

## FPI Results Framework - Indicator Methodology Note

1. Indicator Name and Code
<p style="text-align: center;"><b>Number of reports of alleged fraud/irregularities</b></p> <p><u>OPSYS Code:</u> 17205</p>
2. Technical Details
<p><u>Unit of measure:</u> Number of reports.</p> <p><u>Type of indicator:</u> Quantitative; Actual (ex-post); Cumulative (not annual).</p> <p><u>Level of measurement:</u> This is an <b>Outcome</b> indicator. It would typically be associated with outcomes such as “Decreased fraud or irregularities” or “Strengthened accountability and transparency”.</p> <p><u>Disaggregation:</u> None.</p>
3. Description
<p>This indicator captures the number of reports of alleged fraud or irregularities in contexts where the EU/FPI supports accountability and transparency systems. It reflects the capacity of governance or oversight bodies to receive and record such allegations. An increase may indicate improved detection and trust in reporting mechanisms, while a decrease may reflect either reduced incidence or underreporting. The indicator is relevant in interventions supporting public sector reform, anti-corruption measures, or institutional oversight.</p>
4. Calculation of Values and Example
<p>The value of this indicator is calculated by counting the number of formal reports of alleged fraud or irregularities recorded within the reporting period.</p> <p><u>Technical definitions:</u></p> <p><b>Reports:</b> Formal notifications or documented communications submitted through recognised channels, raising concerns or allegations of fraud or irregularities. Reports may originate from audits, whistleblowing systems, grievance mechanisms, oversight bodies, or implementing partners, and must be traceable and verifiable.</p> <p><b>Fraud:</b> Any intentional act or omission designed to deceive for personal or institutional gain, typically (though not solely) involving misappropriation or misuse of public resources. In the context of EU/FPI interventions, this includes deliberate actions such as falsification of documents, misrepresentation, or collusion that undermine the integrity of public institutions or processes in partner countries.</p> <p><b>Irregularity:</b> Any infringement of applicable laws, regulations, or contractual provisions resulting from an act or omission, which may have a negative impact on the objectives of public/institutional actors, without necessarily involving intent. In EU/FPI contexts, irregularities can arise from administrative errors, negligence, or failure to adhere to established procedures, potentially compromising the effectiveness and transparency of public initiatives.</p> <p><u>Counting Guidance:</u></p> <ul style="list-style-type: none"> <li>• <b>Basic counting rules:</b> Reports are counted individually. If multiple reports refer to the same incident, they should only be counted separately if submitted independently and through distinct processes. Anonymous reports may be included if they meet documentation and traceability requirements.</li> <li>• <b>Documentation proof:</b> Each report of alleged fraud or irregularity must be formally documented and submitted through a recognised channel (e.g. audit, grievance mechanism, whistleblower system, oversight body). Reports should refer to specific incidents or concerns and must be verifiable.</li> <li>• <b>Attribution:</b> Only reports recorded in the context of the relevant EU/FPI intervention should be counted. The reporting mechanism must be operational within the scope of the EU/FPI-funded action, and attribution to the intervention must be clear.</li> </ul>

- **Avoid double counting:** Each report should be counted only once per reporting period. If the same incident is reported through multiple channels or at different times, it should not be counted more than once unless submitted independently by different sources and documented as separate entries. Likewise, avoid counting again the same report in different reporting periods (e.g.: in year 1 and again in year 2).

Quality Control Checklist:

1. Has the definition of “report” been applied consistently and in line with the current note?
2. Are all reports formally documented, submitted through recognised channels, and verifiable?
3. Have duplicate reports referring to the same incident been identified and counted only once, unless submitted independently?
4. Has the attribution to the concerned EU/FPI intervention been clearly established?
5. Has double counting been avoided both within and across reporting periods?

Example:

In Year Y, under an EU/FPI-funded public sector reform intervention in Country X aimed at enhancing institutional accountability and transparency, the implementing partner recorded 12 formal reports of alleged fraud or irregularities. These concerned suspected cases of procurement manipulation, unauthorised use of public funds, and conflict of interest involving local government officials. The reports were submitted through the newly established Anti-Corruption Reporting Mechanism (ACRM), developed and operationalised as part of the intervention’s support to strengthen the country’s integrity and oversight systems. The value to be reported for Year Y is: 12.

## 5. Data Sources

Reported values should derive primarily from the internal monitoring and reporting systems of EU-funded interventions. Data must be collected and reported by the implementing partner and verified by the OM. Examples of data sources: Audit reports and management letters; Whistleblower or anti-corruption reporting mechanisms; Grievance and complaint handling systems; Oversight bodies or ombudsman offices; Official registers or digital databases of reported fraud/irregularities.

## 6. Other Uses / Potential Issues

This indicator helps assess the existence and use of functional accountability and oversight mechanisms in contexts supported by the EU/FPI. It may also reflect the level of institutional openness and public trust in reporting channels.

Potential issues: An increase in reported cases may reflect improved reporting rather than higher levels of fraud. Cultural or political sensitivity may discourage reporting, leading to underestimation. If the definition of report or attribution is unclear, the data may not be reliable. Weak documentation or inconsistent application of reporting procedures may affect comparability across interventions. Mitigation measures include applying a clear and consistent definition of “report”; ensuring that reporting mechanisms are functional, accessible, and well documented; and supporting the implementing partners in setting up basic verification and tracking systems.