



STATE AUDIT
OFFICE OF HUNGARY

Results and conclusions of Integrity Surveys

János Szatmári, project manager
State Audit Office of Hungary
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Main topics

- Development of the participation in the survey (2011-2015)
- Calculating risk indexes for each institutions
- Development of the national average of the three indexes (2013-2015)
- Special focuses of the analyses of the 2015 survey results
- Main conclusions of the analyses

Development of the participation in the survey



Respondent institutions employ more than 50 per cent of the Hungarian public sector

In the course of the five yearly Integrity Surveys (2011-2015):

- 4486 institutions have completed the questionnaire on at least one occasion;
- altogether 7.702 completed questionnaire have been handled by SAO



Risk indexes for institutions

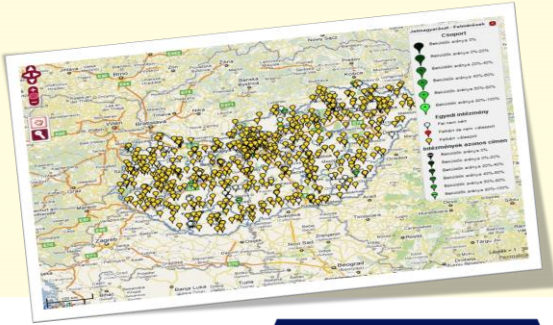
For public sector institutions participating in the survey

- Risk indexes are calculated for each participant ("mirror image")
- Measure and compare
- Providing basis for improvement
- Dissemination of integrity approach



CORRUPTION RISK MAP

Visualisation of the results on digital map: (search & compare)



INTEGRITY PORTAL



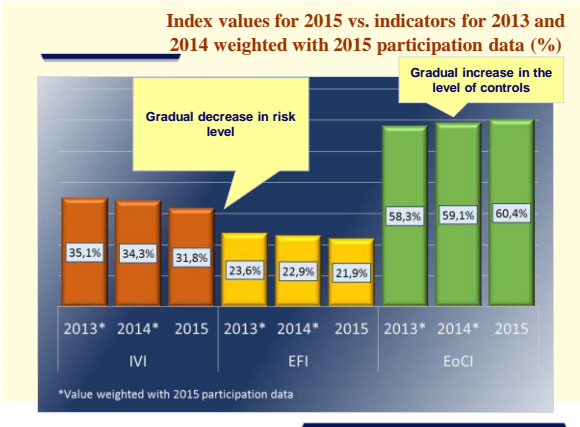
Analyzing survey results

Risk indexes are also calculated

- for the total number of respondents (overall indexes)
- for groups of institutions

Analyses

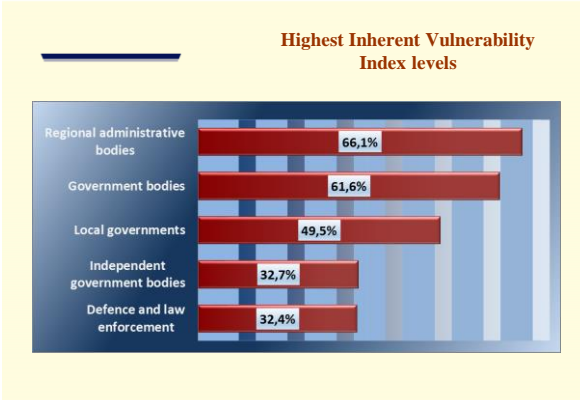
- Survey results provide plentiful opportunities for analyzing corruption risks and integrity controls at the public sector institutions
- The answers to each question of the questionnaire can be analyzed
- Tracking changes



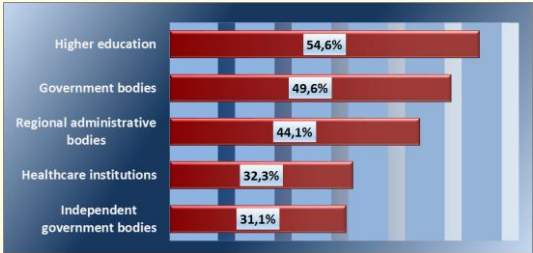
Change of overall indexes 2013 and 2015 (%)

Name of index	2013*	2015	Change (percent point)
IVI	35,1%	31,8%	-3,3
EFI	23,6%	21,9%	-1,7
EoCI	58,3%	60,4%	+2,1

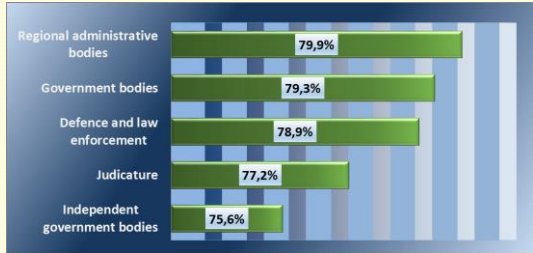
*Index values weighted with 2015 participation data



Highest Enhanced Factors Index levels



Highest Existence of Controls Index levels



Analyses of 2015 Survey data

Annual evaluation report summarising the results of the Integrity Survey

Special focuses of the 2015 evaluation report:

- Application of special anti-corruption systems and procedures and „soft” integrity controls
- Corruption risks and controls in public procurement

Special anti-corruption systems and procedures

Controls	Survey year	
	2014	2015
A whistleblowing management system is in place within the organisation	33.1%	38.0%
The organisation has a Code of Ethics	44.4%	49.2%
The "two-man rule" is applied	51.4%	55.6%
There is a system in place to manage external complaints	35.8%	38.6%
Data regarding the financial management of the organisation are publicly available	94.1%	94.7%
Anti-corruption training was held in the last three years	23.2%	24.9%
The organisation has workplace rotation	13.5%	14.8%
Corruption risk analysis is performed regularly	14.5%	13.9%

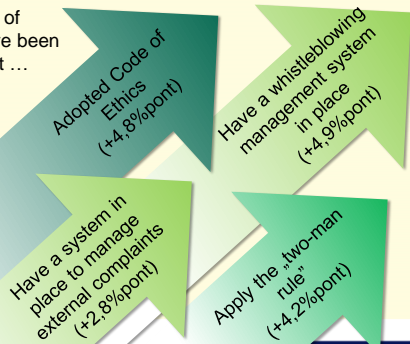
Legend:

Green: A positive change, indicating an increase in the ratio of institutions applying the given control.

Red: A negative change, indicating a decline in the ratio of institutions applying the given control.

Change in adopting special anti-corruption controls 2014-2015

The proportion of institutions have been increasing, that ...



"Soft" controls

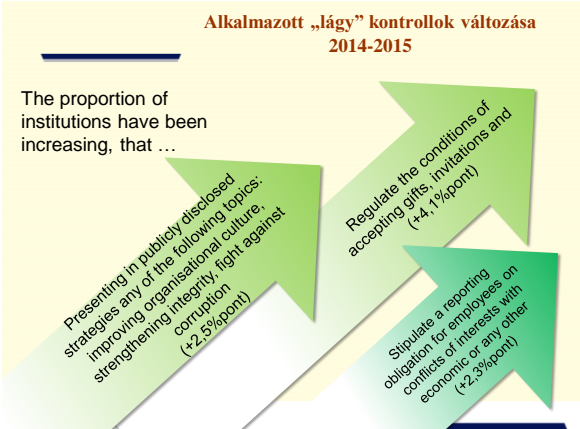
Controls	Survey year	
	2014	2015
Ratio of institutions regulating the conditions of accepting gifts, invitations and trips	27.6%	31.7%
Ratio of institutions presenting in publicly disclosed strategies any of the following topics: improving organisational culture, strengthening integrity, fight against corruption	57.7%	60.2%
Ratio of institutions stipulating a reporting obligation for employees on conflicts of interests with economic or any other relevance	58.4%	60.7%
Ratio of institutions operating an individual performance assessment system affecting income levels*	29.8%	28.8%

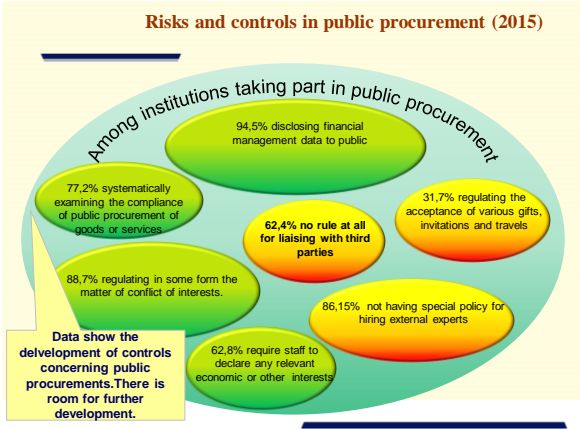
Legend:

Green: A positive change, indicating an increase in the ratio of institutions applying the given control.

Red: A negative change, indicating a decline in the ratio of institutions applying the given control.

*Data presented in the table include institutions responding with "yes", "mostly yes" and "barely" to the question of whether they operate individual performance assessment systems affecting income.







Linkages between the risk factors associated with public procurement

Risk factors	Cases in the last 3 years where the same bidder was awarded multiple public contracts					
	Survey year	2015		2014		
		Frequency (case)	more than 3	1-3	more than 3	1-3
Cases in the last 3 years where fewer than three bidders participated in the institution's public procurement procedure	2015	More than 3	10.1%	1.5%		
		1-3	5.4%	10.3%		
	2014	More than 3			8.9%	4.2%
		1-3			1.9%	10.0%

Increasing risks have been registered comparing to previous survey results

SUMMARY I.

- **The high(increasing) participation of public sector institutions in the Integrity Survey of SAO demonstrates the commitment of the Hungarian institutional system to the fight against corruption and to strengthening integrity**
- **According to the surveys corruption risk indicators show a decreasing trend overall, with a paralell increase in the level of controls. This indicates an improvement in the management of corruption risks among participating institutons.**

Summary II.

- The favorable shift in the control indicator reflects a gradual, simultaneous, moderate increase in the coverage of several controls.
- Significant improvement was achieved among others in the application of special anti-corruption controls:
 - Special anti-corruption controls (e.g. Code of Ethics, two man rule,whistleblowing system) and
 - „Soft” integrity controls (e.g. the regulation of the acceptance of gifts, trips and invitations, the reporting obligation of employees regarding conflict of interests)
- Further steps are requiered among others in the application:
 - Regular corruption risk analyses,
 - Anti corruption training
 - Rotation in vulnerable positions.

Utilization of the surveys' results

- Presenting a 'mirror image' for the institutions participating in the survey
- Providing basis for them to develop their integrity management system
- Raising risk awareness and improving risk management at the institutions
- Adapting the results into the audit work of the SAO
- Contributing to a new integrity based culture in the public sector
- The integrity-based approach has become one of the pillars of the anti-corruption measures of the government.

Thank you for your attention!
