training programme - elected representatives
- KS Lawyer
- Network for chief executives
- Facts and know-how
- Collaboration between KS and Transparency International



# Committee on ethics – some recommendations

Ethics continuously be on the agenda - dilemmas and solutions needs to be discussed

Guidelines and regulations alone are no guarantee for high ethical standard

Outsiders and other elected officials should know if elected officials have interests that could cause a conflict of interest

Contributions like trips or events should be avoided if the goal is perceived to be building relations

Transparency about gifts, roles and ownership interests

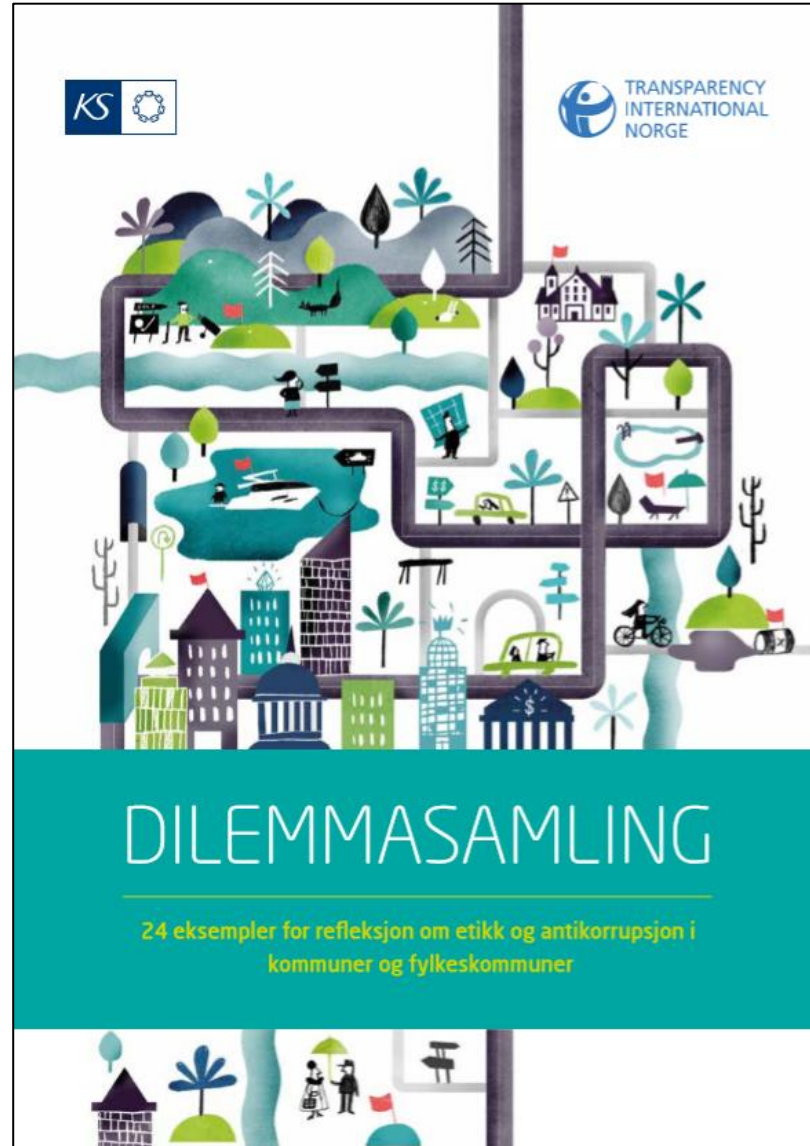
Elected representatives should not sit on the boards of municipally owned enterprises and companies

Challenges around lobbying and influencing





# Collection of dilemmas



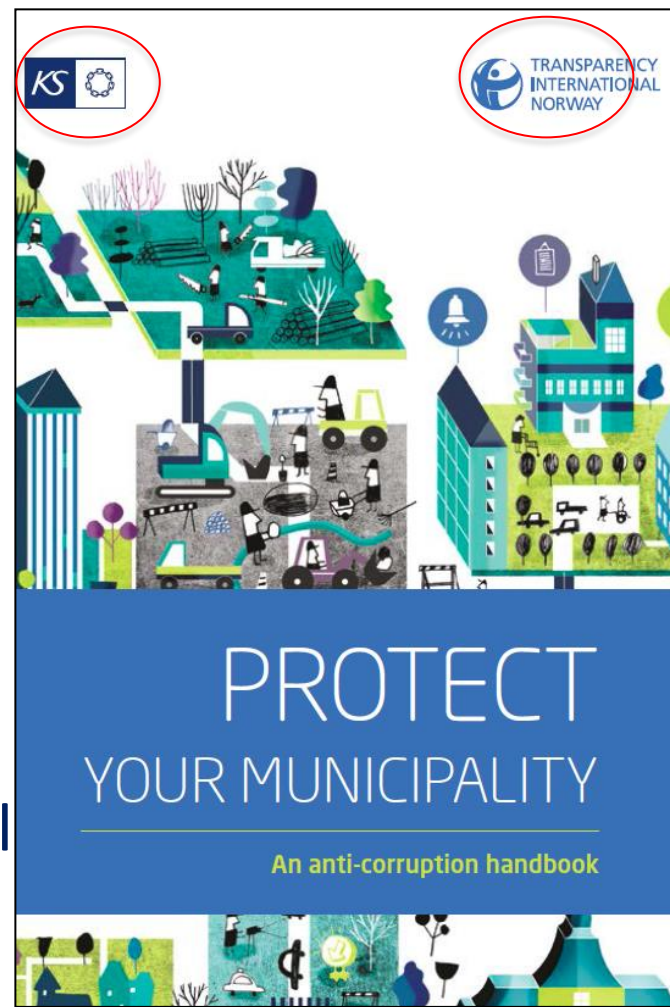
# Protect your municipality! Handbook in anti-corruption

## *A manual*

- 1) How to prevent?
- 2) How to uncover?
- 3) How to deal with?

## *Anti-corruption programme*

- 1) Values, attitudes and culture
- 2) Ethical guidelines
- 3) Risk analyses
- 4) A good system of oversight and control
- 5) Strategy for procurement
- 6) Channel for whistleblowing





# Guidelines and self-assessment tool

1. Experiences/survey

2. Current status/survey

3. Guidelines and self-assessment tool

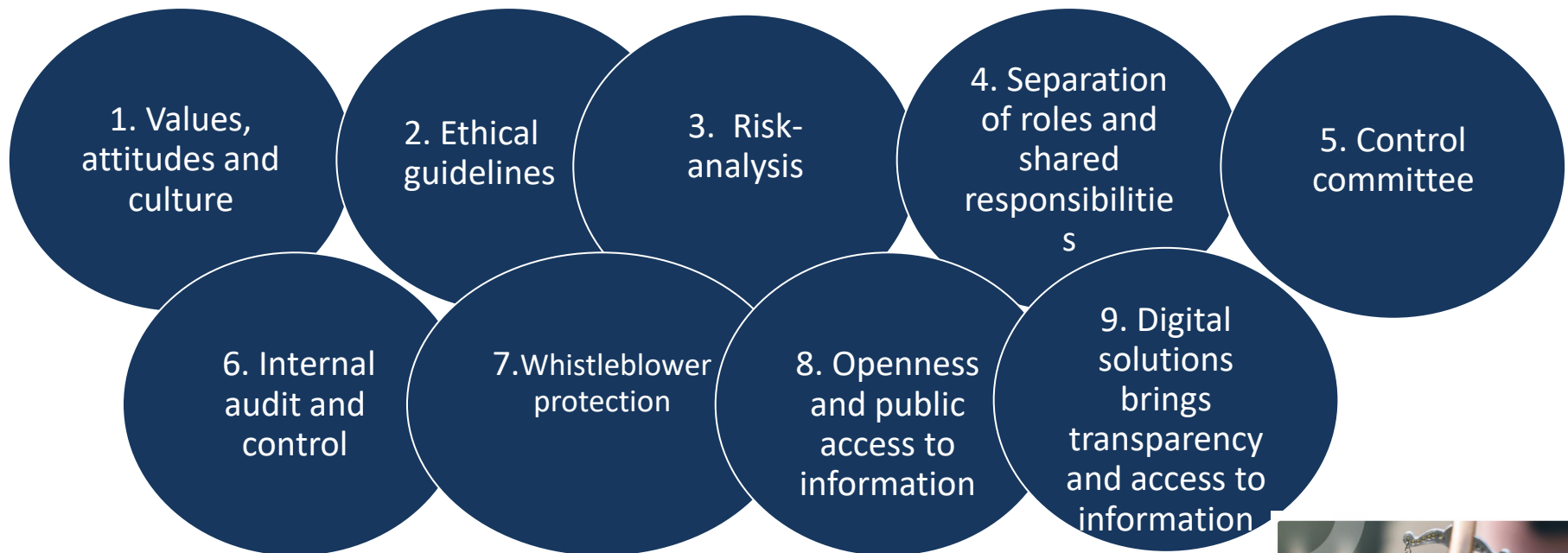


Råd for etikkarbeid i kommuner

*Del av Oslo Economics rapport 2017-61*

# Guidelines for working with ethical conduct

9 topics/spheres – 2 to 5 advices for each



## An example

### 3. Risk-analysis

#### Advices:

- Regularly map what processes are at most risk for corruption
- Give priority to areas known to be risk areas – like procurement, spacial planning, building application and public enterprises
- Carry out measures for risk reduction when risk is revealed

#### Further explanation:

- Why risk-analysis is an important topic & what lies behind the 3 advices
- examples:
  - guide from Transparency International
  - Risk analysis in X municipality
  - Recommendations from KS corporate governance

# Self assessment tool



## EGENEVALUERING AV ETIKKARBEID I KOMMUNER

More  
Yes/no details

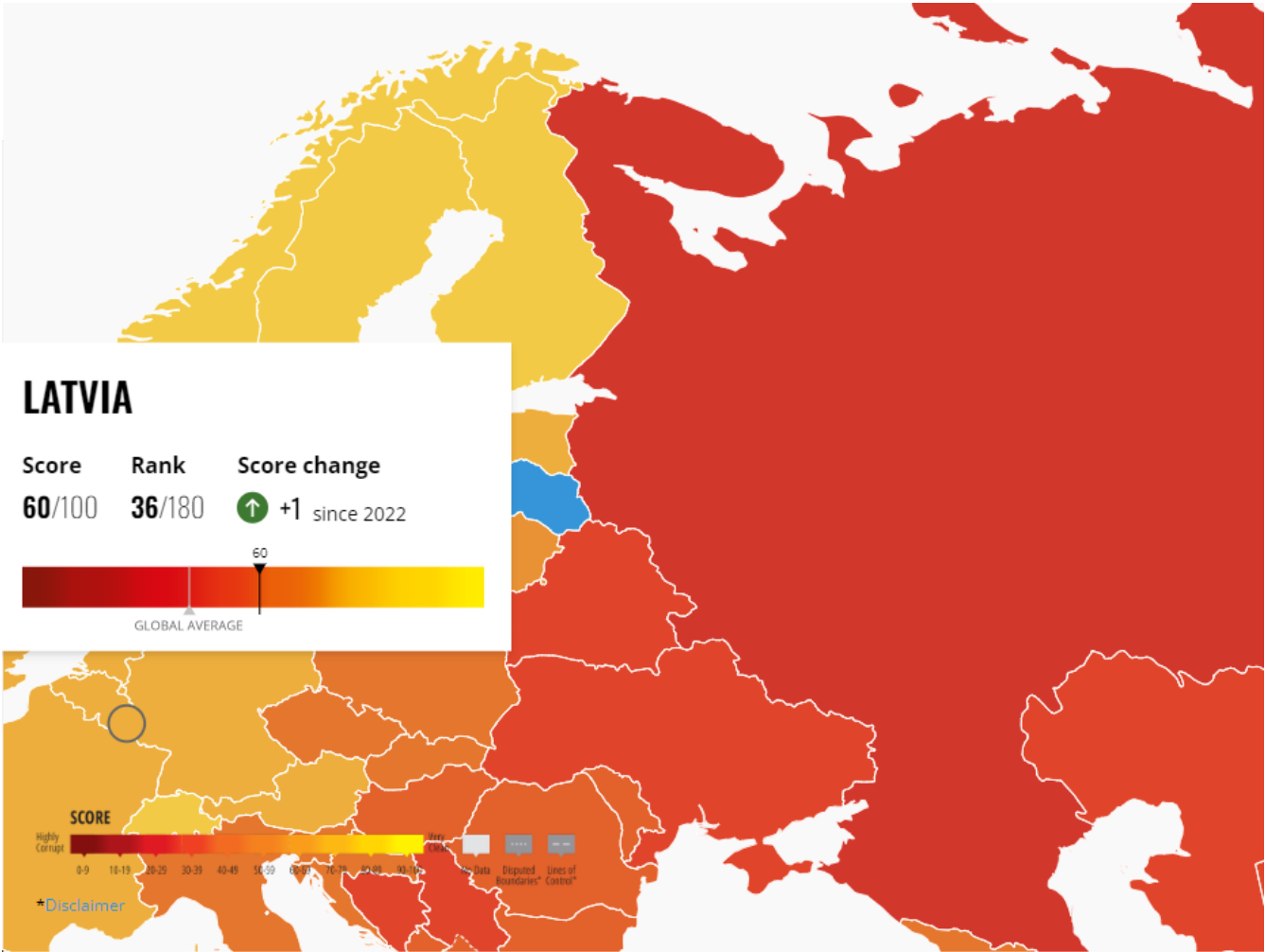
Spørsmål til kommunens etikkarbeid	Følger din kommune rådet?	Forklaring av rådene
<b>1. Verdier, holdninger og kultur</b>		
Har kommunen verdier som tydeliggjør rollen medarbeidere og folkevalgte har overfor samfunnet og brukere av kommunale tjenester?		Venstre klikk
Har kommunen offentliggjort sine verdier?		
Har kommunen iverksatt tiltak slik at medarbeidere og folkevalgte får en god forståelse for verdienes praktiske betydning og tar ansvar for at de etterleves, for eksempel gjennom dilemmatrening og medarbeidersamtaler?		
<b>2. Etiske retningslinjer</b>		
Har kommunen vedtatt og offentliggjort etiske retningslinjer for medarbeidere og folkevalgte?		Venstre klikk
Beskriver de etiske retningslinjene hvordan medarbeidere og folkevalgte skal håndtere interessekonflikter, herunder habilitetsspørsmål, bierverv og gaver/fordeler?		
Beskriver de etiske retningslinjene reaksjoner ved brudd på retningslinjene?		
Undersøker kommunen jevnlig om medarbeidere og folkevalgte kjenner og etterlever de etiske retningslinjene, og om det blir reagert ved brudd på retningslinjene?		
Må nye medarbeidere underskrive på at de vil følge de etiske retningslinjene, som en del av arbeidskontrakten?		
<b>3. Risikoanalyser for å avdekke sårbare områder og prosesser</b>		
Kartlegger kommunen jevnlig hvilke prosesser som er mest utsatt for risiko for uetisk atferd og korrupsjon?		Venstre klikk
Prioriterer kommunen kartlegging av risiko for uetisk atferd og korrupsjon i kjente risikoområder som anskaffelser, plan- og byggesaksbehandling og eierstyring av kommunale selskap?		
Iverksetter kommunen risikoreduserende tiltak når det avdekkes risiko for uetisk atferd og korrupsjon?		
<b>4. Klar rolle- og ansvarsfordeling</b>		
Arbeider administrativ og politisk ledelse aktivt for å opprettholde en klar rolle- og ansvarsfordeling mellom folkevalgte og administrasjonen?	nei	Venstre klikk
Arbeider kommunen aktivt for å opprettholde en klar rolle- og ansvarsfordeling mellom ulike avdelinger og medarbeidere innad i administrasjonen?	nei	
Gjør administrasjonssjef og ordfører gjør jevnlig rede for hvordan ulike deler av administrativ og politisk ledelse opprettholder en klar rolle- og ansvarsfordeling i praksis?	nei	
<b>5. Kommunenes kontrollutvalg</b>		
Har kontrollutvalget fokus på å avdekke uetisk atferd og korrupsjon?	ja	Venstre
Får kontrollutvalget gjennomført kontroller på grunnlag av risikoanalyser og mistanke om uetisk atferd?	ja	

# Test: How are ethics in your municipality?

1. Are ethical **guidelines** in place?
2. Is ethics a topic in leader **training**?
3. Is ethics **a frequent theme** in department meetings/leadership meetings?
4. Do new employees get **training in ethics**?
5. Are there established meeting places for reflection on ethical challenges/**dilemmas**?
6. Has the **elected council** discussed ethics at least once in this period?
7. Is ethic work **reported** to the council regularly?
8. Are there routines for **whistleblowing** and the reporting of incidents?
9. Does the municipality always use **tenders** when the procurement rules require them?



# Transparency International – Corruption perception index 2023



WESTERN EUROPE / EUROPEAN UNION

## LATVIA

Score  
60/100 [What does the CPI score mean?](#)

Rank  
36/180

Score change  
↑ +1 since 2022

Score changes 2012 - 2023



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