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Taking on corruption

Project aims to remove obstacles to economic and social development

Corruption is a significant challenge in many industries and the construction business is no exception. Globally—from the contract-bidding process through all phases of building—bribery, collusion, and cost inflation are estimated to pad final costs anywhere from [10 percent to 30 percent](#).

This is a concern in several countries, including India, where certain processes can be complex and hundreds of billions of dollars are funding massive infrastructure projects. That's why Deloitte worked with the World Economic Forum and Indian authorities to help address corruption risks in India through a pilot project on the state level.

"Building Foundations for Transparency" is a collaborative project between the Forum's Partnering Against Corruption Initiative (PACI) and the Infrastructure and Urban Development (IU) industries aimed at helping governments tackle corruption in public processes, including procurement, permitting, and licensing. Its goal is to promote fairness by reducing irregularities in the infrastructure, engineering, construction, and real estate industries.

The project seeks to establish ongoing dialogue between business and local public officials in India on potential ways to enhance transparency in permits and licenses, land acquisition, and procurement. A Forum report, created in collaboration with Deloitte, serves as the blueprint for the effort. It focuses on practical outcomes and provides guidance on how to implement solutions locally and replicate them in other regions.

The report contains an online diagnostic tool, built by Deloitte, that's designed to drive greater transparency within the IU industries. "The tool Deloitte developed for the pilot project in the Indian state of Maharashtra provides a visual aggregation of data related to corruption, identifies key risk

areas, and assesses where we can make strides through process improvement," says Samuel Rohr, a Financial Advisory consultant for Deloitte in Switzerland who was seconded to PACI. "This technology provides information that is enabling more openness and honesty throughout the process." The smartphone-accessible microsite can be used as a template for other Forum projects needing digital tools, platforms, and microsities.

Launched in 2004, PACI has created a highly visible anti-corruption platform, working across industries and with the support of organizations and governments around the world. Deloitte Global Chairman David Cruickshank is co-chair of the [PACI Vanguard](#) steering board, and James Cottrell, a Deloitte US partner, has been intensely involved with PACI the past four years.

"PACI's impact on corruption is obvious in places like Nigeria," Cottrell explains. "At the global Anti-Corruption Summit held in London this past May, the Deloitte/PACI-supported Clean Business Practice Initiative (CBPI) was lauded by Nigeria's new President, Muhammadu Buhari. He has made fighting corruption a top priority of his administration."

Cottrell believes corruption is one of the greatest obstacles to economic and social development. "For Deloitte clients, this is a critical issue," he says. "That's why we're passionate about fostering trust and transparency, because it results in more accessible markets, lower risks for investors, and a more level playing field for doing business—all of which benefit society."



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James Cottrell, Deloitte US partner