

2021 Annual Report

INCLUDES 2017 – 2021 STRATEGIC PERIOD REVIEW

ABOUT U4

U4 is a team of anti-corruption experts working to reduce the harmful impact of corruption on society. We share research and evidence to help international development actors get sustainable results. The work involves dialogue, publications, online training, workshops, helpdesk, and webinars. U4 is a permanent centre at the Chr. Michelsen Institute (CMI) in Norway. CMI is a non-profit, multi-disciplinary research institute with social scientists specialising in development studies.

www.U4.no

U4@cmi.no

PARTNERS

U4 had nine funding partners in the 2017–2021 strategy period, and eight in 2021:

- Australian Government – Department for Foreign Affairs and Trade – DFAT
- German Federal Ministry for Economic Cooperation and Development – BMZ and
- German Corporation for International Cooperation – GIZ
- Global Affairs Canada
- Ministry for Foreign Affairs of Finland
- Ministry of Foreign Affairs of Denmark/Danish International Development Assistance – Danida
- Swedish International Development Cooperation Agency – Sida
- Swiss Agency for Development and Cooperation – SDC
- The Norwegian Agency for Development Cooperation – Norad
- UK Foreign, Commonwealth and Development Office – FCDO

Contents

04	Director's introduction
06	A unique collaboration of likeminded donors
10	Reaching a global audience in 2021
18	Concluding the 2017–2021 strategy period
22	Future prospects: U4's new strategy and approach
26	Annual accounts

Annexes

1. [U4 2021 Deliverables – full overview of outputs and activities](#)

The following annexes are available to U4 partners only:

2. U4 Logical framework 2017–2021 – performance and output data
3. U4 Reports from in-country workshops 2021
4. Events with U4 involvement 2021
5. CMI 2021 Audit report
6. CMI–U4 2021 Audit report
7. U4 2021 Financial report – including strategy period 2017–2021
8. CATCH Project report 2020–2021

Director's introduction

By **Peter J. Evans**, U4 Director

I have the privilege of writing this introduction to U4's 2021 annual report although I became U4's new Director just as the year was closing. I can therefore claim no credit for the excellent performance, but can stand back and give due applause to the U4 team for all that they achieved in 2021.

I have firsthand experience of U4's value to policy makers and practitioners. This began way back in 2003, when, as a young(ish) DFID governance adviser, I used U4's research to inform my work in Malawi, and took an early U4 training course. Fast forward to 2014, I drew heavily on a U4 'foundational paper' – the 2012 U4 Issue on mapping evidence gaps in anti-corruption – to design DFID's investment in anti-corruption research: the ACE programme. So, after being a grateful customer, in 2021, I was honoured to become U4's Director. I am in awe of how U4 has grown and all that it has delivered in its 20 years.

2021: A year of rolling challenges

In late 2020, the U4 team was still working under lockdown, and developed the 2021 workplan with the expectation that 2021 would be another 'online year'. The team delivered most outputs following our new best practices for online engagement (that we developed at pace during the first year of the pandemic), but in the last quarter we saw a gradual return to face to face – or at least hybrid – events.

U4 research and policy advice continued to align with – and inform – our partners' and

the broader anti-corruption community's most pressing concerns: How to address corruption challenges in Covid-19 responses and in climate financing and programming; and towards the end of 2021 a growing focus on Illicit Financial Flows and professional enablers, which we showcased at the U4 steering committee meeting in December.

A year of high activity and strong delivery

We have continued with a typically high U4 activity level with over 130 deliverables on the work plan. These include publications and blog posts, in-country workshops and online courses, partner fora and other digital events, and helpdesk answers. We completed most of the planned outputs and activities, though Covid-19 delays meant that some were finished in the early months of 2022. One lesson for the years ahead is to address U4's tendency to over commit – demands are very high, but we need to be strategically selective, and also ensure a good work-life balance for a very busy team.

A year putting in place the 'new normal' – flexible, efficient, lower carbon, accessible

We established our digital team to plan, facilitate and improve our web-based events that replaced some in-person encounters. However, as many countries continued to struggle with Covid-19 restrictions and distractions due to political developments, we postponed and cancelled some U4 in-country workshops, such as Afghanistan and Somalia. Our 'new normal' has more hybrid events,

which make us more flexible, efficient, and more carbon conscious.

An important priority for our publications, events, and activities is that we ensure high quality and that they are both accessible and relevant. We have invested considerable time and resources upgrading the U4 website, and enhancing the way U4 online courses work: content, presentation, and learning outcomes. Rapidly evolving formats such as webinars and podcasts elevate people's expectations for both substance and technology – something we take seriously when producing our knowledge outputs.

A year of further professionalisation

Recognising that our audiences compare U4's work with the best sources available, we have continued a process to professionalise the team through a range of skills training. We recruited new expertise to enhance our learning technology and the planning, reporting, and monitoring, evaluation, and learning (MEL) processes. We also entered partnerships with international experts on communication and digital learning.

A new strategy to fit the demands – and uncertainty – of the next 5 years

Finalising the new U4 strategy was an important team-effort in 2021, ensuring that we are 'future facing'. This entails channeling our efforts towards the most relevant themes, and dealing

with uncertainty. Ultimately, the new strategy is designed for U4 to build stronger partnerships to boost anti-corruption worldwide.

The early months of 2022 confirmed that our four new goals are right – particularly understanding complexity, transnational networks, and whole-of-government approaches – not just aid. We have turned our new strategy into new action plans, particularly for the 'transition year' of 2022 when we shift from old strategy to new.

As U4 turns 20 this year, we hope that you read this annual report and agree that we are in great shape for another 20 years of being a very dynamic resource for the global fight against corruption.

A handwritten signature in black ink, consisting of stylized, flowing letters that appear to be 'B. J.' followed by a long horizontal stroke.

The U4 Anti-Corruption Resource Centre

A unique collaboration of likeminded donors

The U4 Anti-Corruption Resource Centre (U4) was created and is sustained by like-minded aid donors coming together to understand and reduce corruption, and, through this, drive positive change in the world and make real lives better. U4 is a specialist centre at the Chr. Michelsen Institute (CMI) – Norway's leading social science research institute for global development. Founded in 2002, 2022 is U4's 20th anniversary year.

The U4 partnership – nurturing donor relations and networks

Bilateral development agencies and ministries of foreign affairs are at the heart of U4's successful institutional partnership. Through a unique basket funding model, we help our funding partners increase their impacts by making their anti-corruption efforts more effective. The U4 partnership is successful because it helps deliver maximal value for development funding and fosters collaboration between networks of development practitioners and policy makers – from donor headquarters to country offices, and to their partners 'on the ground'.

In the 2017–2021 strategy period, we delivered planned resources and activities through long-term funding from nine partners (see Table 1).

U4's 2021 revenue was 30,23 million Norwegian Kroner (NOK) (2,97 mill. EUR) – 27% of the total five-year strategy period revenue of 110,97 million NOK (11,25 mill. EUR). This was in spite of Australia leaving the U4 partnership in 2020.

Growth in staff, activities, and income

CMI employs the U4 team and realised a 30% growth in staff numbers and revenue at U4 over the 2017–2021 strategy period – including during the Covid-19 pandemic. Increasing demands from U4 partners for anti-corruption research, training, and expert advice has spurred this growth.

U4 accounted for 20% of CMI's staff (as corruption experts and other professional roles) and generated close to 30% of CMI's project income in 2021.

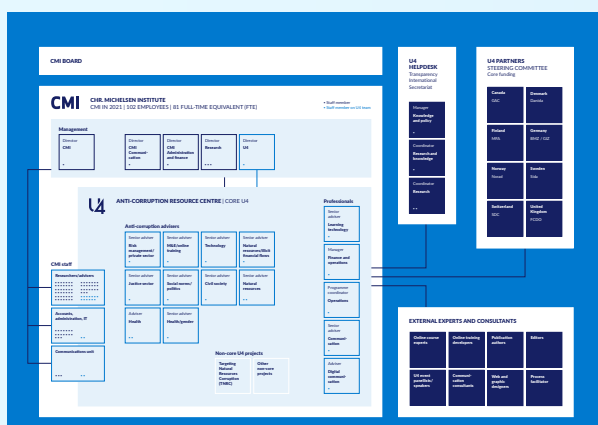
In 2022, CMI–U4 projects a similar staffing level with a lower budget of 25,5 mill. NOK. Still, the centre will continue to deliver the activities and products that funding partners expect from U4, and to meet rising ad hoc needs for expert advice and engagement. Through this, U4 will contribute to advancing the evidence base on anti-corruption, and help to directly shape policy and practice.

Table 1. U4 funding partners' financial contributions in the 2017–2021 strategy period

U4 Partner	Currency	2017	2018	2019	2020	2021	2017–2021	
							Original currency	NOK
DFAT Australia	AUD	223 865	350 000	350 000	350 000	–	1 273 865	8 349 454
BMZ/GIZ Germany	EUR	210 000	220 000	200 007	250 000	350 000	1 230 007	12 097 802
Global Affairs Canada	CAD	–	–	222 000	222 000	222 000	666 000	6 440 220
MFA Finland	EUR	220 000	220 000	220 000	220 000	220 000	1 100 000	10 867 584
Danida Denmark	EUR	222 000	222 000	222 000	222 000	222 000	1 110 000	10 906 279
Sida Sweden	SEK	2 197 949	2 500 000	3 500 000	3 500 000	3 500 000	15 197 949	13 926 168
SDC Switzerland	CHF	300 000	244 200	255 300	255 300	255 300	1 310 100	11 884 000
Norad Norway	NOK	2 500 000	2 500 000	2 500 000	4 350 000	8 650 000	20 500 000	20 500 000
DFID/FCDO UK	GBP	300 000	400 000	300 000	200 000	200 000	1 400 000	16 000 272
Total income							110 971 779	

Table 2. Increasing revenue at CMI and U4 from 2017 to 2021
Million NOK / Euro

	2017		2021		% increase
	NOK	EUR	NOK	EUR	
CMI	81,5	8,4	102,5	10,6	26%
U4	22,8	2,4	30,2	2,97	33%



U4 is a part of the Chr. Michelsen Institute Norway. Our organigram shows how we fit within CMI, as well as the relationships with other collaborators.



View online

Maintaining gender balance

The staff gender ratio at CMI and U4 is close to fifty-fifty – with some more women than men employed. CMI's management notes that this picture has persisted throughout the strategy period and does not require any interventions. The CMI management team has equal representation of women and men. The CMI director, and the U4 director, are male. In the U4 team of 18 staff in 2021, the gender ratio for research advisers is 38% women and 62% men, while the operations team is all women.

As well as staff numbers, our new strategy commits us to proactively ensuring that we understand and tackle gender inequality in U4's work as well as in the way we work as a team.

Global collaboration for high quality research and practice

Most of U4's staff is based Bergen, Norway. However, delivering high-quality research and

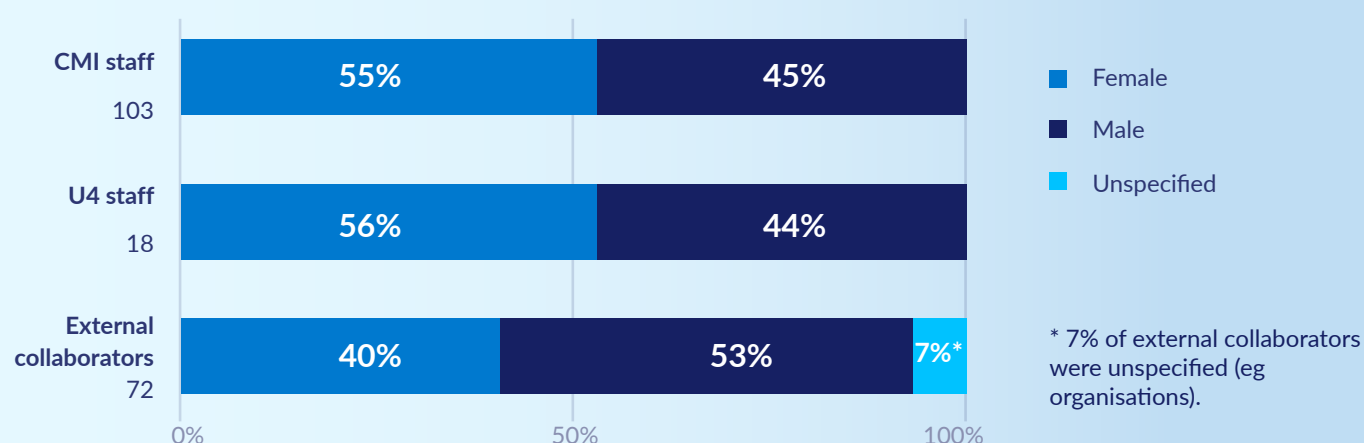
Table 3. Geographic origins – U4 collaborators
2017–2021 averages

Geographic origin	%
Europe	52%
Asia	14%
Africa	13%
North America	11%
Oceania	4%
South and Central America	4%

training activities requires collaborating with experts beyond our team. In 2021, we engaged 73 external experts, down from a peak in 2018 of over 100.

Thematic partners vary from year to year. We aim to ensure a diverse geographical spread, though this is driven by where partner demand directs us, as well as by our own strategy. In 2021, we increased collaborations with South- and Central America from 4%

Figure 1. Gender balance – A CMI-U4 priority



to 8%, and reduced the proportion of our collaboration with experts in North America. Europe's representation (just over half of all collaborations in the five-year period) has reduced slightly since 2017. We have managed to increase Africa's share from 9% in 2017 to 19% in 2021 – averaging 13%. Collaboration with Asian experts fluctuated in the period, with an average of 13%.

In the years ahead, we aim to further increase the accuracy and applicability of our research and advice by involving more researchers from and in the countries where aid-funded development programmes take place. This includes wider engagement with anti-corruption researchers in any location where we can learn from experts, and also help inform their work.

Women's representation among collaborators has been stable around an average of 42%, and we strive for an increased gender balance in who we work with.

2022–2026 Strategy – prepared for the post-pandemic period ahead

Planning for the future was a U4 team priority in 2021. The challenge of corruption – and the need for anti-corruption efforts to keep pace – has evolved quickly and unpredictably throughout U4's two decades, with complexity ever increasing, not least during crises such as conflict, climate, and Covid-19. Our new strategy reflects this.

We presented our new 2022–2026 strategy – approved by the U4 partners in December – designed as a deliberate response to four key trends in the anti-corruption landscape. Read more about our new goals and how we plan to develop U4 on page 22.



2022–2026 Strategy

Stronger partnerships to boost anti-corruption worldwide



[View online](#)

Reaching a global audience in 2021

Contributing to better anti-corruption insights and efforts

Since 2002, U4 has been a global leader in the provision of anti-corruption evidence, advice, and activities. Our publications, online courses, workshops, helpdesk, blog, and events that create space for dialogue have helped increase understanding of anti-corruption work for a wide range of actors. We draw on – and produce – the latest evidence to identify practical entry-points for countering corruption worldwide.

Timely advice on emerging challenges

In 2021, we continued to deliver cutting-edge resources and host events to help ensure that corruption does not cancel out efforts such as the Covid-19 vaccine roll-out and climate change mitigation.

Our most popular publication in 2021 was the U4 Issue summarising latest thinking on understanding corruption and how to curb it. It has been accessed over 26,000 times and explains how we can only address corruption if we combine many tools, approaches, and actors in any given context. From past experience, this type of foundational publication sustains strong influence over policy and operations many years after publication.

Through U4 publications, we aim to shape the anti-corruption field with frontier research and thinking, and respond to the information needs of the anti-corruption community, but also policy makers and practitioners in sectors such as health, where results are threatened by corruption. Our helpdesk – a collaboration with Transparency International – answers U4

partners' urgent, ad hoc requests for evidence synthesis.

Table 4. U4 publications and helpdesk answers
Yearly average of 50

Type	2021	2017-2021
Peer reviewed publications	19	94
Helpdesk answers	35	152

Donor-funded open access resources for a global audience

All U4 publications and helpdesk answers are freely available on U4.no as public goods, even if responding to our partners' specific needs. Our growing audience is increasingly global, with an equal number of website visitors based in low-income, aid-receiving countries, as elsewhere. In total, our users accessed 440 different U4 publications in 2021, and U4 is renowned for the depth of its archive of resources, as well as covering the latest anti-corruption challenges.

Twelve active themes

– with new U4 resources and activities in 2021



Civil society

People at large can play an important role in holding power to account and addressing problems of corruption.



Climate change

Practitioners working on climate mitigation and adaptation efforts need to understand how corruption impacts such initiatives.



Development cooperation

Research on corruption and anti-corruption endeavours related to international aid and how donors address corruption risks.



Gender

Insights on how to combine two subjects of mainstreaming in donor programming: gender and corruption.



Illicit financial flows

Laundering proceeds of corruption and generating illicit flows out of development countries – solutions needed at local and international levels.



Justice sector

Research on corruption and anti-Justice sector institutions can be part of the corruption problem. We look at ways to build effective, accountable, and inclusive institutions.



Evaluation and measurement

Increasing the impact of anti-corruption interventions through better planning, monitoring and evaluation.



Natural resources sector

Understanding how corruption harms the environment and development, can help choose how to act.



Private sector

How donors can work with the private sector to reduce corruption and improve developing country economies.



Public financial management

Research on corruption and anti-corruption in all sides of public financial management – revenues, budgets and spending.



Public service delivery (Health & Education)

Mainstreaming anti-corruption in sector strategies can help to achieve sector goals.



Social norms

To be effective, anti-corruption policies should be designed with social norms in mind.

Influencing anti-corruption efforts beyond the U4 partnership

U4's advisers are in demand for giving expert inputs at international organisations' public events, as well as for papers, and policy and operational issues.

In 2021, we peer reviewed or contributed to six external publications on the topics of anti-corruption and gender, sports, risk management, bribery, new technologies and sustainable development, infrastructure projects, and law enforcement. Publishers included the United Nations Development Programme (UNDP), the Organisation for Economic Co-operation and Development, and the United Nations Office on Drugs and Crime (UNODC).

With Covid-19 travel restrictions continuing through 2021, we used digital engagement to play active roles as speakers, facilitators, or panellists in more than 40 external events. U4 experts are also active members of a range of working groups, eg the Expert Group Meeting on the establishment of the Global Operational Network for Anti-Corruption Law Enforcement Authorities (GlobE), organised by UNODC.

A wide range of international organisations have referenced U4 work in 2021. Feedback confirms that U4 is a trusted, high-quality source and that our contributions are valued and have influence beyond the U4 partnership.

Deeper understanding through online courses and events

U4's *Essentials of anti-corruption I* is a self-paced, one-hour course giving a basic introduction – or refresher – on corruption and anti-corruption. It is now available in English, Arabic, French, and Spanish. The course is a prerequisite for those planning to take one

Table 5. Improved website and growth in sessions
U4 invests in a user-friendly website

Type	2021	2017–2021
Website sessions	636 K	1.5 Mill.
Website traffic growth	26%	405%

Table 6. Fostering participation in U4 events
Workshops, online courses, and webinars

Type	2021	2017–2021
In-country workshops	6	33
Online course classes	12	53
Online course participants	1742 (enrolled) 745 (completed)	6978
Participants in U4 events	761	3338

of U4's longer expert-led courses, which we offered for six themes in 2021.

We have invested in developing online training courses that apply leading-edge methods, and this has yielded positive feedback from course participants: They report that the courses are relevant and useful and make them more confident and prepared to address corruption in their work.

U4's expert-led courses can be demanding on participants' time and efforts, and those who complete a course receive a certificate. Although many do not complete the final test or course assignment, partial course fulfilment is still valuable as a topical overview and entry-point to wider U4 resources. We continuously review and refine our course materials and strategy, recognising that the anti-corruption evidence continues to evolve, and that participants' time is very limited.

(See Table 6 for number of courses, in-country workshops, and participants. See annex 3 for reports from in-country workshops.)

Examples of organisations who have invited U4

U4 staff have contributed as event facilitators, speakers, panellists, in working groups, etc.



Six expert-led online courses - 2021



Essentials of
anti-corruption
II - Development
programming



Corruption
risk
management



Natural
resources
sector



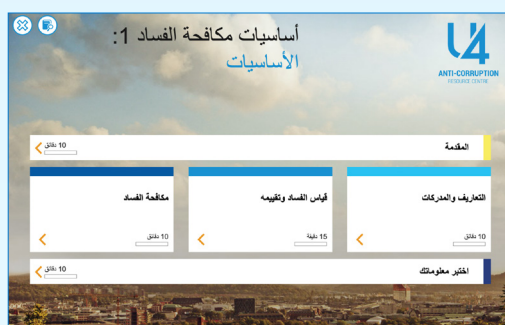
Justice sector



Gender



Health sector



Self-paced courses

The one-hour, self-paced course on the basics of corruption is now available in English, French, Spanish, and Arabic.

Impact through advice, research, and workshops

U4's diverse activities range across a variety of themes, countries, and partners. Therefore, it can be a challenge to trace the real-world effects of our work – including how it helps deliver long-term change and impact. We are putting a concerted effort into tracing such pathways to impact and present three examples from 2021 with concrete results from advice we gave, new publications, and online training.

EXAMPLE 1

U4 advice in an emerging crisis: Afghanistan

After the retreat of allied troops in August 2021 and the rapid collapse of Afghanistan's government, U4 partners raised two important questions for themselves and the donor community:

1. how to address systemic corruption, and
2. how best to manage corruption risks in aid delivery.

Systemic corruption was a major reason for the Afghan government and army's collapse in August 2021, and the Taliban's return to power. The Taliban's past violations and high corruption levels in the country became major concerns for the development community, raising the question of how international assistance could be protected against misuse from the new Taliban government.

Prior to this crisis, the U4 team had already developed several helpdesk answers pointing out the extent of corruption, its systemic nature, and how it reduced the effectiveness of development investments and trust in the Afghan government and institutions. With this background knowledge established and following the Taliban takeover, U4 became a central source of advice for U4 partners and other institutions in the development aid community – including United Nations agencies.

Arne Strand – U4 Director from June 2016 to December 2021 and one of Norway's most experienced researchers on Afghanistan – took the lead in providing advice. He gave presentations, and joined in dialogues with various development actors. Topics discussed included past experiences with sanction regimes, and questions such as: *would a total bypassing of Taliban be possible and*



iStock/Mansour-Ibrahimi

advisable?, what challenges would NGOs and UN agencies be up against?, and could community institutions be a channel for and help protect international funding against misuse?

Sharing experiences and taking part in such dialogues gives U4 better insight into donor considerations, which helps us to adjust our research and recommendations – ensuring a match with what donor community actors and others need. On the Afghanistan crisis, we provided advice and recommendations in more than ten instances. Doing so has also helped U4's ongoing research on anti-corruption in fragile states – including a forthcoming expert-led online course – and how to understand and address systemic corruption.

EXAMPLE 2

Shaping pandemic response agendas through publications

In 2020, we quickly reoriented U4 research towards understanding relationships between the Covid-19 pandemic and corruption. Our initial U4 Brief on Corruption in the time of Covid-19: A double threat for low income countries was widely influential, and the basis for ‘shaping the agenda for many donors and by extension their partners’ – according to an independent assessment report commissioned by the UK Foreign, Commonwealth and Development Office (FCDO).

With the pandemic rolling through 2021, we continued the work on the potential risks of Covid-19, but shifted focus to a second phase priority: vaccines. Two follow-up papers and one helpdesk answer covered challenges related to 1) global access to

Covid-19 vaccines, 2) transparency in vaccine distribution, and 3) the effect of Covid-19 on the proliferation of falsified or poor-quality medicines.

Our research on vaccine distribution was picked up by the Norwegian development media, highlighting a need for Norwegian authorities to do better in development cooperation and their role supporting the World Health Organization’s COVAX initiative.

U4 and Transparency International’s Health Initiative also supported the FCDO’s Pan Africa Department to reflect on corruption risks in the Covid-vaccine value chain, and ways to mitigate them.



DFID

EXAMPLE 3

Facilitating space for research-backed dialogue to improve insights: the Mekong River Basin

U4's long-standing practice of organising in-country workshops on country priority topics shifted to online gatherings in 2020 and 2021. As part of one such engagement in November 2021 hosted by Sweden's Agency for Development Cooperation (Sida) and the Swedish embassy in Thailand, U4 commissioned a background study on integrity and water governance in the Mekong region.

The Mekong is the longest river in Southeast Asia and supports some of the world's most ethnically diverse populations and most biodiverse ecosystems. U4's report covered corruption risks in Cambodia, Lao PDR, and Vietnam, but also paid close attention to China and Thailand, particularly with regard to transnational corruption. The report examined corruption systems in national and transnational governance of the Mekong and its water resources, and how this affects local communities.

The findings were shared with a wide audience in a webinar, coupled with an online workshop for targeted discussions with smaller groups. Both events gathered participants from U4 partner agencies and representatives from the Mekong River Commission, regional partners, research organisations, and civil society organisations.

At the workshop, participants shared experiences which can also be related to risks in other regions and river systems. A workshop participant expressed that 'these trainings with practical examples give a good perspective, knowledge, and information on the subject. It can be related to individuals'

own context also. Please continue with these trainings in the future'. This feedback reaffirms the importance of U4 continuing to facilitate space for research-backed discussions.

Sida intends to share some of the concerns raised in the background study with the Mekong River Commission, and use insights from the study and the workshop to inform Sida's anti-corruption and environment groups, including those working in other regions.



iStock/Photogoo

Concluding the 2017–2021 strategy period

Demonstrating agility and influence

2021 marked the end of U4's 2017–2021 strategy period during which improving the quality of all U4 work was a key priority. The overarching goal was to give partner agency staff ways to easily access and use relevant, practical anti-corruption advice and insights – backed by high-quality research.

We started the strategy period by developing a new, more thorough quality assurance process for U4 publications. It has worked well with its extended checklist covering all stages from testing ideas, to internal and external peer reviews, ensuring accessible language, promoting the paper, and evaluating results.

To help partner staff to engage with our research through online courses, we have emphasised continual revisions and developed several new courses – applying advanced learning technology practices.

The results of our efforts include acknowledgement from partners and others praising U4 research for its independence, relevance, and academic rigour. We have succeeded in being thought leaders in a range of areas, such as how informal contexts and social norms affect anti-corruption efforts, and how to address corruption risks linked to the Covid-19 pandemic.

The 2019 mid-term review – adjustments for the website, innovation, and outreach

An extract from the external review in 2019 summarises U4 half-way through the strategic period:

“(U4 is)...considered a unique and relevant think-tank synthesising and producing knowledge relevant for anti-corruption practitioners in the area of development cooperation. While there is no doubt that U4 is achieving what it has set forth to do, many of the reflections gathered from the stakeholders interviewed coincide in the view that there is also untapped potentials”.

Three areas that we therefore devoted extra attention to were:

1. Ensure that the U4 website is user friendly

It was clear that user-experience challenges existed with the U4 website from 2018. A thorough revision and development process began in late 2019, which – after delays due to the pandemic – resulted in a relaunch in late 2021. The website is the most important gateway into U4's resources and activities – with a 400% traffic increase during the strategy period.

2. Include innovation in a meaningful way

In 2018, we piloted an anti-corruption innovation lab, *U4 Trial*, to test anti-corruption interventions and innovative

approaches. The mid-term reviewers pointed out weaknesses with having a stand-alone initiative on innovation, and recommended further reflection around this initiative.

Our conclusion was to shift our strategy away from U4 Trial as a narrow and resource-demanding approach with few effective synergies with the rest of our work. Instead, we actively sought to embed innovative ideas and practices in all our research and activities. This way, we have established a flexible mode of working where we have also adapted well to emerging opportunities and crises.

2020 and the pandemic tested how agile and innovative the team had become: U4 reacted quickly to address how corruption affected policies aimed at controlling Covid-19. Areas we covered include gender, civil society and the media's role in ensuring accountability, anti-corruption measures in donor responses, vaccine roll-out, and general challenges with falsified medical products.

3. Offer resources and activities practitioners find and use

We reaffirmed as a priority the need to present U4's quality research in ways that are easy for practitioners to discover, understand, build on, and use. Our new efforts therefore included almost 100 blog posts on new research findings and priority topics, sharing practitioner experiences through special notes called 'PENs', podcasts, and webinars.

Endorsement through user survey responses and data monitoring

71% of respondents to our user survey in late 2020 stated that U4 resources had contributed to results in their work in the past 24 months. 63% noted that U4 resources had contributed to changing behaviour. These responses were around 10% more positive than those collected

in the 2015–2018 period. By combining user surveys with other feedback on U4 activities and available data, we have concluded that usage, satisfaction, and awareness of U4 resources all indicate an increased uptake of U4 products and advice.

In conclusion, we believe that this information demonstrates that we have been reaching our goal of enabling U4 partners and other anti-corruption stakeholders to better absorb and apply the insights and approaches most likely to help reduce corruption.

“
**U4 is the world's
leading anti-
corruption
research center.**

– US Diplomat/anti-corruption officer
2020 U4 user survey

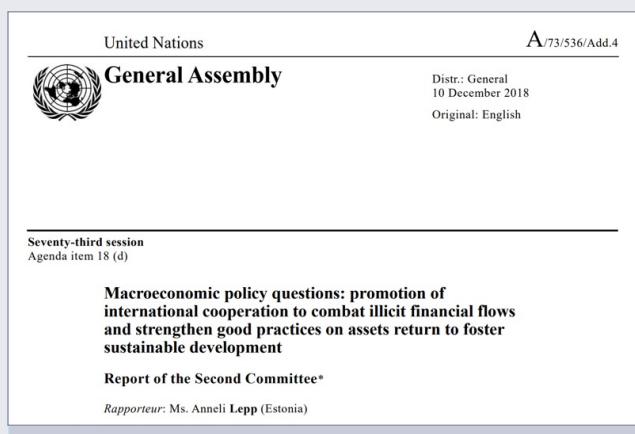
Examples of impact

From UN General Assembly recognition to influencing parliamentary bills

2018

UN General Assembly recognition

A December 2018 UN General Assembly report on illicit financial flows and assets return to foster sustainable development explicitly recognised the work undertaken by U4 in understanding these challenges. Our thematic work on these subjects started before this strategy period, and our efforts to ensure visibility and uphold U4's reputation as a trustworthy source, are likely to have contributed to this recognition.



Recognizing further the important work undertaken by academia and civil society, including the International Centre for Asset Recovery and the U4 Anti-Corruption Resource Centre, in assisting Member States in understanding the challenges associated with the return of stolen assets under chapter V of the United Nations Convention against Corruption,

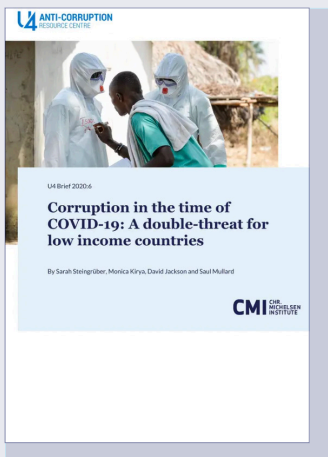


bmp/Flickr

2019

Testing a corruption case fire drill at U4 in-country workshops

The OECD Development Assistant Committee's Anti-Corruption Task Force developed a so-called fire drill for when donors must handle large corruption cases. U4 tested the method with donor agencies and practitioners during U4 in-country workshops in Uganda and Horn of Africa. The feedback from these sessions was used to further develop and test this drill.



2020

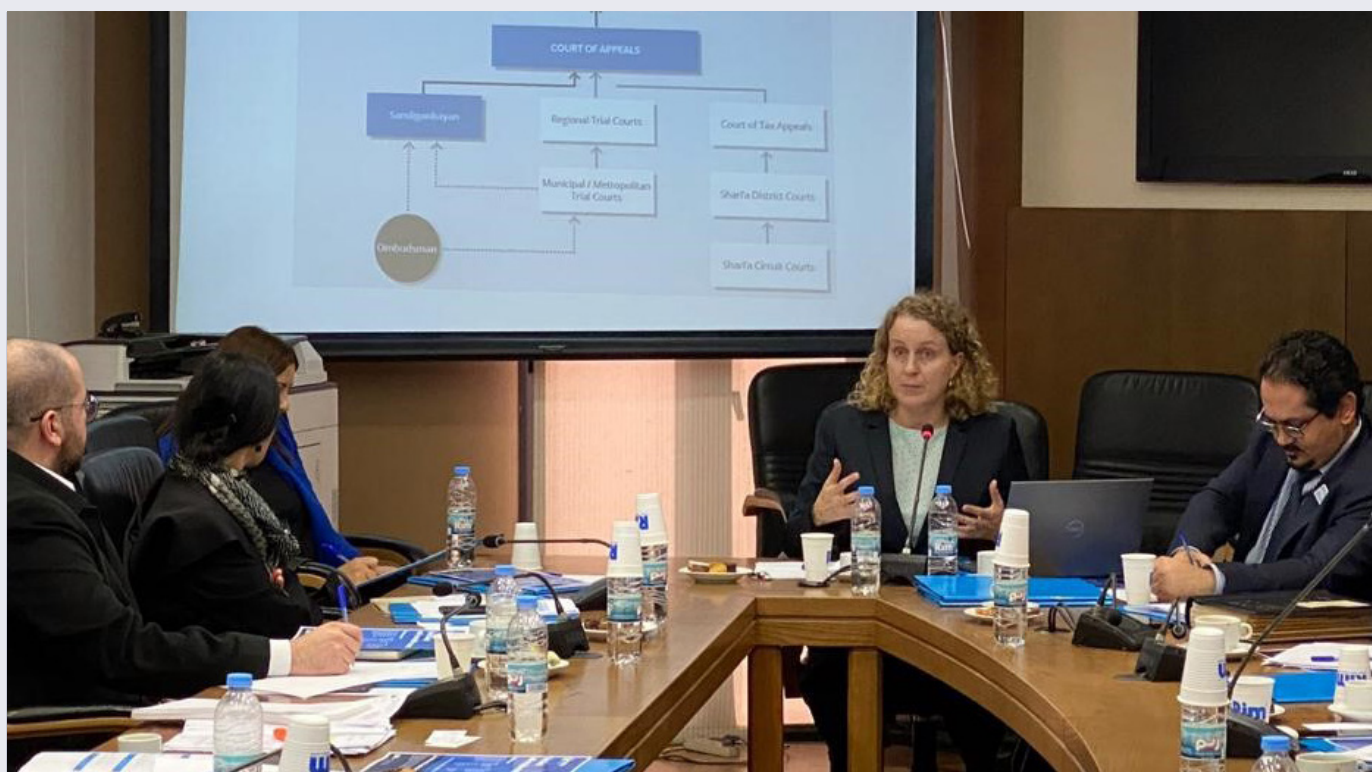
Placing corruption firmly on the Covid-19 response agenda

U4's most popular publication from 2020 on Corruption in the time of Covid-19 – with almost 20 000 views on the U4 website – was highlighted and referenced by Organisations such as the IMF, UNODC, and OECD.

2020

Influencing a parliamentary bill on anti-corruption courts in Lebanon

The United Nations Development Programme in Lebanon invited U4 to Beirut to present findings on anti-corruption courts to a parliamentary committee in charge of anti-corruption bills. U4's contributions at the events were cited in national media and resulted in the parliamentary committee reconsidering a bill that they had been working on.



CMI-U4

Future prospects: U4's new strategy and approach

Supporting partners and anti-corruption communities to respond to change and improve their impact

Planning for the next five years was a U4 team priority in 2021. The challenges of corruption are ever more complex and global, and anti-corruption strategies need to evolve quickly, too.

Our urgent work during the pandemic was a strong reminder that – as we approach our 20th birthday – U4 needs to endlessly adapt.

We presented our new 2022–2026 strategy – approved by the U4 partners in December – designed as a deliberate response to four key trends that we identified in the anti-corruption landscape.

Responding to four key trends

1

Anti-corruption needs to respond to local conditions

In many countries, rising populism, an undemocratic backlash, and closing against civic spaces mean that some governments actively undermine or ignore anti-corruption efforts. U4 will support our partners to achieve greater impact in countries where they run programmes, by moving closer to local practice and challenges in those countries and regions. For example, with Sida and other U4 partners, we have embarked on a two-year multi-stakeholder initiative called *Anti-corruption Partnership Pilot*. In this project we will test the implementation of a new anti-corruption approach in Zambia and Moldova.

2

Geopolitical power is shifting – bringing competing agendas

The international order is increasingly poly-centric, and multilateralism is questioned. Emerging powers, including state and non-state actors, have their own understanding of corruption and may challenge anti-corruption agendas and visions. However, multilateral cooperation is vital for reducing corruption. U4 will work with partners to develop a coherent global approach to anti-corruption. We will do so through convening events on strategic topics to provide evidence and advice in response to international priorities – but also seek to find common ground with less like-minded partners.

3

The complex nature and transnational dimension of corruption must be confronted

Public and private actors work across national boundaries to enable transnational corruption. New technologies facilitate ever-changing corruption between countries – outpacing efforts that work against it. Because domestic anti-corruption responses tend to ignore transnational complexities, U4 will continue to build further evidence on transnational dimensions of corruption – and how to tackle them.

4

Practitioners face uncertainty in their work

Anti-corruption practice may face internal challenges in development agencies due to reduced or reallocated aid funding. Policymakers may deprioritise anti-corruption if they just see it as an aid delivery problem, and not as a threat to growth, democracy, peace, and justice. Anti-corruption is even more important in turbulent periods, and U4 will help push anti-corruption up the agenda in our partners' home countries. One way we will contribute is by strengthening the U4 partnership as a tool for collaboration among like-minded donors. Promoting a shared understanding of whole-of-government approaches to anti-corruption is one important starting point.

Pursuing new goals through collaboration

We have often heard outsiders say ‘I thought U4 was a much bigger organisation and team than it actually is!’ We manage to ‘punch above our weight’ through a range of means, including working with a number of external collaborators. This has helped make U4 a robust, flexible organisation that is ready to take on the future.

We will deepen our collaboration with local and regional institutes, think tanks, and civil society organisations. This will help us explore new partnerships and joint activities, and to exchange skills, knowledge, and expertise. To build international momentum, support, and coherence for sustainable development, U4 will strengthen alliances outside the anti-corruption community. Relevant collaborators for U4 include actors working on human rights, and environmental and peacebuilding issues.

Developing U4 as an organisation

The U4 team and CMI has started a process to review several internal and external conditions affecting our ability to deliver on the new strategy and ensure that we are the organisation that we want to be:

A great place to work

CMI and U4 actively promote a positive work-life balance and a culture that welcomes joy and playfulness. We prioritise open and transparent processes where we listen to our people’s needs and celebrate achievements.

Learning better, advising better

We are intent on learning from successes and challenges both in our own work and the U4

partners’ anti-corruption efforts. Our flexible and adaptable work plans and close dialogue with partners helps us understand and respond to their learning needs. U4 proactively explores ways to deepen team members’ professional and digital skills.

A dynamic communicator

The team will develop a new communications strategy in 2022 outlining efforts to broaden our reach. Our aim is to listen closely to what the audience needs and respond accordingly. We will tailor communications to new audiences beyond the anti-corruption and governance circles.

A voice for inclusivity and gender equality

Gender and inclusion perspectives are crucial for ensuring the very best internal team dynamics and collaboration outside U4 – and making our work more effective. In terms of our research, we will reinforce knowledge sharing on how corruption and anti-corruption interventions affect marginalised groups – including women and girls, youth and persons with disabilities.

Bringing ethics to the fore

Anti-corruption research and practice has clear ethical dimensions, and they carry the potential for unintended consequences. We will continue to engage in difficult, but necessary conversations to improve anti-corruption efforts while maintaining the highest ethical standards.



Top: Anti-corruption is even more important in turbulent times. Everyone in the U4 partnership are ready to take on the future.

– U4 steering committee meeting, December 2021

Right : A workplace with room for joy and playfulness fosters creativity in solving complex problems.

– U4 team retreat, October 2021

Below:

– U4 strategy workshop, October 2021



The U4 team is set to confront the complex and transnational dimension of corruption.

Annual accounts

Stable funding through core grants from U4 partners and special projects

U4 secured adequate core funding from U4 partners to cover all planned outputs and activities in 2021. In addition to core funding and activities, the team delivered on several special projects funded with additional grants from U4 partners and other donors.

Resource allocation between various U4 priorities retained a degree of flexibility enabling swift reactions to eg Covid-19-related uncertainties and other ad hoc needs.

CMI-U4 and auditors confirm that the team has used resources effectively and without significant deviations.

The complete U4 financial statement is available in annex 7.

2021 saw U4's highest ever income, and expenditure

Continued rising demand for U4 delivery, and recruitment to meet this demand, meant a record year for U4. The team, and budget, have increased steadily since the U4 was created in 2002. Through carried over funds and new investments on health research, available income increased to 30,23 million Norwegian Kroner (NOK) (2,97 mill. EUR), despite Australia's funding ending in 2020 (see Table 7).

Equal contributions from most core funding partners

All U4 funding partners contributed the contracted annual grants in 2021. In addition,

CMI-U4 had extended agreements with the Norwegian and Swedish governments for top-up funding to cover specific activities (see Table 8).

Human resources – U4's main investment

U4 activities and outputs are primarily driven by our in-house expertise and our skilled staff, which makes core team salary costs U4's main expense – at 70% of total expenditure in 2021. All staff work on a range of activity-categories on a daily basis, therefore we do not break down core staff time by project in most U4 reports.

Most non-staff expenditure cover contracted research and consultant fees for anti-corruption, communication, IT, and online training expertise.

2021 year-end result landed on budget

The year's final expenditure versus planned 2021 budget is a positive balance of close to EUR 23 000 (see Table 9).

Internal staff time represented one of the main budget adjustments – with spending at 10,8% above the set 2021 plan. This increase was necessary for delivering on an ambitious workplan that we kept evolving throughout the

Table 7. U4 Income and expenditure 2021

	NOK	EUR	GBP
Income	30 233 096	2 974 293	2 556 624
Expenditure	28 049 016	2 759 426	2 371 930
Balance	2 184 080	214 867	184 694

Table 8. Contributions received from U4 partners in 2021 and total funds available

Income source	Contract amount in original currency	% of total income	NOK
Germany Federal Ministry for Economic Cooperation and Development (BMZ) /Agency for International Cooperation (GIZ)	EUR 350 000	13 %*	3 424 991
Canada Global Affairs Canada	EUR 222 000	8 %	2 146 74
Finland Ministry for Foreign Affairs of Finland	EUR 220 000	8 %	2 250 116
Denmark Danish International Development Agency	EUR 222 000	8 %	2 240 820
Sweden Swedish International Development Cooperation Agency	SEK 3 500 000	12 %	3 265 285
Switzerland Swiss Agency for Cooperation and Development	CHF 255 300	9 %	2 366 427
Norad Norwegian Agency for Development Cooperation	NOK 8 650 000	32 %	8 650 000
UK Foreign, Commonwealth & Development Office UK	GBP 200 000	9 %	2 335 640
Total funding from U4 partners 2021			26 684 019
Funds carried over from previous years			3 750 771
Currency loss (2021)			(201 694)
Total funds available in 2021			30 233 096
EUR			2 974 293
GBP			2 556 624

* A larger part of the contributions from Germany was received in 2021 compared to 2020, which explains why the percentage of the total is higher than for the other six partners without extended agreements.

year. In particular, demands for health sector thematic work resulted in this adjustment (see Annex 8).

With several outputs and activities still in progress at the end of 2021, approximately 3% of planned expenses were postponed to early 2022 when the respective 2021 workplan items will be completed. These costs will be covered by carried over financial reserves from earlier years.

Further details are available in annex 7 (U4 financial statement 2021)

Consistency in costs per category throughout the strategic period 2017–2021

The stable consensus between U4 funding partners and CMI–U4 helped sustain U4’s clear priorities throughout the strategy period (see Figure 2). The pandemic led us to reduce the in-country workshop budget for the last two years to the benefit of online training. Major work to the U4 website increased the communications

costs at the start and end of the period.

Diversified funding beyond the U4 partnership

In addition to core U4 funding, the team created further research outputs through funding for specialist projects from a range of sources (see Table 10). These generated additional publications in U4’s well established series, thus benefitting all U4 partners and – as a public good – all other interested readers. Thus, these special projects extend, and develop, U4’s core strategy.

Securing renewed long-term funding

Globally, traditional aid funding is under pressure. Crises have added to the range of demands and needs, while economic stress puts pressure on aid flows. U4 will continue to make an active case for the importance of funding anti-corruption research, resources, advice, and convening. This is essential for protecting all aid

Table 9. Budget and incurred costs by category 2021. Numbers in brackets are negative figures.

Expenditure categories	Budget	Incurred costs	Balance
1. Management Salary, travel, running costs	2 665 200	2 515 620	149 580
2. General operations Staff, travel, communications, running costs	14 039 849	15 496 590	(1 456 741)
3. Themes External research costs for 12 themes including quality control	3 866 122	2 390 964	1 475 158
4. Strategic initiatives Strategy development, peer research exchange, partnerships in the South	295 000	172 843	122 157
5. Helpdesk (TI)	1 524 272	1 554 127	(29 855)
6. Courses and convening Online training, in-country workshops, webinars	2 285 444	2 533 237	(247 793)
7. German U4 partner project Staff, thematic outputs, online training	3 605 000	3 385 635	219 365
Total NOK	28 280 886	28 049 016	231 870
Total EUR	2 782 237	2 759 426	22 811

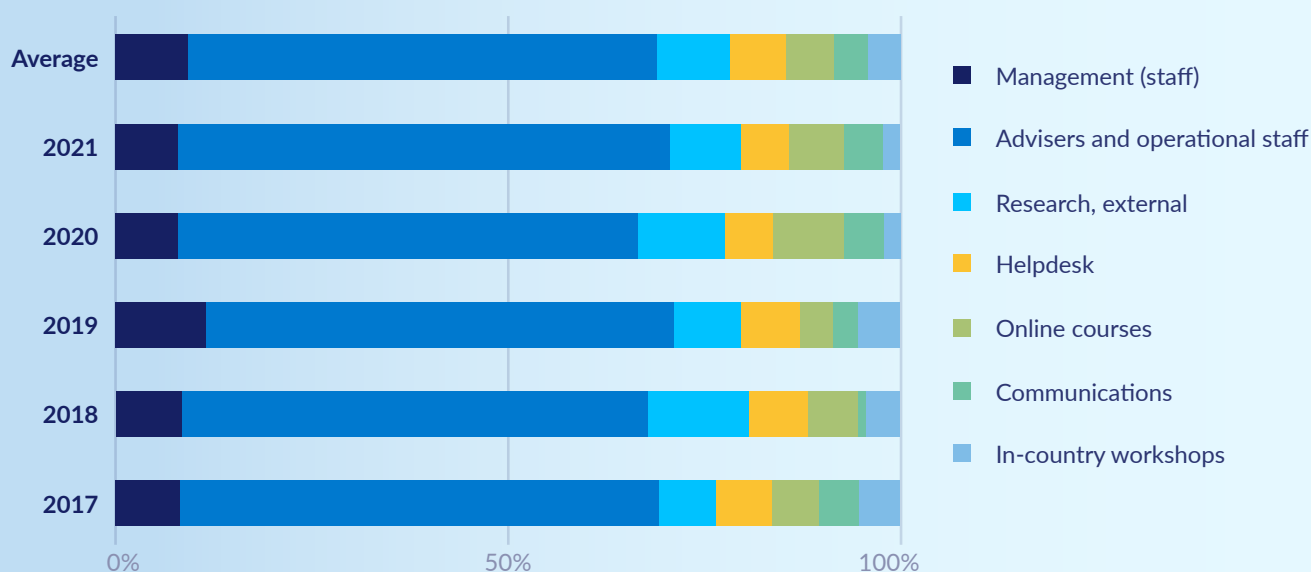
from corruption risks, and beyond this also an essential part of understanding and addressing the corruption that threatens a wide range of global goods – inclusive growth, stability and peace, and our climate. U4 will continue to make the case for like-minded bilateral donors to join, and stay in, the U4 partnership; to pursue additional funding for specific activities; and also to reach out to potential new sources of anti-corruption finance, such as from foundations and other sources.

The most recent UK grant to U4 ended on 31st March, 2022. We are currently awaiting a formal decision about the FCDO's plans regarding their status in the U4 partnership. At the same time, we are actively seeking new partners and funding, though with the ongoing war in Ukraine at the time of writing this report – and resulting pressure on aid funds – such processes may be more complicated and take longer than they used to.

Table 10. U4's project funding from outside the core U4 partnership

Source	Project	2021 income (NOK)
SDC– Switzerland	Research on corruption and climate change	1 666 598
Government Transparency Institute	Uganda corruption studies	30 700
GIZ– Germany Governance support programme	South Africa, study	79 707
USAID	Targeting Natural Resource Corruption	3 450 346
Institute of Development Studies	Strategy and capitalisation exercise of Swiss anti-corruption development cooperation	310 890
Total		5 538 241
EUR		544 845
GBP		468 334

Figure 2. High stability in expenditure by category in 2017–2021 strategy period



Staff

U4 staff, CMI – Bergen

Arne Strand, Director until 15 Dec. 2021
Peter Evans Director from 16 Dec. 2021
Per Aarvik Senior Adviser
Lisa Arnestad Digital Communications Adviser
Daniela Cepeda Cuadrado Adviser from 1 Feb. 2021
Kirsty Cunningham Senior Communications Adviser
Vera Devine Senior Adviser and Online Course Coordinator
Lucie Ducarre Assistant until 31 Jan. 2021
Priscilla Gonzalez Programme Coordinator from 1 Feb. 2021
Maya Havre Finance and Operations Manager
David Jackson Senior Adviser from 1 Feb. 2021
Monica Kirya Senior Adviser
Sophie Lemaître Senior Adviser
Saul Mullard Senior Adviser
Guillaume Nicaise Senior Adviser
Sofie Arjon Schütte Senior Adviser
Daniel Sejerøe Hausenkamp Adviser
Rachael Tufft Senior Learning Technology Adviser
Aled Williams Senior Adviser/ promoted to Principal Adviser

Helpdesk team, Transparency International – Berlin

Marie Chêne Knowledge and Policy Manager
Jorum Duri Research Coordinator
Matthew Jenkins Research and Knowledge Coordinator
Kaunain Rahman Research Coordinator

CMI staff and external consultants

CMI employees and external consultants who have contributed regularly to U4's work in 2021:

Inge Amundsen Senior Researcher
Anna Gopsill Assistant
Kristen Børje Hus Graphic Designer
Karen Hussmann Consultant
Pernille Jørgensen Graphic Designer
Mia Kolbjørnsen Communication Director
Robert Sjursen IT Consultant
Sarah Steingrüber Consultant
Marijana Trivunovic Consultant

Externally funded U4 staff

Juan Camilo Ceballos Research assistant from 1 Apr. 2021
Achiba Gargule Senior Adviser from 1 Feb. 2021



Join the U4 partnership

The U4 partnership welcomes government ministries or agencies responsible for development funding and programmes to join.

Read more about the benefits, funding, and organisation.



[View online](#)



2022-2026 Strategy

Stronger partnerships to boost anti-corruption worldwide.



[View online](#)

u4@cmi.no
www.u4.no

U4 – Chr. Michelsen Institute

P.O. Box 6033
5892 Bergen, Norway

Visiting address:
Jekteviksbakken 31, Bergen

CMI | U4 ANTI-CORRUPTION
RESOURCE CENTRE