

Smart infrastructure project investors develop and implement 'Early Warning anti-corruption Systems' (EWacS) to ensure transparent and successful project delivery.



**GIACC SA**

*Global Infrastructure Anti-Corruption Centre*

Almost every infrastructure project potentially faces bribery and corruption risk of some kind and the consequences of a project organisation getting involved, knowingly or unknowingly, can lead to both corporate and/or project stakeholders facing criminal and civil sanction in the country where the corruption took place and/or in their own country.

By far, the best way to manage infrastructure corruption is to prevent it from happening in the first place. Smart infrastructure project investors develop and implement EWacSs, so that corruption events affecting the project, or its stakeholders get communicated to project funders and owners immediately. To ensure that this happens, investors and owners must have the necessary discipline to heed early warnings in respect of corruption, overcoming the widespread human tendency for denial and optimism bias.

The definition of an infrastructure corruption risk shapes real-world project preparedness, where corruption risk is any situation, circumstance or event that disrupts the normal operations of a project organisation. The disruption is what turns an event into a public relations crisis. However, how quickly and effectively the project stakeholders respond will ultimately determine how they will be perceived in the public domain and will also determine whether the project reputation will be protected or destroyed.

By enabling project stakeholders to foresee a corruption risk that could make their infrastructure project the focus of unwanted media or community attention, they can take positive steps to avoid or counteract the oncoming crisis. Developing and implementing an integrated digital EWacS is straightforward, requiring primarily commitment and discipline by all project stakeholders and participants. The stakeholders and participants simply identify potential underlying corruption triggers and risk areas and assigns an independent project corruption assessor (supported by a digital EWacS) to continuously monitor such underlying triggers and risks. An independent project corruption assessor behaves like an intelligence agent in the field, regularly reporting their observations and corruption intelligence back to all project stakeholders and the multi-disciplinary project team. This then allows the stakeholders and multi-disciplinary project team the opportunity to analyse, evaluate and identify infrastructure project corruption threats before they become a reality.

The guiding principle is that there is no substitute for good intelligence and a competent independent assessor on an infrastructure project. RAG Strategists independent assessor service, supported by Resolex RADAR (a digital EWacS) can help a project owner, investor and

the multi-disciplinary project team monitor and assess the underlying root causes of real time project misbehaviour; misuse of funds; illegal project organisational activity; questionable or illegal political involvement; improper foreign conduct; lack of regulatory compliance; unethical marketplace behaviour; overreaching regulators; offering or acceptance of bribes; threat of government sanctions; fines; penalties; institutional corruption and accessory to corruption.

The importance of the project owner, investor, and multi-disciplinary project team confidence in infrastructure anti-corruption preparedness cannot be overstated. Knowing that the infrastructure project organisation is prepared to face the unknown generates confidence. The ability to anticipate trouble before it happens is the best source of confidence available and a good reason why smart infrastructure projects develop and implement EWacSs. Operating without an EWacS is comparable to flying blind - so why then would an infrastructure project organisation try to navigate itself out of a serious corruption crisis by lacking the required foresight?

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The logo for GIACC SA, featuring the text "GIACC SA" in a bold, blue, sans-serif font. The letters are spaced out, with "GIACC" followed by a gap and then "SA".

# GIACC SA

*"Laying the foundation for a corrupt-free South Africa"*