



## Deciding over nature: Corruption and environmental impact assessments



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### ABSTRACT

Environmental Impact Assessments (EIAs) are an important analytic tool for identifying and potentially mitigating project risks and negative environmental and societal impacts. Their usefulness, however, depends on how they are implemented and on whether findings are used in public decision-making. Given the notorious vulnerability of public-private interactions to corrupt practices, we examine potential and actual corruption risks across four stages of a generic EIA process. Combined with case analysis of the EIA process in Albania, a Southeastern European context experiencing serious governance challenges, we reflect on the vulnerabilities of EIAs to various forms of corruption from a principal-agent perspective. We concur with earlier research suggesting that the fundamentally rationalist approach behind EIAs do not necessarily match the empirical realities of public environmental decision-making, particularly in less mature EIA systems. We conclude with suggestions for framing a future research agenda in this area and touch on tentative policy remedies.

### 1. Introduction

Conventional economic development involves public sector decision-making processes for new projects (Peet and Hartwick, 2009). Ostensibly guided by rational utilitarianism<sup>1</sup> (i.e. the notion that it is the role of governments to minimize pain and maximize happiness), public officials interact with private sector actors in procuring new roads, airports, rail networks, hospitals, or schools (Kattel and Lember, 2010). Environmental impact assessments (EIAs) are one analytic tool aimed at identifying and mitigating a particular project's risks to the environment and to society, including to habitats for particular species, to ecosystem and carbon sequestration services, to levels of biodiversity, and to water catchment regulation (Canter, 1996; Jay et al., 2007).

Public-private interactions are notoriously vulnerable to corrupt practices (Basheka, 2009, Rose-Ackerman and Palifka, 2016). Emerging formal empirical evidence suggests that EIAs may be influenced by corrupt practices including bribery, collusion, and conflicts of interest (Dougherty, 2015, Paliwal, 2006, Branis, 1994, HRW, 2012, Momtaz, 2002, Transparency International, 2011, Kakonge, 2013). Yet, although EIAs are a core aspect of environmental decision-making for new projects in most countries, and despite potential for public harms resulting from corrupt decision-making linked to EIAs, there is limited published research on this topic. This is surprising for at least two

reasons. First, environmental issues have recently significantly advanced up the list of priority agenda items in global public discourse, coalescing around new funding mechanisms, policy measures and practical programs for adapting to and mitigating the effects of climate change (Bulkeley and Newell, 2010). Second, there is considerable empirical evidence for the prevalence of corruption in many countries' construction and natural resource sectors, areas of particular relevance to EIAs (Wells, 2015, Neu et al., 2015, Kolstad and Søreide, 2009).

In this article, we theorize a set of potential corruption risks in carrying out EIAs and empirically examine their salience through a case study of Albania. We first outline our methodology, then discuss the main theoretical corruption risks in carrying out EIAs, drawing on the sparse literature on this topic. We then present our case study of corruption in the EIA process in Albania, drawing on our own fieldwork in this Southeastern European context characterized by serious governance challenges (Transparency International, 2014, European Commission, 2015). We conclude with tentative suggestions for a future research agenda and a short discussion of potential policy remedies.

### 2. Methodology

In 2015 we were approached by the Albania country office of the German development cooperation agency GIZ to develop a study on the

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<sup>1</sup> Peet and Hartwick (2009), for example, offer a discussion of utilitarianism as an emerging reaction to the social problems of 18th and 19th Century England, situated within broader classical and neoclassical economic theory. Bentham's *An Introduction to the Principles of Morals and Legislation* argued that every human action could be judged by its effect on either augmenting or diminishing the happiness of the individual (Bentham, 1987). Corruption is widely considered to undermine utilitarian goals by various means, but all relate to the surreptitious prioritization of narrow interests at the expense of societal- or group-level goals (Søreide and Williams, 2014).

EIA process in the country given recent anecdotal evidence, media publicity and civil society concerns regarding the dubious nature of environmental decision-making, and in particular the EIA process. Recent cross-country corruption perceptions data (Transparency International, 2014) and a European Commission report (2015) confirmed that Albania experiences serious contemporary corruption challenges and, despite improvements in some policy and legislative areas, is still a poor performer on governance indicators.

Our method of analysis was as follows. We first reviewed the existing academic knowledge base on corruption and EIAs, the results of which we outline in the next section. To carry out this review, we developed a list of key terms associated with corruption and environmental decision-making and inserted each of these terms (and combinations of, as well as alternatives to, the terms) into the following academic search engines: Google Scholar, Web of Science, Jstor, and Academic Search Complete. Our list of terms is found in Appendix 1. Based on this literature review, we developed a list of potential corruption risks in a generic EIA process, which we outline in the next section.

Second, we conducted an exploratory case study in order to test the salience of the corruption risks we identified in the literature review as well as to identify further risks. An exploratory study is particularly appropriate where limited research exists on a topic, as it can help to generate hypotheses for future research. Our literature review allowed us to generate a set of hypotheses in the form of the list of potential corruption risks in the EIA process, and to then engage in a plausibility probe via a small-n study to both further develop and preliminarily test these hypotheses. This enabled us to determine whether future research on this topic is warranted (see Eckstein, 1975).

We collected empirical evidence through case study analysis of the EIA process in Albania. Data collection consisted of carrying out semi-structured qualitative interviews, each lasting around 1 h, with 16 key EIA stakeholders in Tirana during November 2015:

- National public environmental/energy authority representatives: × 5
- Regional public environmental authority representatives: × 4
- National non-governmental organization representatives: × 2
- Nationally accredited EIA private sector experts: × 4
- Foreign public agency representatives: × 1

While quantitative data is often desirable to understand the overall patterns and trends of a social behavior as well as its causes and consequences, the availability and quality of numeric data is extremely limited and notoriously unreliable in corruption studies. Relying on quantitative data (such as from administrative or criminal sanctions) is generally not considered a suitable means of “proving corruption” because corruption is generally secretive and it is impossible to know the true incidence of corruption based on court cases or other types of sanctioning mechanisms. For this reason, qualitative, perceptions-based data is often more useful in understanding the types and scope of corrupt behaviors in a given sector, particularly in an exploratory study such as ours. During our data collection, several government and non-government sources reported that there have been zero (or very close to zero) cases of formal sanctions against private experts who have consistently submitted poor EIA reports. A logical conclusion to draw from this lack of cases of sanctions is Albania therefore has no problem with corruption in its EIA system. But our qualitative data, as well as the majority of published research on Albanian governance, tell a very different story, one that to date has largely gone unexamined.

To ensure we carried out our data collection according to the highest ethical standards (particularly given the sensitive nature of the topic of our research), we obtained informed consent by presenting each interviewee with a Participant Information Sheet and Consent Form prior to the interview. These documents covered: the purpose of our study; the reasons for choosing the interviewee; affirmed the voluntary nature of the interview; provided details of what the interview would cover; affirmed the

confidential nature of the interview and the means by which interview data would be secured; what would happen with the results of the study; and how the study would be peer-reviewed. Each interviewee signed a Consent Form affirming that: they had read and understood the Participant Information Sheet and had an opportunity to ask questions; that they had understood that their participation was voluntary and that they were free to withdraw from the interview at any time, and without giving a reason; that they agreed to be referred to by a random number in the research and published study; that they understood that there may be limitations to their anonymity given relatively few interviews were to be conducted for the study. In order to ensure the anonymity of all respondents' identities, we have kept identifying details of all interviewees in a secure location, and assigned a random number to each interview transcript.

We used an interview guide to structure the interviews and asked each interviewee similar questions, with follow-up questions to specific comments. Our questions focused on the interviewee's experiences of EIA performance in Albania, and their ideas for positive reforms to mitigate and prevent unethical behaviors. Our interview guide can be found in Appendix 2; this guide was formulated in collaboration with development agency practitioners concerned with problems of corruption in EIAs in Albania.

We had several objectives in the interviews. Given the lack of published studies on corruption in the Albanian EIA system, our first objective was to understand the laws and rules in place governing EIAs, and the administrative processes and sanctions applicable. Our second objective was to enquire as to the actual adherence to these objectives, rules, laws, processes, sanctions regimes, and the outcomes of EIA process. The topic of corruption was raised cautiously and with an attempt to not lead interviewees to describe certain practices as “corrupt”. Third, we also undertook to understand the benefits of current ways of working on EIAs in Albania.

The interviews were systematic and reflexive in the sense that we made conscious attempt to consult with a wide range of EIA stakeholders, including those directly involved (such as private EIA experts, and environmental ministry and agency public officials), and those monitoring EIA processes and outcomes from a distance (academics, environmental NGO representatives).

Finally, in order to validate our findings from the literature review and interviews, we presented the initial processed and anonymized findings from the interviews to a focus group of 30 EIA stakeholders at a workshop held in Tirana some weeks after our fieldwork. This was done to provide an opportunity for our initial fieldwork findings to be challenged, corrected, and added-to. We revised our description of the formal system for EIA administration in Albania as a result of feedback received from focus group participants.

### 3. A brief review of literature on corruption and EIAs

#### 3.1. Corruption: Definitions, causes, and environmental consequences

Following a widely accepted view, we define corruption as the abuse of entrusted power for private benefit.<sup>2</sup> There are several theoretical perspectives for why corruption occurs<sup>3</sup>; our analysis is guided by the

<sup>2</sup> This is the Transparency International definition of corruption. It is slightly broader than that advocated by the World Bank (which focuses on *public* rather than *entrusted* power), and is more succinct than several academic definitions, such as that put forwards for natural resource sectors by Robbins (2000).

<sup>3</sup> These are the principal-agent theory, collective action theory and an emerging theory of corruption-as-problem-solving. For discussion of these three views, see Marquette and Pfeiffer (2015). Our literature review showed that most studies on environmental assessments and corruption adopt a principal-agent perspective, and it is for this reason that we focus on breaches to the formal control and accountability mechanisms for environmental impact assessments, including in Albania. We recognize, however, the value of the other two theoretical perspectives and tend to agree with Marquette and Pfeiffer (2015) that they may be partly complementary.

currently still dominant theoretical perspective (widely known as “principal-agent theory”). This perspective suggests that corruption is particularly likely to occur in contexts where some individuals have too much power over decision-making, where there is not enough publicly available information about how those decisions are made, and where there is no way to hold decision-makers accountable for their actions (Klitgaard, 1988). In other words, corrupt behaviors thrive under conditions of secrecy and power imbalances. Weak institutions increase the likelihood of corruption because actors do not have incentives to act cleanly and are not constrained from behaving corruptly since mechanisms ensuring transparency, participation, accountability, and integrity are missing (Mehlum et al., 2006).

Corruption is a particularly serious problem for the environment and is embedded in the political economy of many natural resource sectors worldwide.<sup>4</sup> Evidence shows that corruption leads to, for instance, faster rates of depletion of natural resources and higher rates of pollution, creating the classic tragedy of the commons (Management Systems International, 2002, Cole, 2007). Corruption can also reduce the stringency and enforcement of environmental regulations (Welsch, 2004, Pellegrini and Gerlagh, 2006). Countries considered to be more corrupt are likely to have fewer government environmental guidelines in place, to have lower amounts of land protected, to participate in fewer international environmental agreements, and to have a lower number of ISO 14001 - certified firms operating within their borders than less corrupt countries (Morse, 2006).

### 3.2. Environmental decision-making and impact assessments

Environmental decision-making entails the processes by which choices are made about activities that use natural resources or alter the landscape in some way. These choices have consequences for the environment and for society. Inherent in any decision-making process, to include in relation to the environment, are questions about the rules by which choices are made, which individuals are granted the authority to make choices, the trade-offs inherent in various choices, and distributional questions of who will bear the costs and reap the benefits of decisions (Gregory and McDaniels, 2005).

Environmental impact assessments (EIAs) are a foundational part of the environmental decision-making process. Emerging in the United States with the adoption of the National Environmental Policy Act in 1969, their use has since spread globally as many countries have adopted EIA requirements into their environmental legislation (Glasson et al., 2013). EIAs identify, predict, estimate, mitigate, minimize, and communicate to the public the biophysical (environmental) and social consequences of proposed projects, and are undertaken prior to the implementation of those projects (Ebisemiju, 1993, International Association for Impact Assessment 2016). EIAs are critical for making informed decisions regarding the environment, as they determine whether a proposed project complies with legislative and other standards and thus whether, and how, that project should proceed. Since the late 1960s, there have emerged several terms associated with the process of identifying environmental impacts in environmental decision-making, including strategic environmental assessments and integrated environmental assessments. While we recognize the existence of these other environmental assessment types, the focus of this paper remains on EIAs.

Typical generic steps involved in carrying out an EIA are as follows, although the actual steps vary according to context and legislative requirements (Glasson et al., 2013):

1. *Screening*: Determines whether a project will have adverse environmental impacts, and thus whether an EIA is needed;
2. *Scoping*: Determines the extent of the EIA – which impacts and issues should be considered in the assessment and drafting of the assessment's Terms of Reference;
3. *Report preparation*: Data collected to identify impacts, evaluate alternatives, and propose or design mitigation measures;
4. *Report submission and review*: Report is submitted to the project proponent and relevant government authorities for review.

### 3.3. Theoretical corruption risks in EIAs

While EIAs are an important tool for identifying and potentially mitigating project risks and negative environmental and societal impacts, this depends on how EIAs are implemented, and on whether EIA findings are actually used in decision-making.<sup>5</sup> In theory, EIAs should be transparent, accountable, and participatory in order to correctly identify impacts and mitigation measures and thus allow decisions that reduce the social and environmental costs that individuals must bear. Yet, there is evidence that corruption poses challenges in carrying out EIAs due to the monopoly and discretionary power exercised by governments in the EIA process, the high-stakes nature of the EIA and uncertainty of its outcomes, and the conflicts of interest inherent in EIA processes (Dougherty, 2015, Paliwal, 2006, Branis, 1994, HRW, 2012, Momtaz, 2002, Transparency International, 2011). Table 1 presents theoretical corruption risks across four stages of a generic EIA process.

Some of the biggest corruption risks identified through our literature review include undue influence by, and conflicts of interest between, the public and private actors involved in an EIA process. EIAs represent an important locus of the exercise of power over the environment (Cashmore and Richardson, 2013), but power imbalances in the EIA process heighten the risks that individuals will behave unethically for personal gain.<sup>6</sup> EIAs can be financially costly and time-consuming to undertake, raising the overall costs of a potential project. There is also a risk that an EIA may lead to the rejection or serious delay of a proposed project if its impacts are deemed too serious. The key actors involved in conducting EIAs – project proponents, government authorities, and the individuals who actually carry out EIAs (“experts”) – therefore have incentives to undermine EIA processes and related decisions for personal and company gain.

Decisions as to whether an EIA is required can in theory be unduly influenced either by project proponents or public officials. Kakonge (2013) suggests, for example, that corruption has resulted in the Nigerian environmental ministry openly disregarding the country's EIA regulations. In a number of countries, including Guatemala, Bangladesh, Sri Lanka, Czech Republic, and India, private expert consultants are hired by mining companies to conduct EIAs, creating a direct conflict of interest (Dougherty, 2015, Paliwal, 2006, Branis 1994, HRW, 2012, Momtaz, 2002, Transparency International, 2011). In Guatemala, payment for these expert consultants is divided into an initial, up-front payment to cover the costs of conducting the EIA, and a second payment upon conclusion of the report for wages. Dougherty (2015) reports companies often delay or omit the second payment, and as a result, exert considerable leverage over consultants in terms of the findings that are presented. As in Guatemala, project proponents hire private expert consultants to carry out EIAs in India.

A lack of certification for consultants means that the quality of EIA reporting is often low, a problem made worse by government's failure to

<sup>4</sup> For example, Williams and Le Billon (2017) present thirteen case studies of corruption in natural resource sectors from countries including the Philippines, Kenya, Ghana, Madagascar, Tanzania, and Nigeria. Development economists Ivar Kolstad and Tina Soreide (2009) consider corruption to be a central feature of the so-called “resource curse” afflicting many lower income countries that nonetheless possess abundant natural resources.

<sup>5</sup> Jay et al. (2007) provide a discussion of the effectiveness of EIAs as an anticipatory environmental management tool. Referring to evidence of the relatively weak degree of influence of EIAs on planning decisions, the authors suggest an emerging basis for EIA reform.

<sup>6</sup> This may partly explain why EIA processes have been the subject of local resistance in Guatemala (Aguilar-Støen and Hirsch, 2016).

**Table 1**  
Theoretical corruption risks in the stages of a generic EIA process.

Stage	Risks
Screening	<ul style="list-style-type: none"> <li>• Project proponent may bribe government officials to determine that a proposed project does not need an EIA, or government officials may solicit bribes from project proponents for the same reason; this is aided by unclear environmental legislation</li> <li>• Experts or project proponents bribe government officials to be granted the right to carry out an EIA</li> <li>• Conflicts of interest between project proponent and expert selected to conduct the EIA</li> </ul>
Scoping	<ul style="list-style-type: none"> <li>• Project proponent may bribe the individuals responsible for carrying out an EIA to consider or ignore certain issues and impacts, or experts may bribe or extort project proponents for the same reason</li> <li>• Conflicts of interest between project proponent and expert selected to conduct the EIA</li> </ul>
Report preparation	<ul style="list-style-type: none"> <li>• Conflicts of interest between project proponent and expert selected to conduct the EIA</li> <li>• Fraudulent and falsified data collection</li> <li>• Manipulated data collection and presentation (fraud)</li> <li>• Bribes, extortion, or kickbacks in order to collect needed data</li> <li>• Bribes, extortion, or kickbacks in order to include particular types of data or interpret it favorably</li> <li>• Fraud, kickbacks, and embezzlement in procurement, contracting, billing, wages</li> <li>• Public (i.e. local communities) are bribed to give their consent to projects, or to provide false data</li> </ul>
Report submission and review	<ul style="list-style-type: none"> <li>• Project proponent may bribe government officials to authorize an EIA and thus a project, or government officials may bribe project proponent for the same reason</li> </ul>

implement its own EIA guidelines. Paliwal (2006) argues that this lack of certification results in a dearth of data interpretation and analysis in EIA reports. Yet expert certification is no guarantee for success, as Branis (1994) argues in the case of the Czech Republic in its immediate post-independence days. Rather, authorizing and relying on state-certified individuals (rather than on certified firms or organizations) to carry out and assess EIA reports can create opportunities for companies to, for example, pay off experts in order to use their good name. While codes of conduct are a potential solution to corrupt behavior by EIA experts – which Momtaz (2002) argues in the case of Bangladesh would help to improve governance over consultants there – like most voluntary governance mechanisms, enforcement may be problematic.

Two additional identified major corruption risks are a lack of transparency and unaccountable decision-making in the EIA process. If government officials responsible for EIA approval do not adhere to public consultation and review procedures, or if these procedures are not carried out transparently, this opens EIAs “to capture by powerful government interests if there are no opportunities to review or challenge the analysis and assessment” (Horberry, 1984, quoted in Ebisemiju, 1993). In the submission and review stage, undue influence can be exerted in order to receive a favorable EIA review, and thus project approval. In China, Huang and Liu (2014) report companies have provided kickbacks to local government environmental agencies in exchange for positive recommendations of EIAs. Companies also use other means to favorably influence EIA approval: Dougherty (2015) reports that in Peru, “mining companies routinely sneaked into the ministry with flash drives and helped government workers edit environmental impact studies”. A Human Rights Watch Report highlights another way in which high levels of government monopoly and discretionary power over the EIA creates opportunities for corrupt behavior in India (HRW, 2012): Expert committees set up by the environmental ministry review and approve EIAs and grant environmental clearances. Although the environmental impact assessment regulations state that committee members should carry out site visits to confirm data presented in EIA reports, this is rarely or never done. As a result, instances have been reported of EIAs that included false data as well as text and data that were copied and pasted from EIA reports for completely different projects.

Based on our review of the existing literature, we expect an increased likelihood of corrupt behavior in EIA processes that demonstrate a lack of transparency, participation, and accountability for the actors involved. We further expect that conflicts of interest on the part of EIA experts will make them particularly prone to abuse the EIA system.

#### 4. Case study of the EIA system in Albania

We turn to analyze a corruption-challenged EIA system based on our own fieldwork in Tirana, Albania. Albania, an upper-middle income economy in Southeastern Europe and an independent state since leaving the Ottoman Empire in 1912, scores poorly on cross-country corruption perceptions indicators (Transparency International, 2014). The European Commission (2015) confirms Albania faces serious corruption problems. We do not focus here on the broad historical or socio-political origins of corruption and means for its control in Albania, but rather offer a focused case analysis of recent experiences of the country's EIA system.<sup>7</sup> After outlining the formal EIA process in the country, we discuss the role of private experts in producing EIAs, the experts' accreditation system, and procedures for reviewing, approving and monitoring EIAs. We then consider various poor practices in conducting EIAs in Albania and their reported causes, including forms of corruption. The interviews we conducted confirmed one of our major theoretical expectations regarding the heightened risk of corruption linked to the role of expert consultants who carry out EIAs.

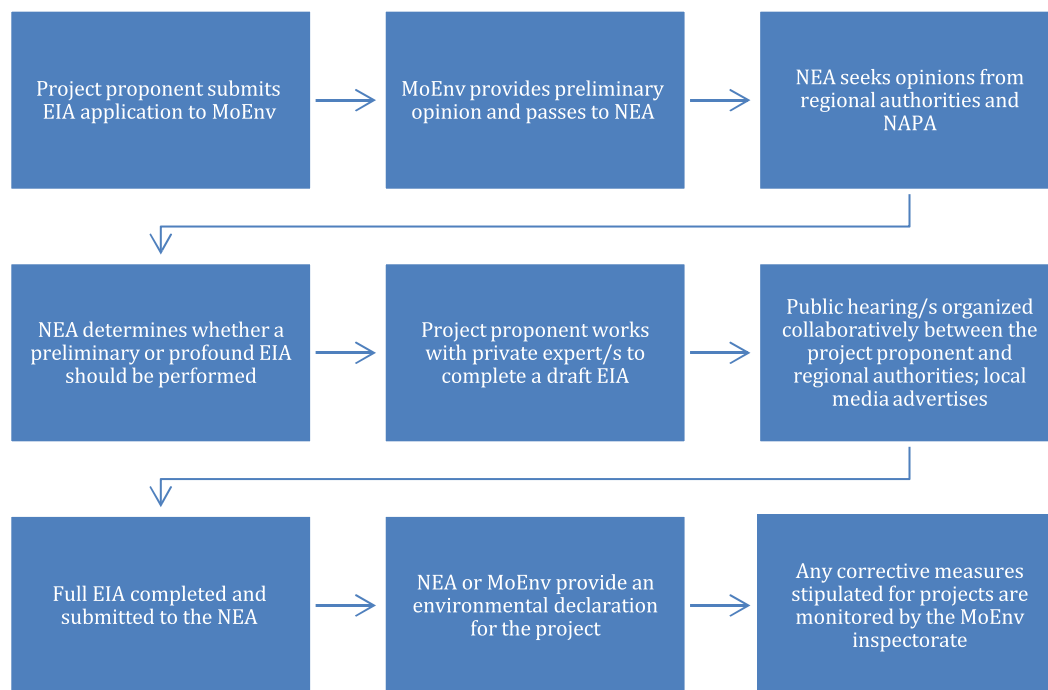
##### 4.1. Overview of the formal EIA process in Albania

Since 2015, project proponents must submit an environmental impact assessment (EIA) application to the Ministry of Environment. The project proponent, from the initial planning stages of the project, must submit a written application to the Ministry of Environment and, among other documents prescribed by law, submit a preliminary report, which includes: (i) A description of flora where the project is proposed to be implemented, accompanied by pictures; (ii) Information about the presence of water resources, related to the surface area required by the project and its vicinity; (iii) Information regarding the identification of potential negative impacts on the project environment, including impacts on biodiversity, water, land and air; (iv) A description of the potential environmental emissions, such as wastewater, gases and dust, noise, vibrations, as well as waste production; (v) Information about the likely duration of identified negative impacts; (vi) Data on the possible

<sup>7</sup> Corruption and corruption control have a long history in Albania. Tahiraj (2014) traces criminal laws relevant to corruption back to the Statutes of Shkodra, before the Ottoman occupation of 1478. Tahiraj also concludes corruption continues to be a serious threat to the modern Albanian state. Our interviews focused on the recent experiences of stakeholders with Albania's current EIA system, drawing partial inspiration from Vian and Burak's (2006) study of the beliefs of Albanian health workers regarding informal payments.



Table 2



Schematic of the formal EIA process in Albania.

spatial extent of negative impacts on the environment, including the physical distance from the location of the project, and the influenced values involved; (vii) The possibility of remediation of the negative influences on the environment and the possibility of returning the affected area to its previous state, as well as financial costs related to rehabilitation; (viii) Possible measures to avoid and mitigate negative impacts on the environment; (ix) Possible impacts on cross-border environments.

The Ministry of Environment first checks the application for completeness and provides a preliminary legal-technical opinion that it passes on to the National Environment Agency (NEA). The EIA application then goes to relevant regional environment authorities and national sectoral ministries who give their opinion on the project. This includes advice from the National Authority for Protected Areas (NAPA) should the project potentially involve such areas. Based on this advice, the NEA determines whether the project should be the subject of a “preliminary” or a “profound” EIA, informs the project proponent of this decision and, in the case of profound EIAs, provides a list of items to be included in the EIA itself. Within thirty calendar days from the date of receipt of the EIA application, the NEA will make a decision based on the preliminary EIA or decide that the project should undergo a profound EIA. This decision is forwarded to the Ministry that publishes it on its website. Different requirements apply for the two types of EIA: the profound EIA requires the involvement of three experts with relevant qualifications, while preliminary EIAs may involve just one expert.

The project proponent works with an EIA expert, or group of experts, to complete the first draft of the EIA. When this first draft is prepared, the project proponent notifies the NEA and a process of public hearings begins, organized collaboratively between the project proponent, the regional environment authority (or authorities) and local government(s). The NEA informs the public, according to the legislation in force for informing and involving the public in decision-making. For these hearings, the project proponent must define the date and time, and makes copies of the draft EIA available to the public. The regional environment authority contacts other relevant stakeholders

who vary according to the type of project (e.g. NGOs, universities). Local media must advertise public hearings for three days, according to the law. Following the public consultation, the expert or experts complete a full EIA and submit this to the NEA.

After the EIA has been submitted, the NEA then provides an environmental declaration for the project, for which there are three options: (i) agreement that the project is environmentally friendly and can proceed, (ii) agreement that the project can proceed if certain environmental conditions are met, and (iii) disapproval of the project. The NEA sends its decision to the Ministry of Environment, which then signs an environmental declaration, except in the case of profound EIAs where the project proponent must receive approval directly from the Ministry of Environment. The ministry inspectorate then monitors project implementation and the application of any corrective measures stipulated by the NEA or the ministry itself. Table 2 illustrates the main components of this formal EIA process.

#### 4.2. Private EIA experts' backgrounds, qualifications and accountability

Although the precise number is difficult to determine (because they are not tracked by the authorities), there are thousands of private experts currently licensed to conduct EIAs in Albania. These experts work for project proponents and conduct the EIA process on their behalf, including technical-legal work and liaising with relevant public authorities. The Ministry of Environment certifies private experts to conduct EIAs, and the 2015 EIA law sets requirements for experts' areas of expertise, professional qualifications, and the formation of teams of experts. One main certified expert is typically responsible for an EIA, although they may work with other experts, who will also sign the EIA document.

Experts' backgrounds and qualifications vary, partly depending on when they first received their license. Experts licensed before 2015 were obliged only to provide an educational diploma in a relevant field, a copy of their Curriculum Vitae and proof of payment of a license fee (ALL 10,000, or around USD 75 at today's exchange rates). However, experts must now undergo a short training course at the University of

Tirana focused on the legal framework for EIAs, on practical EIA procedures, and on how to find other experts to work with.

If an EIA submitted to the NEA or Ministry of Environment is judged to be of poor quality it will not be immediately rejected. A set of remarks will first be provided to the expert to guide improvement of the EIA. The 2015 EIA law provides that, should an expert submit three poor EIAs in a row, they can have their license revoked by the Ministry of Environment. However, suspensions or revocations of private expert licenses reportedly occur infrequently, if at all.

#### 4.3. “Copy-paste” and other poor EIA practices

The variable quality of EIAs was a concern for many (although not all) interviewees, and was raised separately by representatives of public authorities, environmental NGOs, and by experts themselves. Examples of poor EIA practices that interviewees named included “copy-pasting” (where sections of text from old EIAs are copied and pasted into “new” reports for completely different projects), the absence of key technical data (e.g. hydrological, habitat, and biodiversity data), the inclusion of irrelevant or false information, and poor technical and analytic work. Examples were also given of foreign language terms being poorly translated into the Albanian language, so that their actual meaning became unclear. Some private experts use older EIAs as at least a partial basis for new studies, probably leading to inaccuracies: one example was the inclusion in one EIA of a particular bird species that could not be present at the project site.

Interviewees cited the following reasons for poor quality EIAs: (i) A lack of adequate or appropriate expertise and qualifications among private experts; (ii) A lack of awareness among experts of the formal requirements for EIAs (including appropriate methodologies); (iii) The lack of a national strategy on EIAs; (iv) Underdeveloped EIA methodologies; (v) Limited public participation in scrutinizing draft EIAs; (vi) Inadequate human resources within public agencies to assess draft EIAs; (vii) A lack of formal sanctions for private experts who consistently submit poor EIAs.

#### 4.4. The potential for corruption, conflicts of interest and collusion in EIAs

Several interviewees reported that corrupt practices in relation to producing EIAs had been a concern for many years, and it was noted that EIAs were historically seen as “pieces of paper” to be obtained upon payment within one month. Widespread concerns about irregular EIA practices focused on two particular aspects of the current EIA system: the role of experts in conducting EIAs and public consultations.

The first area of concern among interviewees was the potential for conflicts of interest in private experts' contractual obligations to the project proponent, on the one hand, and, on the other, their role as providers of technical-legal information on proposed projects to the NEA and the Ministry of Environment. Given limited human resources within these public agencies, officials could be overly reliant on data provided by private EIA experts to inform their decision-making. The implication is that private EIA experts may be more accountable to project proponents than to relevant authorities, similar to the situation reported by Dougherty (2015) in Guatemala.

A second area of corruption concern among interviewees revolved around the accountability and sanctions framework for private EIA experts and, connected to this, the approval process for EIAs. Around 70% of all proposed projects are approved and there are few, if any, reported examples of EIA experts being sanctioned for poor EIAs. Some interviewees argued such problems might be reduced through empowering the NEA (and not only the Ministry of Environment) to disaccredit private experts for consistently poor performance, possibly in combination with the introduction of a professional code of conduct for EIA experts.

A third area of interviewee concern centered on public consultations for EIAs. Some interviewees claimed processes for public consultation

on draft EIAs were often insufficiently transparent and that in practice it was difficult for members of the public to oppose particular projects, particularly when given false information. Some public consultations had reportedly been rigged by local officials, with only those friendly to a particular project invited to the consultation. Some interviewees disagreed that public consultations involved opaque processes, citing the posting of EIAs on the NEA's website.

## 5. A future research agenda and potential policy remedies

Our Albania findings lead us to concur with Jay et al. (2007) that the fundamentally rationalist approach behind EIAs do not necessarily match the empirical realities of public environmental decision-making, particularly in less mature EIA systems. At least in the case of Albania, stakeholders reported considerable variation in implementation standards of EIAs, including abuses that fall within common definitions of corruption. To the assertion that many studies have, in recent years, examined individual EIAs, elements of EIA systems, and analyzed EIAs in comparative perspective (Jay et al., 2007), we would add a caveat that corruption and corruption control studies of EIAs remain thin on the ground. This gap points to a rich future research agenda for examining the foundations of EIAs' contributions to sustainable development goals. Comparative studies of the political economy of EIA implementation in contexts with varying corruption characteristics could for example yield further empirical insights about how various forms of corruption impact EIAs, as well as how different methods of corruption control serve to protect environmental priorities in public decision-making. Studies could also compare the characteristics of EIA systems across geographic locations from a corruption-vulnerability perspective in order to identify potential anti-corruption innovations in EIA system design. Here, scholars may wish to depart from the still-dominant principal-agent perspective of corruption we adopt in this study, to explore whether, for example, problematic EIA outcomes are more accurately products of collective action problems in the environmental sphere.

Returning to our principal-agent perspective on the causes of corruption in Albania, reducing discretionary authority on the part of public officials and improving data transparency may be helpful in reducing some EIA implementation challenges. A further focus of reform could be to bolster the formal framework for ensuring accountability by sanctioning consistently poor EIAs. If private EIA experts surmise they can submit consistently poor quality work with impunity, the broader EIA system will almost entirely rely on the individual professionalism of private experts. It should be borne in mind, however, that regulatory and law enforcement-based sanctioning as anti-corruption policy remedies also rely on the existence of principled principles in positions of authority, whose existence may be in doubt. Longitudinal studies tracking the evolution of EIA sanction regimes may offer opportunities to evaluate such control mechanisms' performance.

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### Appendix 1. Literature review search terms and combinations of terms

- Corruption (alternatively: *anti-corruption, transparency, accountability, good governance*) AND environmental impact assessment
- Corruption (alternatively: *anti-corruption, transparency, accountability, good governance*) AND environmental decision-making
- EIA AND alternatively: *bribes, bribery, fraud, fraudulent, extortion,*

*kickbacks, patronage*

- Alternatively: bribes, bribery, fraud, extortion, kickbacks, patronage AND environmental impact assessment
- Corruption (alternatively: *anti-corruption, transparency, accountability, good governance*) AND strategic environmental assessment
- Corruption (alternatively: *anti-corruption, transparency, accountability, good governance*) AND environmental impact assessment AND *specific sector: dams, hydropower, mining, oil, gas, infrastructure, buildings, land*
- Corruption (alternatively: *anti-corruption, transparency, accountability, good governance*) (alternatively: *bribes, bribery, fraud, extortion, kickbacks, patronage*) AND environmental impact assessment (*specific country*)
- Corruption AND environmental regulation (alternatively: *governance, government*)
- Environmental crime

**Appendix 2. Semi-structured qualitative interview questions**

- Q1: What is your formal position and main responsibilities in this position?
- Q2: What is your role in relation to environmental decision-making and, in particular, to environmental impact assessments?
- Q3: How do main institutional actors at national level interact with subnational bodies involved in environmental decision-making in Albania?
- Q4: What are the broad divisions of labor between institutional actors when it comes to environmental decision-making?
- Q5: What are the main kinds of decisions taken by these institutional actors?
- Q6: Could you talk us through an example of an environmental decision that is typically taken? What is the process in general terms and who is involved at the different stages?
- Q7: At what point is an EIA typically initiated in this process?
- Q8: Which institutional actors are typically involved in the EIA process, including initiating and approving it?
- Q9: What are the procedures for licensing experts to conduct EIAs?
- Q10: What kinds of training do experts conducting EIAs typically receive and what kinds of backgrounds/experience do they typically have?
- Q11: What are the benefits of conducting EIAs? How do they contribute to improved environmental outcomes?
- Q12: What are the challenges usually encountered in completing EIAs? How are these challenges usually dealt with?
- Q13: In your view, is the source of challenges in EIAs legislative, regulatory, institutional or behavioral in nature?
- Q14: What are the main ways you think environmental impact assessments in Albania could be improved?
- Q15: Anything more you wish to add?

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