



## TRANSPARENT PUBLIC INVESTMENT

Corruption undermines faith in government, hinders economic growth, renders opportunities for exploitation, and deprives citizens of basic services. In Peru, where half of all government spending is procurement—the purchase of goods, services, and infrastructure for society's benefit—corruption in public procurement is an acute concern. USAID, in alliance with the Government of Peru, seeks to strengthen the capacities of key public entities to reduce systemic corruption in public investment and procurement and to strengthen oversight by the private sector and civil society.

USAID builds on previous efforts to support Peru's commitment to fair, efficient, and transparent public procurement. This activity supports Peru's implementation of the country's own National Integrity and Anti-Corruption Plan, which incorporates recommendations from an Organization for Economic Cooperation and Development (OECD) Integrity Review. The assistance convenes government agencies, civil society actors, and international experts to establish standards, strengthen procedures, improve oversight, and promote a culture of integrity. The goal is to ensure that public resources are devoted to meeting citizens' needs.

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## **HOW DOES ACTIVITY WORK?**

Public procurement is extremely vulnerable to corruption due to the complexity of the process, the discretionary influence of government officials, and the number and size of transactions. Opportunities are abundant for undue influence or fraud in analyzing competitive markets, defining the government's purchase requirements, selecting from among competing bids, invoicing, and contract administration. This USAID activity provides training and technical expertise to address these vulnerabilities. The activity works to strengthen controls throughout the entire procurement process, increase civic oversight, and promote private-sector ethical conduct. The activity works with a range of public entities including the Comptroller General's Office, Public Integrity Secretariat (SIP), General Logistics and Supply Directorate (DGA), Supervisory Agency for Public Procurement (OSCE), and the National Civil Service Authority (SERVIR).

## WHAT RESULTS ARE EXPECTED?

- I. Improve procurement controls that reduce risk of corruption
  - Assist the Secretariat of Public Integrity to execute the Peru's National Integrity Plan
  - Disseminate policies and procedures to manage corruption risk across all government agencies engaged in procurement
  - Assist the OSCE to develop tools to detect corruption risk and focus oversight resources on contracting most ripe for corruption
  - Support rollout of the online corruption reporting system and refinement of whistleblower protections
- II. Enhance citizen oversight of public investment
  - Build integrity networks of key Peruvian government entities, civil-society organizations, and business associations
  - Train investigative journalists in research methods and financial-data analysis to improve reporting on public investment projects
  - Promote open government to improve transparency and enable citizen oversight
- III. Increase private-sector commitment to fair competition
  - Encourage businesses to adopt anti-corruption corporate policies, adhere to self-regulatory standards, and embrace a culture of integrity

## **PROJECT INFORMATION**

**IMPLEMENTER**: Chemonics International **DURATION**: January 6, 2019 – January 6, 2024

**USAID FUNDING:** \$11,892,259

**LOCATION**: Cusco, Lambayeque, Lima, Loreto, and Piura regions

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