

## Anti-Graft Instruments and Their Role in Curbing Corruption: Integrity Pact and Its Impact on Indian Procurement

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**Abstract :** The paper aims to showcase that with the introduction of anti-graft instruments and willingness of the governments towards their implementation, a significant change can be witnessed in the anti-corruption landscape of any country. Since the past decade anti-graft instruments have been introduced by several international non-governmental organizations with the vision of curbing corruption. Transparency International's 'Integrity Pact' has been one such initiative. Integrity Pact has been described as a tool for preventing corruption in public contracting. Integrity Pact has found its relevance in a developing country like India where public procurement constitutes 25-30 percent of Gross Domestic Product. Corruption in public procurement has been a cause of concern even though India has in place a whole architecture of rules and regulations governing public procurement. Integrity Pact was first adopted by a leading Oil and Gas government company in 2006. Till May 2015, over ninety organizations had adopted Integrity Pact, of which majority of them are central government units. The methodology undertaken to understand impact of Integrity Pact on Public procurement is through analyzing information received from important stakeholders of the instrument. Government, information was sought through Right to Information Act 2005 about the details of adoption of this instrument by various government organizations and departments. Contractor, Company websites and annual reports were used to find out the steps taken towards implementation of Integrity Pact. Civil Society, Transparency International India's resource materials which include publications and reports on Integrity Pact were also used to understand the impact of Integrity Pact. Some of the findings of the study include organizations adopting Integrity pacts in all kinds of contracts such that 90% of their procurements fall under Integrity Pact. Indian State governments have found merit in Integrity Pact and have adopted it in their procurement contracts. Integrity Pact has been instrumental in creating a brand image of companies. External Monitors, an essential feature of Integrity Pact have emerged as arbitrators for the bidders and are the first line of procurement auditors for the organizations. India has cancelled two defense contracts finding it conflicting with the provisions of Integrity Pact. Some of the clauses of Integrity Pact have been included in the proposed Public Procurement legislation. Integrity Pact has slowly but steadily grown to become an integral part of big ticket procurement in India. Government's commitment to implement Integrity Pact has changed the way in which public procurement is conducted in India. Public Procurement was a segment infested with corruption but with the adoption of Integrity Pact a number of clean up acts have been performed to make procurement transparent. The paper is divided in five sections. First section elaborates on Integrity Pact. Second section talks about stakeholders of the instrument and the role it plays in its implementation. Third section talks about the efforts taken by the government to implement Integrity Pact in India. Fourth section talks about the role of External Monitor as Arbitrator. The final section puts forth suggestions to strengthen the existing form of Integrity Pact and increase its reach.

**Keywords :** corruption, integrity pact, procurement, vigilance

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