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BELIZE

INTEGRITY RISK NOTE

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ACRONYMS AND ABBREVIATIONS

CEO	Chief Executive Officer
COF	Country Office
EA	Executing Agency
EC	Evaluation Committee
EMIS	Education Management System
FAA	Finance & Audit (Reform) Act, 2005
FMP	Operations Financial Management and Procurement Services Office of the Inter-American Development Bank
GOB	Government of Belize
IDB	Inter-American Development Bank
MOEY	Ministry of Education, Youth and Sports
MFED	Ministry of Finance and Economic Development

1. INTRODUCTION

- 1.1 This Integrity Risk Note (the Note) presents the results of the integrity risk assessment that the IDB's Office of Institutional Integrity (OII) has performed in relation to the "Education Quality Improvement Program" No. BL-L1018, (the Program). The Government of Belize (GOB) and the Project Team are currently discussing the objectives, scope and timing of the Program. This the Note aims to inform this discussion by highlighting the existing integrity and reputational risks that could affect the Program, as well as to present measures that could mitigate such risks and improve the probability of the satisfactory achievement of Program's results and impacts.
- 1.2 The findings presented in the Note are based on the information that OII gathered during a mission that included meetings with the Ministry of Education, Youth and Sports (MOEY) and the Ministry of Finance and Economic Development (MFED), and is complemented by information that the Country Office (COF) and the Project Team shared with OII.
- 1.3 OII identified weaknesses in the institutional framework, a lack of formal procedures to safeguard integrity in procurement processes and limited human resources to implement the Program. OII concludes that the integrity risk and associated reputational risk are medium because these weaknesses might allow for third parties to circumvent IDB rules and engage in prohibited practices to the detriment of the development objectives of the Program. The risk assessment is the product of having a medium probability of the risk materializing and if so, the risk will have a medium impact on the results of the Program. OII considers that even though the risk is within the IDB tolerance levels, it is important to adopt mitigating measures.
- 1.4 The remaining of the document is organized as follows. The second section of the document presents the integrity and reputational risks associated to the institutional arrangements under which the Program will be executed. The third section analyzes the integrity and reputational risks in the implementation of the program. The final section of the Note presents measures OII recommend to mitigate the identified integrity and reputational risks.

2. INSTITUTIONAL INTEGRITY RISK ANALYSIS

- 2.1 **Legal Framework:** The fiduciary framework in Belize is delimited by five documents providing guidelines for budget formulation, execution and financing: (i) Finance and Audit (Reform) Act, 2005 (FAA); (ii) Financial Orders; (iii) Stores Orders (SO); (iv) Control of Public Expenditure Handbook (COPE); and (iv) Fiscal Transparency and Responsibility Regulations (FTRR). The FAA, amended in 2010 and twice in 2011, is compliance orientated and focuses on regularity in controlling, accounting and reporting the use of public resources.¹ There is no formal system in place for reporting fraudulent, corrupt or unethical behavior.² The MOEY does not have in place either a formal mechanism to handle corruption and fraud allegations.³

¹ Fiduciary Note –Inter-American Development Bank September 2013

² Fiduciary Note –Inter-American Development Bank September 2013

³ Interviews with MOE Officials.

- 2.2 The MOEY, however, has taken incipient measures to promote a corruption free and transparent culture amongst its staff. In particular, the MOEY publishes, on regular basis, up to date information of the activities taking place at the MOEY. In addition, the MOEY welcomes the reporting of irregularities despite the inexistence of a whistleblower program or a formal communication channel, and takes appropriate measures to counteract them.⁴ In sum, OII considers that the weaknesses of the legal framework are mitigated by the MOEY's measures but still pose medium integrity risks for the Program.
- 2.3 **Institutional Framework:** As part of the institutional framework, the Note presents the strengths and weaknesses of the Executing Agency (EA) and of the Evaluation Committee (EC) and its effect on the integrity and reputational risks for the Program.
- 2.4 **The Executing Agency:** Currently, the MOEY has an *ad hoc* EA that started functioning in the beginning of 2013 for the purposes of executing a Caribbean Development Bank (CDB) loan. The MOEY is proposing to the IDB that this EA becomes the agency in charge of implementing the Program.
- 2.4.1 **Staffing of the EA:** The EA is comprised of three people of whom two carry out activities related to the execution of funds and one in charge of administrative functions. The Director of the EA is not a public servant but a retired public official who became a consultant to the MOEY. The EA staff, including the Director of the EA, is paid as per the Government pay scale, which, according to the interviews conducted, is substantially lower than the salaries offered by the private sector or by international donors.
- 2.4.2 Furthermore, interviewees explained that there is an implicit directive that the salaries of personnel from an EA are capped by the government pay scale, regardless of the source of funding (e.g. international donor or international financing institution such as the IDB). There are two pitfalls to this situation. First, attracting new personnel to strengthen the EA becomes a challenge, as candidates might not find the possibility of working there financially attractive as compared to other job alternatives. Second, it increases the risk of rotation amongst the EA staff, threatening the institutional sustainability of the EA, especially since the staff is not part of the public civil service. Currently, the Director of the EA's contract terminates in 2014 and there is no certainty that she will accept a renewal of the appointment under the same conditions. This is particularly worrisome as the financial and procurement functions are concentrated in the Director of the EA, i.e. there is no procurement or a financial specialist in the EA.
- 2.4.3 Furthermore, none of the staff at the EA has previous experience in executing IDB funds although one of the persons worked previously as a consultant for the IDB. To date, the EA executes only a CDB funded project under close supervision of the CDB staff. For example, under the current agreement with the CDB, is the financing institution that itself who prepares the Terms of Reference/Request for Proposals for its activity. The Director of the EA reviews the proposed documents with the Project Steering Committee and makes the necessary adjustments. This arrangement might reflect the lack of human resources to independently execute a program. Because it is expected that the two loans

⁴ The ME investigated one alleged case of fraud that resulted in the termination of one staff member contract.

co-exist for at least 3 years. The additional workload that the execution of an IDB loan entails increases the risk exposure for the IDB due to the EA's limited human resources.

- 2.4.4 OII considers that the limited number of people working in the EA, the lack of long-term employees that could have career incentives to switch paths, together with the limited ability to attract additional personnel, result in a weak EA.
- 2.4.5 **Recruitment and personnel decisions:** There are no written or formal rules regarding the technical and/or academic background nor the previous work experience required for each position within the EA. This lack of guidance might result in personnel decisions that could be perceived to be taken in a non-transparent manner, influenced by external parties, personal relationships or by an undue benefit. Therefore, the inexistence of guidelines or procedures within the EA presents a high integrity and reputational risk.
- 2.4.6 **Conflicts of Interest:** The staff of the EA is required to sign a 'Declaration of Impartiality and Confidentiality'. Despite this obligation, there is no guidance to the signatories about what constitutes a situation where their independence might be in question. Additionally, there is no requirement for staff involved in procurement decisions to sign a declaration of personal interests in which they should list or specify in a more detailed manner their personal assets or relationships (personal and professional). The EA lacks formal rules regarding on prohibitions regarding gifts or hospitality. There are no verification mechanisms or a gift registry in place and there is no possibility for third parties such as the media or the civil society to monitor potential conflicts of interest.
- 2.4.7 **Operational Processes of the EA:** According to the IDB Guidelines on Procurement, it is the responsibility of the Borrower to verify the eligibility of individuals or firms to participate in contracts to be financed by the IDB. The EA lacks processes to verify the authenticity of information presented by potential suppliers regarding its technical and financial capacity to implement the contracts. Moreover, the EA does not have procedures for verifying that firms are not sanctioned by the IDB and its due diligence mechanism are implicitly deferred to the financing institution as evidenced by the fact that the CDB support also include reviewing the list of sanctioned parties to determine whether the awardee is eligible for funding. Given its lack of processes and guidelines, the EA risks being captured by third parties and/or the IDB rules risk being circumvented.
- 2.4.8 **Accountability of the EA:** An independent appeal process for bidders in the form of a bid protest committee or other form is not available. There is no whistle-blower legislation and the 2007 Prevention of Corruption Act has not been updated further to the 2011 requirements of the Mechanism for Follow up on the Implementation of the Inter-American Convention Against Corruption (MESICIC).⁵ Furthermore, the EA has currently no requirement to keep records of bidding procedures and there are no mechanisms to publicize awarded contracts. The EA does not publish an annual report and therefore, there is no possibility for external parties to the MOEY to oversee the activities carried out by the EA. The Borrower will be required to execute the Program in accordance with the IDB Procurement Policies, which establish that the Borrower should

⁵ Fiduciary Note –Inter-American Development Bank September 2013

receive, review and respond to protest or complains from bidders. The IDB Procurement Policies also requires that integrity concerns should be addressed to the OII. However, the lack of formal mechanisms to handle protest bids and formal processes to report corruption in Belize required as the relevant policy provision, will have to be implemented in a vacuum. Additionally, the weak capacity of the EA to react to companies' concerns might discourage them to report irregularities even if under the Program such mechanisms exist.

2.4.9 **Management and confidentiality of bidding documents:** The EA has mechanisms to ensure the security and confidentiality of documents-tenders, invoices, etc. - submitted by the bidders and proponents. These mechanisms consist of keeping the sealed submissions in a locked cabinet placed at the Director of the EA's office and the reviewed proposals in a different locked cabinet located at the other EA's staff member's office. It has also established that there is a record to register the date and time in which the bidding documents were received at the EA. The EA lacks, however, a mechanism to ensure that all offers/proposals are brought together to the opening ceremony. It also lacks a clear policy or guidelines under which proposals or offers would be invalidated⁶ or ensuring that any clarification of submitted tenders does not result in substantive alterations after the submission deadline. The minimum measures that the EA has adopted mitigate potential integrity risks associated with confidentiality concerns, although OII considers that the existing mechanisms should be further strengthened.

2.4.10 **Independence:** There are no rules governing the communications between the EA, the CEO and eventually the Minister of Education. In this respect, it is unclear whether the minister has powers to request information on on-going bids upon his request or whether there is a direct reporting line between the Minister and the EA regarding procurement decisions. These facts might create the perception that procurement processes are not conducted in an independent manner. This in turn may impact negatively on the credibility of future bidding process reducing the number of firms willing to participate.

2.5 Based on the analysis of the EA presented above, OII considers there are insufficient human and financial resources for the EA to effectively implement the Program. Given the interim nature of the EA, these weaknesses combined with a lack of formal procedures and guidelines, pose a medium integrity and reputational risks for the Program.

2.6 **The Evaluation Committee:** The EC is the body in charge of evaluating bids and proposals presented to the EA and recommending that the contract be awarded to one of the participating firms or individuals. The EC has a rotatory and *ad hoc* nature depending on the bidding process to be approved.

2.6.1 **Staffing of the EC:** ECs are formed by a minimum of three and maximum of seven members of which only the Director of the EA has a permanent sit. On the one hand, the fact that there is an EC created for each of the bidding process may be positive as the most qualified persons for each project will participate in the decisions. A rotatory EC is more difficult to capture. On the other hand, the fact that the member of the EA

⁶ The Director of the EA has used the checklist provided for projects funded by the European Union for such purpose.

responsible for reviewing the bid submissions sits on every EC and also has other functions such as (i) working on the terms of reference, (ii) communicating with bidders and (iii) selecting the additional members of the EC, is an integrity risk factor. This factor diminishes the legitimacy of the ECs and contravenes the minimum requirements related to impartiality and separation of powers in the decision making process, which are expected to be found in IDB-funded projects.

- 2.6.2 **Qualifications of the EC:** There are no rules regarding the requirements on technical experience and tenure for members of the EC. This lack of formal guidelines is an integrity risk factor because it might result in a weak EC, which in turn might affect the quality of the decisions taken and have a negative impact on the image of the Program. The bidders may also try to take advantage of the lack of formal guidelines to circumvent IDB Procurement Policies.
- 2.6.3 **Conflicts of Interest:** Similar to the EA, the staff of the EC must sign a ‘Declaration of Impartiality and Confidentiality’. Despite the existence of the obligation for the EC to make such declaration of impartiality, there is no requirement for the staff to specify in a more detailed manner personal assets or relationships (personal and professional). There are no guidelines for the acceptance and disclosure of gifts, entertainment or other favors. Moreover, due to the inexistence of disclosure obligations, there are no verification mechanisms in place. The possibility for third parties to react to potential conflicts of interest is very limited.
- 2.6.4 **Independence:** The ECs form part of the MOEY and eventually all its decisions are conditioned to the CEO’s sign off. In Belize, the CEO is part of the Senior Management Team of the MOEY that reports directly to the Minister of Education. Therefore, it may be argued that the EC is not fully independent. Moreover, the fact that the decisions of the EC are subject to the CEO’s who is the chief of the personnel forming the EC creates negative incentives for MOEY staff not to contradict any report submitted by the EA or to oppose the CEO’s opinion. This bureaucratic pathology increases the chances that the decision making process will run on without questioning, even if the original assessment of the EA was flawed. The overall objective of the MOEY should be to generate sound outcomes. If all the relevant decisions are integrated into the same bodies, it is more difficult for earlier decisions to be revisited. This factor turns the EC into an inefficient body since in practice OII understands that two scenarios would tend to occur, namely: (i) either the EC follows the recommendations of the EA’s Director without further questioning and/or (ii) the EC eventually decides according to the CEO’s guidance. In addition, it is unclear whether the Minister has any veto powers over the EC’s decisions, or whether the Minister may decide on specific bidding procedures based on national security, national interest, public health etc. The lack of governing rules relating to the Ministers’ rights over bid procedures increases the uncertainty and limits the due process rights for the IDB’s fund execution.
- 2.7 **Risk associated to the Program’s Procurement Plan:** The Project Team is in the process of discussing with the MOEY the procurement plan. In broad terms, and as per discussions with the Project Team, the envisioned procurement plan will include the following: 10 to 12 processes to hire international consulting firms, two processes to purchase IT hardware, and one or two processes to purchase teaching materials.

2.8 In connection with these processes, OII has identified the following external factors that could have a negative impact in the Program.

2.8.1 Small market: Even though the intention of the Project Team is to increase competition by inviting international companies to submit proposals, without a proactive campaign and an effective strategy to reach out to the international market, it would be difficult to get international firms interested in participating in the processes. If there are no international companies interested, given the size of Belize's economy, only a small number of firms will be participating and this might result in opportunities for a cartel to coopt the procurement processes.

2.8.2 IT Hardware: Given the technical expertise required to draft technical specifications for IT hardware, purchases of this equipment are susceptible to corruption and collusion because particular specifications may require favoring a vendor. Usual controls may be insufficient to detect directed specifications and the vendor who does not necessarily offer the best value for money.

2.8.3 Teaching materials: Without proper procedures to confirm the ability of suppliers to deliver the goods according to the intended quality and in the requested quantities, there is a risk of implementation fraud.

2.9 OII considers that given (i) the lack of procedures and guidelines, (ii) their lack of expertise with IDB's procurement policies and (iii) the external factors exposed above, there is a medium risk that the Program's resources will not be administered in the most efficient, effective and transparent manner, thus hampering its development objectives.

3. PROJECT IMPLEMENTATION- RISK ANALYSIS

This section of the Note outlines the integrity and associated reputational risks related to the implementation of the Program. The first subsection discusses the risks common to all components of the Program and the second subsection to the risks identified for particular subcomponents.

3.1. Cross-Cutting Risks

3.1.1. Payments to consulting firms: The Program involves the hiring and outsourcing of several services. With respect to third party services there are integrity risks associated with the payment methodologies. In this respect, OII considers that the MOEY and the Project Team need to further analyze the design of payment schemes to embed the appropriate incentives to minimize the occurrence of prohibited practices. For example, if a consulting firm's payments depend on the number of teachers taking the entry exam, the firm might have the incentive to misrepresent the identity or number of the persons sitting at the exam.

3.1.2. Trainings: The main integrity risks associated with training and technical assistance is materialized in the form of fraudulent participation. This trend is observed in all types of trainings and therefore applicable to the proposed trainings for school principals, department heads, administrators, etc. The MOEY has quality assurance mechanisms in place such as carrying out on the spot, unannounced checks. The MOEY also requests schools to submit data to the quality auditor that includes tracking professor's assistance and absenteeism. Notwithstanding the MOEY efforts, there are risks associated with the poor record keeping that some

schools have as expressed by the MOEY itself, together with the limited resources existing within the MOEY. These integrity risks are higher in rural areas as OII understands that the oversight mechanisms are poorer and therefore the difficulties increase.

3.2. Component-Specific Risks

3.2.1. Component I. Teacher Training

3.2.1.1. On site Practical Professional Development: Following the Visible and Tangible Math pilot, the Program contemplates the purchase of teaching materials to support the development of school lesson plans and curriculum planning. OII considers that there is an integrity risk associated with these purchases as the Program's funds might be diverted to third parties through over-invoicing, delivery shortages, materials of inferior quality, and payment for undelivered goods.

3.2.2. Component II. Governance

3.2.2.1. Implementation of a licensing exam: The Project Team and the MOEY are in agreement that the Caribbean Examination Council (CXC) will be responsible for implementing the teacher profession entry exam. To design its exams the CXC convenes a panel of local experts to discuss the topics to be included. However, the piloting and further implementation of the test will be trusted to CXC exclusively.

3.2.2.2. Integrity risks associated with the licensing exam are threefold. Firstly, there is a risk linked to the payment of the exams fees that the MOEY intends to charge. If no appropriate payment system with effective oversight mechanism is put in place, there is a high risk that there will be fraudulent reports to the MOEY on the number of exam takers to extract additional funds. Secondly, if the teachers are the ones who bear the cost, there is the risk that they will be trying to bypass the requirement through fraudulent practices. Thirdly, in relation to the examination itself, the integrity risks range from the possibility for examination leakages prior to its delivery; the challenges to supervise and control the correct implementation of the exam, i.e. supervise the identity of the exam taker, as well as the risk of fraudulent assessments of the exams.

3.2.3. Component III. Evaluation

3.2.3.1. Integrated Education Management Information System (EMIS): International financial aid passed on to education increases the vulnerability of the education systems to corruption because it increases the amount of resources available without necessarily modifying the current structures to manage the increased inflow. In this respect the integrity risk associated to the implementation of the EMIS is associated with the quality of the information entered into the system. A weak information system undermines transparency because it skews the monitoring that stakeholders can make of how the

additional resources are spent. If the underlying information is purposely misrepresented, it might be used to support fraudulent claims to the MOEY.

4. RECOMMENDATIONS

- 4.1. In spite of the strong commitment from staff at both the MOEY and the MFED, there are strong challenges that need to be addressed in order to mitigate the Program's integrity and associated reputational risks. In the present section the Note outlines a series of recommendations mainly intended to reduce the likelihood of occurrence of a materialization of the integrity and associated reputational risks.
- 4.2. The Bank's Project Risk Management requires that the mitigation strategy for a medium risk should be to monitor and/or to share, whenever appropriate, such risk. To share a risk implies transferring or passing the consequences of a risk and management responsibility to third parties.
- 4.3. It is worth emphasizing that even if all these recommendations are implemented, the integrity and reputational risks would not be eliminated. These mitigation measures help to improve the probability of the satisfactory achievement of the Program's results and impacts.
- 4.4. **Recommendations concerning arrangements for the execution of the Program:**
 - 4.4.1. Given the medium risk, one option is to hire a private sector firm that is specialized in project management to execute the program. This proposal has not been accepted by the MOEY. Therefore OII's mitigation measures have not considered that alternative. Therefore OII recommends that the MOEY, hires an international consulting firm with resources from the Program to accompany the EA in all tasks related to procurement and financial management. The EA will preserve its leadership over the Program, focusing on the technical aspects of the Program's implementation.
 - 4.4.2. If the "Planning and Projects Unit" of the MOEY assumes all responsibilities for the implementation of the Program, it is imperative to reinforce its capacity given the weaknesses of presented in this note. Specifically, OII recommends the following actions.
 - 4.4.2.1. OII recommends the MOEY considers hiring an international consultant, for at least the first year of the Program's implementation, to support the EA with all aspects of the Program execution. The international consultant should spend at least a week per month in Belmopan working with the staff of the EA and maintain a direct line of communication with the EA.
 - 4.4.2.2. OII also recommends that during the discussions related to the Program's design and prior to the signature of the loan, the MOEY hires, with its own resources, an experienced procurement officer and a financial officer for the EA.
 - 4.4.3. OII recommends the IDB hires a consultant to support the Unit in its day to day activities relating to the Program regardless of which of the two arrangements explained above the MOEY and the Project Team choose for the implementation of

the Program. It is OII's opinion that this consultant should be hired on a full time basis for at least the first year of the Program's implementation. The consultant will advise the EA but will remain accountable to the IDB.

4.4.4. OII recommends that the Program's operations manual include the elements listed below.

1. A clear description of the responsibilities of each staff in the EA will have vis à vis the Program; the minimum experience and technical requirements for each position at the EA; a simplified due diligence mechanism for verifying the technical and financial capabilities of potential consultants/contractors; a mechanism to handle conflict of interests for EA's personnel; a protocol to communicate integrity related complaints to the Bank; and guidelines to govern communications between (potential) bidders and personnel at the EA.
 2. An outline with the separation of duties between those ordering and receiving goods and the approving and paying invoices. There should be a mechanism to regularly review that this separation of duties is maintained during the Program lifetime.
 3. A template form to use in the procurement processes conducted with the shopping procurement method that specifically acknowledges that the Bank's procurement policies are accepted. The template ideally will include the definitions of prohibited practices of the IDB and an acceptance of the audit rights of the IDB.
 4. Guidelines that govern the reception of documents so they are logged in and a receipt is delivered to the bidders. These guidelines should include the required steps to ensure that all bidding documents are brought at the same time to the opening ceremony.
 5. A chapter devoted to the EC. This chapter should include clear criteria for the appointment of personnel to the EC and its recommended composition; minimum experience and technical requirements for appointees; a mechanism to review conflict of interests and an asset disclosure requirement; procedures to ensure that the proposals/offers are sealed at the beginning of the opening ceremony; a procedure to perform the evaluation; and a template for the Evaluation Report.
- 4.4.4.1. OII recommends that, in consultation with FMP, the EA consider adopting a mechanism to receive bidding documents in an electronic manner rather than in a paper-based method for complex procurement processes. If this avenue is pursued it is imperative that an IT expert is involved to establish a system to ensure that bidding documents are stored in a mailbox which cannot be accessed and opened until the deadline for submission of proposals. Because it is unlikely that all procurement processes can be administered through an electronic system, it is crucial to ensure the confidentiality of the system for receipt of paper proposals.

4.4.5. OII recommends offering training to the EA's relevant personnel on the IDB's procurement and financial management policies and procedures as well as training on how to identify basic integrity related red flags and conduct due diligence on bidders.

4.5. Recommendations concerning the implementation of the Program

4.5.1. The procurement of teaching materials can be executed as a separate purchase of goods or included in the Terms of Reference of the international consulting firm to be hired for the on-site and practical professional development subcomponent. If the MOEY and Project Team decide to procure the teaching materials through separate procurement processes, it is crucial to include as part of the Program's components the design of a process to verify the delivery of goods as invoiced and payment schedules. Regardless of the alternative chosen by the Project Team and the MOEY, OII recommends that the Program set resources aside for random inspections of the teaching materials received by schools.

4.5.2. Increasing the parental participation as an oversight mechanism of the schools is a key factor to mitigate integrity risks. In fact, the Program already includes trainings and technical assistances to parents. OII recommends that these trainings include a component on how to effectively identify areas of integrity concerns that is tailored to the relevant audience and taking into consideration the parents' skills, labor schedules and attendance feasibility.

4.5.3. A successful implementation of the EMIS will in turn serve to improve transparency and therefore to mitigate some of the integrity risks identified in this note because it will serve to monitor the teachers. For the EMIS to be a successful tool to mitigate integrity and reputational risks, it is crucial that the MOEY feels ownership over the system and that its reports are accessible either via the internet or proactively communicated in a clear and simple format to a larger audience that includes parents and teachers.⁷ The MOEY already has as a regular practice of hosting sessions where parents get invited to discuss findings of the school's inspection. This is very good practice and could be used as an opportunity to build capacity of parents to understand the EMIS's scope and reports.

4.5.4. To mitigate the integrity risks associated with training programs, mainly fraudulent participation, it is key that the individual consultancy firms hired to design and deliver the training activities have mechanisms to control participation of teachers and document the prevalence of ghost teachers. It would also be advisable to schedule random visits to training sessions, especially if there are sessions to be held in remote rural areas. It would be worth including performance audits as part of the Program's auditing activities. This performance audit will also serve to mitigate the integrity risk of linking the payment to the consultancy firm to number of trainees. In the case of the profession entry exam for teachers, the integrity and associated reputational risks are partly mitigated by the fact that CXC, an international body with strong reputation in the Caribbean, will be responsible for the implementation of

⁷ Global Corruption Report: Education. 2013 Transparency International. Berlin, Germany.

the exam. However, the recommendations in this paragraph can serve to further mitigate these risks.

4.5.5. Strong participation from parents and an effective communication campaign that promotes the importance of the MOEY's efforts and the Program's objectives would also serve to mitigate the integrity risks by increasing monitoring to the teachers' participation in trainings and other capacity building activities. As an alternative the Project Team and the MOEY could consider including a system of rewards (or punishment) for those teachers who do (not) participate in the training sessions.

4.6. Concluding remarks:

4.7. The CEO has proven interest in developing a solid educational project. Moreover, the MOEY team involved in discussing the Program's components is comprised of dedicated professionals that have a clear idea of the concrete development objectives to achieve with the IDB loan. OII considers that these circumstances together with an important degree of trust between the IDB and the CEO can contribute to a successful implementation of the required mitigation measures.