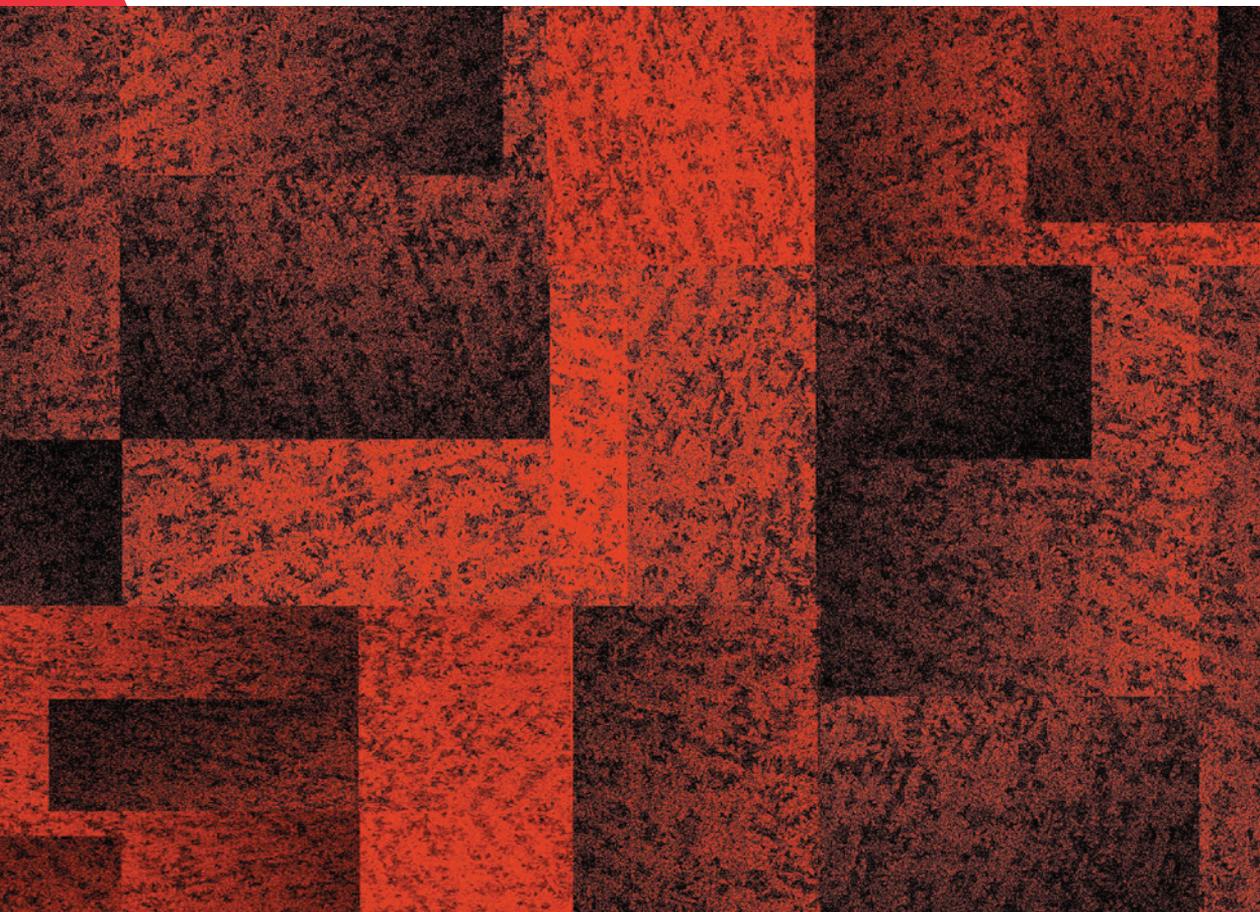


# Tackling Corruption in Commonwealth Africa

Case Studies of Botswana, Lesotho, Mauritius,  
Rwanda and Seychelles

*Edited by Roger Koranteng*



The Commonwealth

# Tackling Corruption in Commonwealth Africa

Case Studies of Botswana, Lesotho, Mauritius,  
Rwanda and Seychelles

Edited by Roger Koranteng



The Commonwealth

Commonwealth Secretariat  
Marlborough House  
Pall Mall  
London SW1Y 5HX  
United Kingdom

© Commonwealth Secretariat 2018

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording or otherwise without the permission of the publisher.

Published by the Commonwealth Secretariat  
Typeset by Nova Techset Private Limited, Bengaluru & Chennai, India  
Printed by

Views and opinions expressed in this publication are the responsibility of the authors and should in no way be attributed to the institutions to which they affiliated or to the Commonwealth Secretariat.

Wherever possible, the Commonwealth Secretariat uses paper sourced from responsible forests or from sources that minimise a destructive impact on the environment.

Copies of this publication may be obtained from

Publications Section  
Commonwealth Secretariat  
Marlborough House  
Pall Mall  
London SW1Y 5HX  
United Kingdom  
Tel: +44 (0)20 7747 6534  
Email: [publications@commonwealth.int](mailto:publications@commonwealth.int)  
Web: <https://books.thecommonwealth.org/>

***A catalogue record for this publication is available from the British Library.***

ISBN (paperback): 978-1-84929-182-8  
ISBN (e-book): 978-1-84859-973-4

## Foreword

---

Building integrity by strengthening systems, procedures and regulatory provision is a longstanding Commonwealth priority. It is through such positive approaches that we tackle the negative and destructive impact of corruption on the lives, livelihoods and well-being of people in all our member countries.

The resources amounting to billions if not trillions of dollars which are misappropriated by the corrupt practices of the greedy and pernicious few are the very funds we need in order to answer in practical ways the hopes and aspirations contained in our Commonwealth Charter 2013 and to deliver on the commitments adopted by our members in 2015 through the Sustainable Development Goals.

This publication draws together examples of action taken by Commonwealth countries in Africa to tackle corruption, examining what works and also sharing lessons of interventions that have proved less successful.

Our aim is for our member countries to build together in a spirit of goodwill and mutual support, putting the 'common' into 'wealth', and 'wealth' into 'Commonwealth', for the greater good and progress of all communities and people.

The Rt Hon Patricia Scotland QC  
The Secretary-General of the Commonwealth



## Preface

---

This book was first mooted at a roundtable discussion on anti-corruption in Africa, hosted by the Commonwealth Secretariat at Marlborough House in London in March 2015. The international experts present at this event agreed that more research was needed to show ‘what works’ in the struggle against corruption in Africa, and the Commonwealth Secretariat agreed to co-ordinate the research.

In September 2002, the African Union estimated the cost of corruption to African economies at more than US\$148 billion a year — which could seem like a drop in the ocean when compared with the US\$800 billion to US\$200 trillion being laundered globally each year, as estimated by the United Nations Office on Drugs and Crime (UNODC) in 2015.

The international community has recognised the damaging effects of corruption on development in the Sustainable Development Goals (SDGs). Goal 16 of the SDGs requires states to ‘promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels’. This should be achieved by reducing illicit financial flows, strengthening the recovery and return of stolen assets, reducing bribery and corruption, and developing effective, accountable and transparent institutions at all levels.

The Commonwealth is delivering on the global anti-corruption agenda in a practical way. The Commonwealth Secretariat demonstrates the Commonwealth’s commitment to support anti-corruption efforts of member countries through capacity-building, research, exchange of best practices and sharing frameworks, and devising template solutions to common problems.

In Africa, the Commonwealth Secretariat provides practical development support for national anti-corruption agencies. This includes long-standing support to establish the Association of Anti-Corruption Agencies in Commonwealth Africa, a regional network linking national agencies across the 18 African member countries. Like other Commonwealth regional networks it promotes collaboration and learning by brokering the exchange of best practices and helping to benchmark agencies’ capabilities while also facilitating peer reviews and secondments between members.

The Commonwealth Africa Anti-Corruption Centre is a partnership between the Government of Botswana and the Commonwealth Secretariat. The centre’s programmes are designed to address capacity constraints at all levels within national agencies, from heads to operational staff. It was launched in 2013 and by 2016 some 7,000 personnel had benefited from its programmes and training.

The Commonwealth Secretariat has been active in research as well, undertaking a diagnostic and benchmarking survey to identify gaps in anti-corruption policies and procedures in national agencies in Commonwealth Africa. It has helped to identify weaknesses in how agencies manage exhibits and proceeds of crime and developed a Commonwealth standard operating framework to help improve the systems.

The five countries featured in this book – Botswana, Lesotho, Mauritius, Rwanda and Seychelles – were selected because of their relatively strong scores on Transparency International's 2014 Corruption Perceptions Index (CPI) or because they had registered a significant improvement in their scores over the previous decade. These countries, while continuing to experience challenges arising from corruption, have made significant progress.

The book identifies the institutions within each country that have taken the lead in reducing the impact of corruption, and accounts for the factors – both technical and political – that have enabled these institutions to implement successful anti-corruption strategies. The policies they have adopted in their campaigns are similar. All five countries see the value in strengthening legal and institutional frameworks; improving government effectiveness and building a competent public service; protecting whistleblowers and mobilising every section of the society to engage with the anti-corruption drive; reforming public finance management; and investigating and prosecuting public officials at all levels.

Differences arise only in the approaches they adopt, reflecting unique national experiences in a shared history of colonialism and neocolonialism. Having gone through a painful process of reconstruction after the 1994 genocide, Rwanda opted to strengthen systems on several fronts simultaneously rather than progressively introduce reforms in selected areas and sectors, and adopted a clear and emphatic position of zero tolerance for corruption. In Botswana, where the elites tend towards consensus building and support for anti-corruption institutions, 'the central theme ... is that no single factor' explains why the country has been ranked as Africa's least corrupt. In contrast, the Mauritius research shows that 'the key factor' behind recent successes 'has been the continuous political will and support' of successive governments – a commitment that is 'visible, forceful and convincing'. The restoration of civilian rule and the democratisation process in Lesotho guaranteed citizens protection of their rights and civil liberties and changed the environment for reporting corruption. Seychelles, having plunged to the rank of 63 on the CPI in 2006, showed remarkable improvement over the next decade to emerge as the second best nation in Africa with a rank of 43 on the 2016 Index.

Finally, with the many examples of anti-corruption activities contained here, the research challenges the falsehood that developing Global South economies are somehow more corrupt than Western economies. Whether in the reform of legal and institutional frameworks, reports on prosecutions or fraudulent cross-border activities, the research throws up numerous examples of the international dimensions of corruption, particularly with respect to asset repatriation and money laundering.

This international dimension is evident in a tale of corruption in the Seychelles of the 1990s. '[T]he banking sector provided a myriad of avenues for corruption as Seychelles created and self-promoted itself as an offshore banking jurisdiction [which was] apparently being used for money laundering and/or the financing of narco-terrorism.'

It was on show at the launch of Botswana's updated Extradition Act, which the government promoted as 'important in ensuring that corrupt persons may not escape punishment from their countries of origin by hiding in Botswana ... Government wishes it to become known both within and outside Botswana that ours is a country in which public and private business can be carried out honestly.'

Then there is the case of one Masupha Sole, the first to be prosecuted in a wave of corruption trials in Lethoso at the start of 1999. Sole, a chief executive in charge of the donor-funded multibillion-dollar Lesotho Highlands Water Project, was sentenced to 18 years in prison on 11 counts of bribery and 2 of fraud. What made the case extraordinary was that at least 12 bribe-paying multinationals were also in the dock. Acres International, a Canadian engineering consulting firm, was one of those convicted of paying bribes to win contracts and ordered to pay a fine of US\$2 million.

These and other examples of the international dimension in this book leave no space for equivocation: simply put, the principle beneficiaries of corruption in Africa (one could say, 'partners in crime') are inside and outside Africa. This international dimension requires no less than the international response given in Goal 16 of the SDGs, mentioned above.

Each country case study provides lessons learned, considers challenges still to be faced and makes recommendations. This research will help Commonwealth governments in Africa to gain a greater understanding of corruption and to formulate the most effective responses.



## Acknowledgements

---

We would like to thank the six experts who made key contributions at the Commonwealth Secretariat Anti-Corruption roundtable that resulted in this study. They are Mr Phil Mason, Senior Anti-Corruption Adviser, Department for International Development; Ms Chantal Uwimana, Regional Director for Sub-Saharan Africa, Transparency International; Dr George Larbi, Practice Manager, Governance Global Practice, East/South Asia, World Bank Group; Professor Alan Doig, Visiting Professor, Newcastle Business School, Northumbria University; Justice Smokin Wanjala, Judge of the Supreme Court of Kenya; and Dr Caryn Peiffer, Research Fellow, Development Leadership Programme, University of Birmingham.

This study would not have been possible without the co-operation and assistance of the research team who were commissioned to undertake the country studies: Mukesh Arya undertook the Seychelles country study, David Mugalura of Real Group Ltd led the Rwanda study, Gape Kaboyakgosi, PhD, did the Botswana study, Emmanuel M Letete, PhD, was responsible for the Lesotho study and H Bhunjun-Kasse conducted the Mauritius study.

Sincere thanks also goes to Botswana's Directorate on Corruption and Economic Crime, Mauritius Independent Commission Against Corruption, Seychelles Anti-Corruption Commission, Lesotho's Directorate on Corruption and Economic Offences and Rwanda's Office of the Ombudsman, as well as all institutions in the five countries that contributed to the study.



# Contents

---

<b>Foreword</b>	<b>iii</b>
<b>Preface</b>	<b>v</b>
<b>Acknowledgements</b>	<b>ix</b>
<b>List of figures</b>	<b>xv</b>
<b>List of tables</b>	<b>xvii</b>
<b>Acronyms and abbreviations</b>	<b>xix</b>
<b>1 Introduction</b>	<b>1</b>
<i>Roger Koranteng</i>	
1.1 Commonwealth anti-corruption effort	1
1.2 Background data	3
1.3 Corruption perceptions index	3
1.4 Global competitiveness index	3
1.5 Corruption and economic freedom	8
1.6 Preventative and transparency measures	9
1.7 ACA investigative and prevention activities	9
1.8 Case studies reviews	12
1.9 Conclusion and policy recommendations	14
References	16
<b>2 Botswana</b>	<b>17</b>
<i>Gape Kaboyakgosi</i>	
Summary	17
2.1 Introduction	18
2.1.1 Methodology	19
2.1.2 The socio-economic and political context	20
2.1.3 The genesis of current anti-corruption measures	21
2.2 Legal and institutional backing for anti-corruption measures	22
2.2.1 The legal system	22
2.2.2 The institutional framework	24
2.3 Conclusion: lessons, challenges and recommendations	30
2.3.1 Lessons	30
2.3.2 Challenges	32
2.3.3 Recommendations	35
Notes	36
References	36

<b>3</b>	<b>Mauritius</b>	<b>41</b>
	<i>H. Bhunjun-Kassee</i>	
	Summary	41
3.1	Introduction	43
	3.1.1 Methodology	43
	3.1.2 The political context and background to anti-corruption reforms	44
3.2	Anti-corruption reforms and their efficacy	47
	3.2.1 The ICAC and anti-corruption reforms	47
3.3	Parallel reforms impacting on the level of corruption	49
3.4	Key achievements of the anti-corruption drive	50
	3.4.1 Greater transparency and accountability	50
	3.4.2 Stronger strategic orientation towards corruption prevention	51
	3.4.3 Increased awareness of corruption	51
	3.4.4 International recognition and positive evaluations	51
	3.4.5 Good performance on comparative indicators	52
3.5	Conclusion: lessons, challenges and recommendations	52
	3.5.1 Lessons, enabling factors and preconditions	53
	3.5.2 Challenges	59
	3.5.3 Recommendations	60
	Annex 3.1 List of interviewees	62
	References	63
<b>4</b>	<b>Lesotho</b>	<b>67</b>
	<i>Emmanuel M Letete</i>	
	Summary	67
4.1	Introduction	70
	4.1.1 Methodology	71
	4.1.2 The political context	72
	4.1.3 The nature and dimensions of corruption	73
4.2	Anti-corruption reforms and their efficacy	75
	4.2.1 The DCEO and anti-corruption legal reforms	75
	4.2.2 Parallel reforms and their role in the anti-corruption drive	82
	4.2.3 The role of Parliament, the media and civil society	83
	4.2.4 The impact of anti-corruption strategies	85
4.3	Conclusion: lessons, challenges and recommendations	87
	4.3.1 Lessons	88
	4.3.2 Challenges	89
	4.3.3 Recommendations	90
	Annex 4.1 Anti-corruption legal and institutional framework	91
	Annex 4.2 List of main stakeholders consulted	92
	Notes	93
	References	94

Contents	<b>xiii</b>
<b>5 Rwanda</b>	<b>97</b>
<b><i>Real Group Ltd</i></b>	
Summary	97
5.1 Introduction	97
5.1.1 Methodology	98
5.1.2 Political and socio-economic context	98
5.2 Combating corruption	99
5.2.1 Legal framework	100
5.2.2 Institutional framework	101
5.2.3 Collaboration with other groups	105
5.3 Conclusion: lessons, challenges and recommendations	106
5.3.1 Lessons	106
5.3.2 Challenges	108
5.3.3 Recommendations	108
Annex 5.1 List of interviewees	109
Notes	109
References	110
<b>6 Seychelles</b>	<b>113</b>
<b><i>Mukesh Arya</i></b>	
Summary	113
6.1 Introduction	113
6.1.1 Methodology	113
6.1.2 Political and socio-economic context	115
6.2 Combating corruption	118
6.2.1 The legal framework	118
6.2.2 The institutional framework	118
6.2.3 Other key stakeholders	123
6.3 Conclusion: lessons, challenges and recommendations	126
6.3.1 Lessons	126
6.3.2 Challenges	127
6.3.3 Recommendations	127
Legislation and organisational rules	128
Annex 6.1 Personal interviews	128
Note	129
References	129



## List of figures

---

Figure 1.1	CPI 2015–2017	7
Figure 1.2	Global Competitiveness Index	7
Figure 1.3	Corruption Perception Index 2017	8
Figure 1.4	Index of Economic Freedom	8
Figure 2.1	DCEC case performance: 2009–2013	25
Figure 2.2	Number of staff trained in corruption prevention, 2012–2015	26
Figure 2.3	Corruption reports received by the DCEC, 2009–2013	27
Figure 3.1	Foreign direct investment (MUR million) and CPI scores (out of 100 points), 2012–2016	45
Figure 3.2	Corruption Perception Index, 2007–2017 (higher scores are better)	45
Figure 3.3	Mauritius corruption rank, 2007–2017 (lower rank means less corrupt)	46
Figure 3.4	Main stakeholders in the fight against corruption, as identified by the interviewees	46
Figure 4.1	Classification of alleged corruption offences reported to DCEO, July 2004–July 2013	80
Figure 4.2	Distribution of cases under DCEO (July 2004–July 2013)	82
Figure 4.3	Trends in corruption control perception index and freedom of the media, Lesotho (country rank, 1996–2014)	84
Figure 6.1	Seychelles CPI rank	114
Figure 6.2	Seychelles strategies for AML/CFT	119



## List of tables

---

Table 1.1	ACAs in Commonwealth Africa: background data (2016)	4
Table 1.2	ACA preventive and transparency measures	10
Table 1.3	ACA investigative and preventive activities	11
Table 2.1	Transparency International's Corruption Perception Index (CPI) for Botswana, 1997–2016	18
Table 3.1	ICAC key performance indicators: complaints and convictions	48
Table 4.1	Tax revenue remittances to the government for 2003–2004 to 2012–2013 (M million)	88



## Acronyms and abbreviations

---

ABC	All Basotho Convention
ACA	anti-corruption agency
AfDB	African Development Bank
AML	anti-money laundering
APRM	African Peer Review Mechanism
AU	African Union
BAAC	Business Action Against Corruption
BDP	Botswana Democratic Party
BOCCIM	Botswana Confederation of Commerce, Industry and Manpower
CECA	Corruption and Economic Crimes Act
CFT	combating the financing of terrorism
CPC	Corruption Prevention Committees
CPI	Corruption Perception Index
CPR	Corruption Prevention Review
CSO	civil society organisation
DACCs	District Anti-Corruption Committees
DCEC	Directorate on Corruption and Economic Crime
DCEO	Directorate of Corruption and Economic Offences
DIAAL	DCEO, Internal Audit, Accountant General, Auditor General and Lesotho
DPM	Deputy Prime Minister
DPP	Directorate of Public Prosecutions
EEZ	exclusive economic zone
ESAAMLG	East and Southern Africa Anti-Money Laundering Group
FDI	foreign direct investment
FIA	Financial Intelligence Agency
FIAMLA	Financial Intelligence and Anti-Money Laundering Act
FIU	Financial Intelligence Unit
FPAC	Finance and Public Accounts Committee
FSA	Financial Services Authority
FSC	Financial Services Commission
GDP	gross domestic product
GGIRA	Good Governance and Integrity Reporting Act
ICAC	Independent Commission Against Corruption
ICT	information and communications technology
IEC	Independent Electoral Commission
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
IRP	Independent Review Panel
LCD	Lesotho Congress for Democracy
LHDA	Lesotho Highlands Development Authority
LMPS	Lesotho Mounted Police Services

LRA	Lesotho Revenue Authority
MFGG	Ministry of Financial Services and Good Governance
MIOD	Mauritius Institute of Directors
MP	Member of Parliament
NCCG	National Committee on Corporate Governance
NGO	non-governmental organisation
OAG	Office of the Auditor General
ODPP	Office of the Director of Public Prosecutions
OECD	Organisation for Economic Co-operation and Development
PAC	Public Accounts Committee
PACT	Private Anti-Corruption Task Force
PEFA	Public Expenditure and Financial Accountability
PFM	public financial management
POCA	Prevention of Corruption Act
PPADB	Public Procurement and Asset Disposal Board
PSACF	Public Sector Anti-Corruption Framework
RBA	Rwanda Broadcasting Agency
RPF	Rwandan Patriotic Front
SADC	Southern African Development Community
SIA	Students Integrity Association
SIC	Systems Integrity Committee
SOE	state-owned enterprise
SRC	Seychelles Revenue Commission
TM	Transparency Mauritius
TRC	Transformation Resource Centre
UN	United Nations
UNCAC	United Nations Convention Against Corruption
UNDP	United Nations Development Programme
UNODC	United Nations Office on Drugs and Crime
WCO	World Customs Organization

# Chapter 1

## Introduction

---

*By Roger Koranteng, PhD*

*In a globalised financial system, funds embezzled in one continent can cross borders in the blink of an eye. Indeed, the principal beneficiaries of corruption in Africa are also found outside the continent. An international response is therefore required to meet this threat.*

The Commonwealth Secretariat believes that corruption is one of the main impediments to effective governance in our 53 member countries. Corruption is a global threat and Africa is not immune to the menace. Indeed, 14 of the 19 Commonwealth countries in Africa have a score of less than 50 on Transparency International's 2017 Corruption Perceptions Index (CPI). According to Transparency International, this indicates a situation of pervasive corruption. As a result, the Commonwealth Secretariat has focused on providing support to help anti-corruption agencies (ACAs) on the continent to become more effective.

### 1.1 Commonwealth anti-corruption effort

In 2011, the Secretariat established the Association of Anti-Corruption Agencies in Commonwealth Africa to promote collaboration and learning in the region through the sharing of experiences and good practices. Members have benefited from pro bono interagency support and have been able to devise strategies to manage and sustain their anti-corruption work.

Then in 2013, the Secretariat established the Commonwealth Africa Anti-Corruption Centre (CAACC) in Gaborone in partnership with the Government of Botswana. The CAACC has three main objectives: (i) to improve agency capacity to combat and prevent corruption, (ii) to strengthen collaboration between regional agencies and (iii) to commission research and policy papers to strengthen understanding of challenges and solutions.

The CAACC's capacity-building programmes have benefited all the 20 anti-corruption agencies in members' countries. These programmes have delivered a diverse range of skills to help strengthen organisational leadership, improve the development of strategies and integrate monitoring and evaluation into the design of anti-corruption programmes.

An independent evaluation conducted by PFM-Connect (2016) found that 'Commonwealth Africa member countries have benefited significantly from the programmes and tangible capacity improvements have been realised by the anti-corruption agencies'. Survey responses from 65 ACA representatives found that:

- at least 80 per cent agreed that CAACC courses had significantly expanded their knowledge
- at least 70 per cent reported significant improvement in their ability to perform their current roles
- at least 68 per cent reported making significant changes in their work after returning from CAACC courses.

These changes ranged from the adoption of financial investigations for all corruption-related inquiries to the development of strategic plans for ACAs and amendments to members' anti-corruption acts.

The centre continues to partner with several international organisations, for example the World Bank, Transparency International, United Nations Office on Drugs and Crime (UNODC), United Nations Development Programme, African Development Bank and the City of London Police, to deliver programmes.

As part of its ongoing efforts to combat corruption, the Commonwealth Secretariat and UNODC published a research report titled *Compendium of Best Practices Demonstrated by Commonwealth Africa Anti-Corruption Agencies* in 2015. It provided policy-makers and researchers with new insights, both into the dynamics of corruption on the continent and into the capacity of ACAs to effectively combat the misuse of public resources. A key component of the research was a benchmarking exercise undertaken in partnership with the World Bank. It assessed the ability of ACAs to maintain their independence and fulfil their core functions, including carrying out investigations, directing prosecutions, recovering assets and engaging in preventative activities. In addition, the exercise examined the adequacy of legal frameworks on anti-corruption.

The Commonwealth Secretariat and UNODC (2016) again jointly conducted and produced a diagnostic benchmarking tool and assessment report that identified gaps in the policy and procedure framework of ACAs. The findings provided each participating ACA with its gaps and also its comparative performance against its peer group, which will help Commonwealth governments and development partners to gain a stronger understanding of corruption and to formulate more effective responses.

This publication focuses on countries in Commonwealth Africa that are making progress in dealing with corruption in their countries, which can be considered 'islands of success' in terms of their ability to reduce the prevalence of corruption while other countries on the continent are struggling to fight the menace.

The five countries, while continuing to experience challenges arising from corruption, have made significant progress in combating the problem. The countries are Botswana, Lesotho, Mauritius, Rwanda and Seychelles. The countries were selected because of their relatively strong scores on Transparency International's Corruption Perceptions Indexes, or because they have registered a significant improvement in their scores over the past decade.

The research identified the institutions within each country that have taken the lead in reducing the impact of corruption, and accounts for the factors – both technical and political – that have enabled these institutions to implement successful anti-corruption strategies.

This publication thus provides lessons on how some countries have made progress against corruption and expands the body of work currently available on the subject and that contends that the fight against corruption could be won if there is sufficient quality of governance, political will, implementation of legislation and policies, and preventive measures. ACAs should be equipped with sufficient resources, capacity, independence and power to prevent and combat corruption.

## 1.2 Background data

Table 1.1 examines the basic data for ACAs in Commonwealth Africa. These include name, date founded, mandate, investigative power, reporting authority, whether established under the Constitution or Act of Parliament and staff count. ACAs in Commonwealth Africa are relatively young institutions. Tanzania is the oldest, established in 1975; Kenya's Ethics and Anti-Corruption Commission was set up in 2011.

## 1.3 Corruption Perceptions Index

Though 12 of the 19 African Commonwealth countries managed to improve their CPI ranks between 2015 and 2017, the situation of 7 has worsened. The CPI scores countries on a scale of 0 to 100, with 0 indicating high levels of corruption and 100 low levels. The year-on-year changes in these scores are generally relevant to the extent that they point out whether or not a country has made meaningful progress in combating corruption. As Figure 1.1 illustrates, in the 2017 CPI index published in 2018, 14 of the 19 African Commonwealth countries scored below 50, which means that they are considered significantly corrupt. Only one country, Botswana, scored higher than 60, and four other countries have a CPI score higher than 50. Five countries scored below 30.

## 1.4 Global Competitiveness Index

The Global Competitiveness Report is a yearly report published by the World Economic Forum, which includes the Global Competitiveness Index, see Figure 1.2, and ranks countries based on their global competitiveness. The index assesses the ability of countries to provide high levels of prosperity to their citizens. This in turn depends on how productively a country uses available resources (control of corruption). Therefore, the Global Competitiveness Index measures the set of institutions, policies and factors that set the sustainable current and medium-term levels of economic prosperity (World Economic Forum 2017).

Figure 1.2, which shows the Global Competitiveness Index 2015–2017 for the 19 Commonwealth African countries, loosely corroborates the CPI indexes. The CPI

Table 1.1 ACAs in Commonwealth Africa: background data (2016)

Country	Agency	Date founded	Mandate	Investigative power	Reporting authority	Constitution or Act of Parliament	Staff count
<b>Botswana</b>	Directorate on Corruption and Economic Crimes	1994	Investigation, prevention, education	Police powers	President	Act of Parliament	288
<b>Mauritius</b>	Independent Commission Against Corruption	2002	Investigation, prevention,	Police powers	Parliamentary Committee (Administrative)	Act of Parliament	160
<b>Ghana</b>	Commission on Human Rights and Administrative Justice	1992	Investigation, human rights, ombudsman	Subpoena powers Public hearings	Parliament	Constitution	700 but only 20% in anti-corruption
<b>Ghana</b>	Economic and Organised Crime Office	1993	Investigation, prevention, prosecution monitoring	Police powers Power to freeze assets for 14 days	Parliament through Attorney-General	Act of Parliament	468 (for now)
<b>Cameroon</b>	National Anti-Corruption Commission	2006	Investigation, prevention, education	Police powers	Presidency		68
<b>Kenya</b>	Ethics and Anti-Corruption Commission	2011	Law enforcement, prevention, education	Police powers	Parliament/ president	Constitution	300
<b>Namibia</b>	Anti-Corruption Commission	2006	Investigation, prevention, education		Parliament	Act of Parliament	70

(Continued)

**Table 1.1 (Continued) ACAs in Commonwealth Africa: background data (2016)**

Country	Agency	Date founded	Mandate	Investigative power	Reporting authority	Constitution or Act of Parliament	Staff count
<b>Lesotho</b>	Directorate on Corruption and Economic Offences	2003	Investigation, prevention, education	Police powers	Parliamentary through Ministry of Justice	Act of Parliament	62
<b>Nigeria</b>	Economic and Financial Crimes Commission	2004	Investigation, prosecution, education	Prosecutorial powers Police powers	Parliament	Act of Parliament	2,000
<b>Nigeria</b>	Independent Corrupt Practices and Other Related Offences Commission	2000	Investigation, education, prosecution, advisory	Prosecutorial powers Police powers	Parliament	Act of Parliament	830
<b>Mozambique</b>	Anti-Corruption Bureau	2004	Prevention, investigation, prosecution	Prosecution	Attorney-General	Act of Parliament	96
<b>Rwanda</b>	Office of the Ombudsman	2003	Investigation, prevention, ombudsman	Prosecutorial powers Police powers	Parliament/ president	Constitution	68
<b>Sierra Leone</b>	Anti-Corruption Commission	2000	Investigation, prevention, education, prosecution	Prosecutorial powers Police powers	Parliament	Act of Parliament	200
<b>Seychelles</b>	None established at the time.						

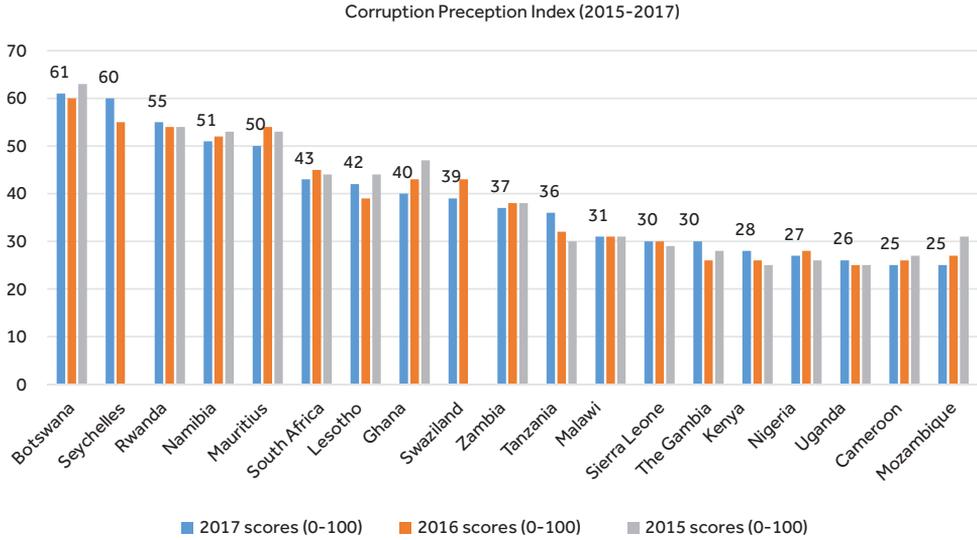
(Continued)

**Table 1.1 (Continued) ACAs in Commonwealth Africa: background data (2016)**

Country	Agency	Date founded	Mandate	Investigative power	Reporting authority	Constitution or Act of Parliament	Staff count
<b>South Africa</b>	Special Investigating Unit	2001	Investigation	Subpoena			
<b>Swaziland</b>	Anti-Corruption Commission	2008	Investigation, prevention, education				
<b>Tanzania</b>	Prevention and Combating of Corruption Bureau	1975	Prevention, education, investigation	Police powers	Parliament, president, citizens	Act of Parliament	2,200
<b>Malawi</b>	Anti-Corruption Bureau	1996	Investigation, prevention				
<b>Uganda</b>	Inspectorate of Government	1987	Investigation, prevention	Police powers	Parliament	Constitution	350
<b>Zambia</b>	Anti-Corruption Commission	1982	Investigation, prevention, education	Police powers	Parliament by way of Annual Report through Executive	Act of Parliament	364

**Source:** Data collected by the author.

**Figure 1.1 CPI 2015–2017**



**Source:** Transparency International (2015, 2016 and 2017).

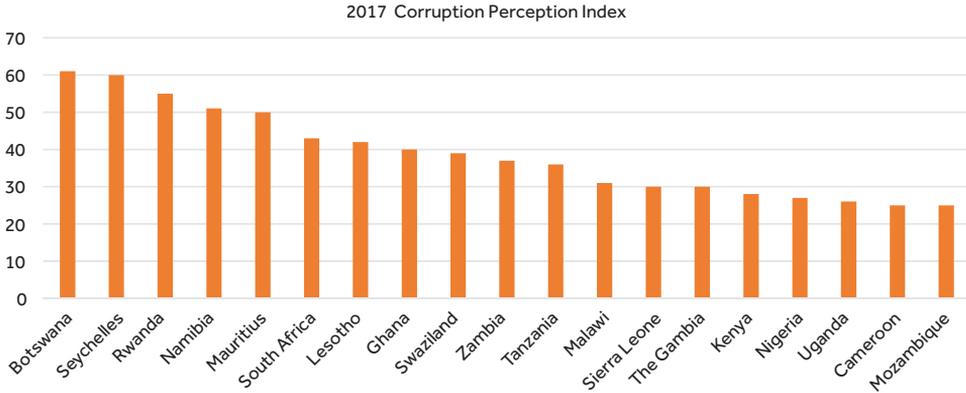
Index reflects perceptions of the extent to which public power is exercised for private gains. These include both petty and grand forms of corruption as well as ‘capture’ of the state by elites and private interests. Mauritius, Rwanda, South Africa, Botswana, Namibia and Seychelles are among the most competitive countries in Africa. The Global Competitiveness Index and CPI do indicate that much still needs to be done to control corruption in these 19 Commonwealth African countries.

**Figure 1.2 Global Competitiveness Index**



**Source:** World Economic Forum (2015, 2016 and 2017).

**Figure 1.3 Corruption Perception Index 2017**



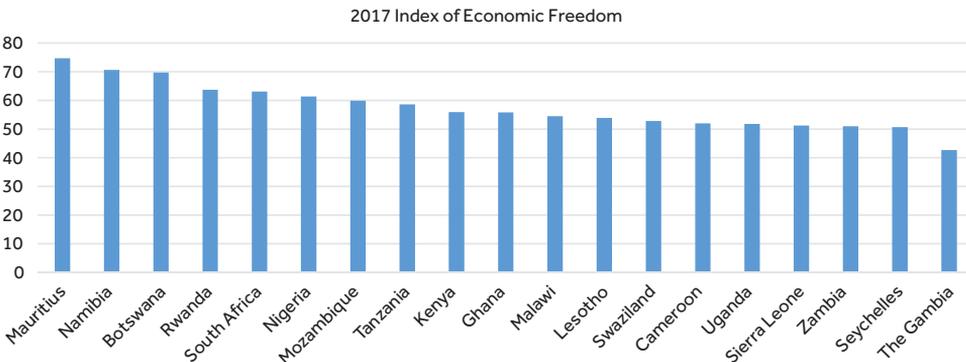
**Source:** Transparency International Corruption Perception Index (2017).

### 1.5 Corruption and economic freedom

Figures 1.3 and 1.4 indicate a direct correlation between corruption and economic freedom of a country. Economic freedom is the fundamental right of every person to control his or her own labour and property. In an economically free society, individuals are free to work, produce, consume and invest in any way they please. In economically free societies, governments allow labour, capital and goods to move freely, and refrain from coercion or constraint of liberty beyond the extent necessary to protect and maintain liberty itself.

When comparing the 2017 CPI (Figure 1.3) to the 2017 Heritage Foundation’s Index of Economic Freedom (Figure 1.4), there seems to be a correlation, indeed, with 13 of the 19 countries falling into the moderately free range. Economic freedom should be a guiding principle for policy-makers, and it seems that those countries scoring lower on the CPI may want to increase efforts to strive to protect the rule of law (property rights, freedom from corruption); limit government involvement

**Figure 1.4 Index of Economic Freedom**



**Source:** Heritage Foundation’s Index of Economic Freedom (2017).

in the economy (fiscal freedom, government spending); ensure regulatory efficiency (business freedom, labour freedom, monetary freedom); and open markets (trade freedom, investment freedom, financial freedom).

## 1.6 Preventative and transparency measures

With regard to preventive and transparency measures, 18 countries have signed and ratified the United Nations Convention Against Corruption (UNCAC), which is a multilateral convention negotiated by members of the United Nations (UN) and is the first global legally binding international anti-corruption instrument. In its 71 Articles divided into 8 Chapters, UNCAC requires that states parties implement several anti-corruption measures, which may affect their laws, institutions and practices.

These measures aim at preventing corruption, including domestic and foreign bribery, embezzlement, trading in influence and money laundering. Furthermore, UNCAC is intended to strengthen international law enforcement and judicial co-operation, providing effective legal mechanisms for asset recovery, technical assistance and information exchange, and mechanisms for implementation of the convention, including the Conference of the States Parties to UNCAC.

As Table 1.2 illustrates, not all countries have enacted important laws in compliance with UNCAC. Access to information legislation is present in half of the African Commonwealth countries; two still need to pass conflict of interest legislation and three have no financial disclosure system in this regard. Half of the 18 countries have legislation providing immunity against prosecution for officials. In four countries, the law does not protect the ACA from political interference. While this is not a specific requirement of UNCAC *per se*, all but two countries have a national anti-corruption strategy.

Anti-corruption policies range from a single national anti-corruption strategy to a set of measures to promote transparency and accountability. In addition to anti-corruption strategies, some countries have introduced targeted approaches against corruption through risk assessments and sectoral approaches. Alternatively, in some cases, countries have – instead of an anti-corruption strategy – promoted broader efforts to promote transparency and accountability. In contrast to national anti-corruption strategies, such integrity measures might be implicit because they are embedded in wider governance or judicial reform programmes.

Three countries have yet to sign and ratify the African Union (AU) Convention on Preventing and Combating Corruption. One country has signed but not ratified it.

Although 8 of the 18 countries do not have whistleblowing protection legislation *per se*, in some countries whistleblowers are to a certain extent protected by policies, or whistleblowing legislation is in preparation.

## 1.7 ACA investigative and prevention activities

Most ACAs in Commonwealth African countries have functions that include investigation, prosecution and preventative activities. Table 1.3, however,

Table 1.2 ACA preventive and transparency measures

	UNCAC signed and ratified	African Union convention on preventing and combating corruption	National anti-corruption strategy	Access to information legislation	Conflict of interest legislation	Financial disclosure system to prevent conflict of interest	Immunity from prosecution for officials	ACA protected from political interference by law	Whistleblower protection legislation
Botswana	Green	Red	Green	Red	Green	Green	Green	Green	Red
Seychelles	Green	Green	Green	Green	Green	Green	Green	Green	Red
Mauritius	Green	Red	Green	Red	Green	Green	Red	Green	Green
Lesotho	Green	Green	Green	Red	Green	Green	Red	Green	Red
Rwanda	Green	Green	Green	Green	Green	Green	Green	Green	Green
Namibia	Green	Green	Green	Red	Red	Green	Green	Green	Green
Ghana	Green	Green	Green	Green	Green	Green	Green	Green	Green
South Africa	Green	Green	Green	Green	Green	Green	Green	Green	Green
Swaziland	Green	Red	Green	Green	Green	Green	Red	Green	Red
Zambia	Green	Green	Green	Red	Green	Green	Red	Green	Green
Malawi	Green	Green	Green	Red	Green	Green	Red	Green	Green
Mozambique	Green	Green	Green	Green	Green	Green	Red	Green	Green
Sierra Leone	Green	Green	Green	Green	Green	Green	Red	Green	Red
Tanzania	Green	Green	Green	Red	Red	Green	Green	Red	Green
Cameroon	Green	Yellow	Green	Green	Green	Green	Green	Green	Green
Nigeria	Green	Green	Red	Green	Green	Green	Green	Green	Red
Uganda	Green	Green	Green	Green	Green	Green	Green	Green	Green
Kenya	Green	Green	Red	Green	Green	Green	Red	Green	Green

Source: Keulder (2015).

**Table 1.3 ACA investigative and preventive activities**

	No. of complaints received by ACA 2014	No. of investigations 2014	% of investigations completed by ACA 2014	% of completed investigations prosecuted 2014	% of convictions from prosecuted cases	No. of learning and outreach events in 2014 by ACA
<b>Botswana</b>	1,246	395	45.3	6.7	16.7	-
<b>Seychelles</b>	-	-	-	-	-	-
<b>Mauritius</b>	14,642	6,184	93.6	6.5	35.7	104
<b>Lesotho</b>	1,237	278	21.6	38.3	78.2	28
<b>Rwanda</b>	120	120	86.7	12.5	-	26
<b>Namibia</b>	-	-	87.0	8.0	66.6	many
<b>Zambia</b>	724	439	48.3	14.5	74.0	13
<b>Malawi</b>	1,152	1,000	43.5	12.8	10.7	340
<b>Mozambique</b>	-	291	34.4	-	23.6	4
<b>Sierra Leone</b>	521	254	25.6	66.1	34.9	31
<b>Tanzania</b>	5,069	607	-	53.9	31.8	4,382
<b>Cameroon</b>	1,665	-	-	-	-	20
<b>Nigeria</b>	6,084	4,453	64.7	16.8	24.1	343
<b>Uganda</b>	1,579	7,539	18.8	100	0.1	44
<b>Kenya</b>	-	-	5.8	34.5	-	50

**Source:** Keulder (2015).

demonstrates that the percentage of completed investigations of ACAs is rather low, and the percentage of convictions resulting from these cases varies also. Educational work by ACAs seems to, with the exception of Tanzania, not be prioritised.

## 1.8 Case studies reviews

Botswana has been ranked as Africa's least corrupt country since Transparency International's Corruption Perception Index (CPI) was introduced in the mid-1990s. The Directorate on Corruption and Economic Crime (DCEC) enjoyed support by the national leadership, good governance and multiple legal instruments that are often reinforcing.

An important aspect of the strength of Botswana's anti-corruption management occurs in the socio-economic and political milieu in which the DCEC finds itself. The country's elites practice consensus building, regularly build support institutions to support anti-corruption, have established a public administrative system that is relatively autonomous of political influence and have eschewed corruption.

The DCEC has publicly investigated corruption cases involving senior officials in government. Public education and corruption prevention are among the major strategies of the DCEC, and the respect of tenure of its directors general and its support by Parliament (through funding) are key strengths.

The institutional framework for co-ordinating interagency strategies are built into anti-corruption measures. This involves co-ordinating anti-corruption activities of the Ombudsman, the police, the private sector and the Public Procurement and Asset Disposal Board. An important aspect of the institutional landscape is Botswana's judiciary, which has historically been recognised as independent. To augment its capacity for anti-corruption measures, Botswana has built a specialist corruption court as part of the high court.

Lesotho enacted effective laws to address the problem of corruption. The successful trials of several senior public officials for alleged corruption (bribery and public funds embezzlement) have proved to be an important milestone in the country's fight against corruption.

The restoration of civilian rule and the democratisation process guaranteed the protection of rights and civil liberties of citizens, including freedom of speech, promoted freedom of the media and reinstated oversight bodies. Taken together with advances in media technology, these factors changed the environment for reporting corruption in the country.

Strong and effective legal framework and instruments underpin Lesotho's relative progress in the fight against corruption. Lesotho enacted laws to address the problem of corruption over the past two decades. These include the Prevention of Corruption and Economic Offences Act No. 5 of 1999, which established the Directorate on Corruption and Economic Offences (DCEO), and its amendment of 2006, which requires public officials to declare their assets; the Income Tax (as amended) Act No. 10 of 1993 to counter tax evasion and fraud; the Money

Laundering and Proceeds of Crime Act No. 4 of 2008, which established the Financial Intelligence Unit (FIU) with the core mandate to fight money laundering and terrorist financing offences; and the Public Service Act of 2005 and its corresponding public service reform programme, which were all aimed at professionalising public administration, improving the capacity of the civil service and curbing nepotism and cronyism. To stop corruption in procurement processes, the government passed the Public Procurement Act and its accompanying regulations in 2006. These instruments established thresholds for use of procurement methods, bid evaluation procedures and contract management.

Mauritius is celebrated as sub-Saharan Africa's brilliant example of democracy, good governance and economic success. Mauritius has chalked up remarkable achievements in terms of sustained economic performance; sustained good CPI ranking; better transparency and accountability in public bodies; stronger strategic orientation towards corruption prevention and increased awareness; successful tax reform with inherent corruption prevention and good governance features; and regulatory and institutional rules for doing business that have been established to remove obstacles in trade and business sectors. For several years, Mauritius has been ranked first regionally in the World Bank Doing Business Index and streamlined and digitalised procedures for important areas such as procurement and issue of permits and licences.

A key factor has been the continuous political will and support from the government to fight corruption and promote transparency and accountability, despite changes of regime. The commitment has been visible, forceful and convincing, with the introduction of legislation and institutions that give effect to the relevant international conventions and treaties to which Mauritius is a signatory.

Other important factors are the political, economic and democratic stability of the country, the high literacy rate among the population and the separation of powers existing among the three branches of the government. Moreover, corruption is not fought in isolation, as there is a strong focus on public-private partnership and close collaboration with civil society to glean relevant information for better strategies.

A key condition for the successful anti-corruption drive in Mauritius has been its linkages with parallel reforms, especially in the areas of public financial management (PFM) (budgeting, procurement and taxation), business facilitation, good governance, equal opportunities, information and communications technology (ICT), the civil service and the police.

Mauritius also has independent judicial and prosecution structures. Systems in place have been able to bring to trial elites, politicians and even Members of Parliament (MPs) involved in graft cases. The judiciary has also pronounced judgments against important personalities concerning graft cases.

The country's civil society, the private sector and the media are highly dynamic. They have been acting as agents of change in the field of anti-corruption by spurring community support and providing continuous public pressure on the government.

The media possesses a competitive advantage in the fight against corruption due to its proximity to the public and its perceived positive role and independence by an overwhelming part of Mauritians.

Seychelles' political leadership, upholding best practices contained in the United Nations Convention against Corruption, establishing and nurturing the institutions of democracy, following the sound advice of carefully chosen advisors and development partners, and active participation of the people of Seychelles in the reform process have all contributed synergistically to reversing the perceptions of corruption.

Rwanda has made remarkable progress in controlling corruption since the 1994 genocide. The country went through a painful process of reconstruction, including rebuilding all governance systems, structures and institutions. Anti-corruption efforts have focused on strengthening the legal and institutional framework, improving government effectiveness, building a strong and competent public service, reforming public finance management systems and prosecuting corrupt officials at all levels of the public sector.

The government has put measures and institutions in place such as the Rwanda Public Procurement Authority, Office of the Ombudsman, Rwanda National Police, National Prosecutor General Authority, Auditor General and Rwanda Revenue Authority. These measures seem to have yielded positive results, with the country performing better than many other African countries in terms of control of corruption on most governance indicators.

Rwanda has adopted a radical rather than incremental approach, focusing on simultaneously strengthening systems on several fronts rather than progressively introducing reforms in selected areas and sectors.

Importantly, a strong political leader's clear and public emphasis on zero tolerance for corruption has contributed the most to the successful fight against corruption in Rwanda. Sustaining the progress that has been made will depend on the continued political will, public awareness and strengthening of public institutions to lead the fight against corruption.

## 1.9 Conclusion and policy recommendations

All five case studies see the importance of strengthening legal and institutional frameworks; improving government effectiveness and building a competent public service; protecting whistleblowers and mobilising every section of the society to engage with the anti-corruption drive; reforming public finance management; and investigating and prosecuting public officials at all levels.

UNCAC is a key driver in developing anti-corruption strategies in African Commonwealth countries. The discussion about anti-corruption strategies and activities in the 19 African Commonwealth countries, and the varying impact ACAs have, points to similar issues that can be summarised as follows and are not unlike those in countries elsewhere:

**Improve the quality of governance:** The success or failure of an anti-corruption strategy is very much contingent on the quality of governance in a given country.

**Make available sufficient resources:** In almost all the countries reviewed here, anti-corruption agencies are at centre stage in the development and implementation of anti-corruption actions. A common challenge noted is that ACAs are not receiving sufficient resources.

**Demonstrate political will:** The role of ACAs in the implementation of anti-corruption strategies often rests with numerous agencies within and outside the state and relies on long-term government support and commitment. Without this high-level support, the ACAs will not be able to develop and implement their strategies. Therefore, the political will to fight corruption is a precondition for the successful operation of ACAs. This entails that the ACAs be equipped with sufficient resources, capacity, independence and power to prevent and combat corruption.

**Focus on implementation:** The ultimate value of anti-corruption legislation and policy development is in its implementation. A good range of anti-corruption legislation exists, but it is not implemented uniformly.

**Focus attention on preventive measures:** These seem to take a backseat to punitive measures. The relatively low level of anti-corruption educational and outreach activities by ACAs is unfortunate. Co-operation between ACAs and non-governmental and civil society organisations in educational work is generally fruitful. In addition to raising awareness about the extent of corruption, national surveys can be used more systematically to inform the development and monitoring of anti-corruption strategies.

**Ensure media and economic freedoms:** Freedom of the media and economic freedoms are minimum requirements in building a strong anti-corruption culture. This requires the passing of access to information legislation, which only half of the countries have.

**Establish monitoring and evaluation mechanism:** Constant monitoring, evaluation and measurement of anti-corruption initiatives is generally lacking among ACAs and is mostly performed by non-state actors. A key challenge is to identify measurable indicators with established baselines and tracking mechanisms to determine whether or not progress is being made and to adjust policies and strategies accordingly. Only a few countries have set up adequate implementation, monitoring and evaluation mechanisms.

Finally, corruption is an international threat. The global fight against corruption has been approached in the wrong way for too long. The philosophical orientation underpinning the fight is that developing Global South economies are more corrupt than the advanced Western economies. Such thinking does not appreciate the concept of partners in crime or that it 'takes two to tango'; for every one corrupt person in a developing country, there are more partners or accomplices in the developed countries.

Similarly, for every corrupt public officer, there are a minimum of three to five private sector conspirators, such as lawyers, bankers, accountants and business executives

who facilitate the concealment of the stolen assets. In a globalised financial system, funds embezzled in one continent can cross borders in the blink of an eye. Indeed, the principal beneficiaries of corruption in Africa are also found outside the continent. An international response is therefore required to meet this threat.

## References

- Afrobarometer Survey. 2014. 'Malawi round 6 codebook (2014)'. Available at: <http://www.afrobarometer.org/countries/malawi-0>
- Commonwealth Secretariat and UNODC (United Nations Office on Drugs and Crime). 2015. *Compendium of Best Practices Demonstrated by Commonwealth Africa Anti-Corruption Agencies*. Unpublished, London.
- \_\_\_\_\_. 2016. *Joint Research on Commonwealth Africa Anti-Corruption Agencies Policy and Procedure Benchmarking and Gap Analysis Project: Final Report*. Unpublished, London.
- Commonwealth Secretariat. 2016. *Commonwealth Africa Anti-Corruption Evaluation Report by PFM Connect Ltd, Commonwealth Secretariat, London*.
- Institute for Economic Freedom and Opportunity. 2018. 'Index of economic freedom'. Available at: <http://www.heritage.org/index/freedom-from-corruption>.
- Keulder, T. 2015. 'Compendium of best practices demonstrated by Commonwealth Africa anti-corruption authorities'. Draft Report prepared for UNODC and Commonwealth Secretariat. Unpublished, London.
- Transparency International. 2013. 'Corruption Perceptions Index 2013'. Berlin: Transparency International.
- \_\_\_\_\_. 2014. 'Corruption Perceptions Index 2014'. Berlin: Transparency International.
- \_\_\_\_\_. 2015. 'Corruption Perceptions Index 2015'. Berlin: Transparency International.
- World Economic Forum. 2012. *Global competitiveness report 2012*. Davos: World Economic Forum.
- \_\_\_\_\_. 2013. *Global competitiveness report 2013*. Davos: World Economic Forum.
- \_\_\_\_\_. 2014. *Global competitiveness report 2014*. Davos: World Economic Forum.
- \_\_\_\_\_. 2017. *Global competitiveness report 2017*. Davos: World Economic Forum.

## Chapter 2

### Botswana

---

*By Gape Kaboyakgosi, PhD*

#### Summary

Since Transparency International's Corruption Perception Index (CPI) was introduced in the mid-1990s, Botswana has consistently been ranked as Africa's least corrupt country. The central theme of this chapter is that no single factor explains this ranking. Rather, it is a combination of factors including commitment to the ideals of a 'developmental state', a decentralised mode of governance, the creation of multiple points at which anti-corruption activity is exerted, support for the Directorate on Corruption and Economic Crime (DCEC) by the national leadership, good governance, multiple legal instruments that are often reinforcing and the separation of powers.

An important aspect of the strength of Botswana's anti-corruption management occurs in the socio-economic and political milieu in which the DCEC finds itself. The country's elites practice consensus building regularly, build support institutions to manage anti-corruption, have established a public administrative system that is relatively autonomous of political influence and (at least historically) have eschewed corruption.

The DCEC is the focal point for anti-corruption and has through the years built expertise in this regard. It has publicly investigated cases of suspected corruption including those involving senior officials in government. Public education and corruption prevention are among its major strategies and include multimedia approaches that range from radio messages to visits by DCEC staff to schools, malls and other public places.

However, while the DCEC has become an accepted aspect of public administration in Botswana, it might also appear to play a regime legitimisation role. The question arises as to whether or not its longevity, the respect of tenure of its directors general and its support by Parliament (through funding) are because the Botswana Democratic Party (BDP) needs the DCEC to legitimise its perpetual rule.

Other organisations involved in anti-corruption activities include the Ombudsman, the police, the private sector and the Public Procurement and Asset Disposal Board (PPADB). The institutional framework recognises the danger of fragmentation of efforts due to multiple actors, and thus co-ordinating strategies are built into anti-corruption measures.

An important aspect of the institutional landscape is Botswana's judiciary, which has historically been recognised as independent. To augment its capacity for anti-corruption measures, it has built a specialist corruption court as part of the high court. Challenges faced include the relative newness of anti-corruption in the jurisprudence, lack of online research resources for judges and the judiciary being

wrongfully accused of handing out lenient sentences even though they are following statutory guidance.

The laws of Botswana support the control of corruption. Moreover, the use of self-regulation among professionals such as accountants, lawyers, quantity surveyors and auditors provides another avenue for fighting corruption. However, the country lacks crucial laws for fighting corruption such as whistleblower protection law, laws on freedom of information and a law on declaration of assets and liabilities.

The challenge with the national leadership is that none of the country's presidents or deputies has championed anti-corruption or taken it up as a signature policy objective. This is unlike the case of HIV/AIDS prevention, which had President Mogae as champion, or poverty eradication, championed by President Khama. In addition, government ministers are increasingly remaining in office while under suspicion of unethical conduct.

Botswana's national anti-corruption approaches also learn from and interact with relevant international norms and standards. Botswana hosts the Commonwealth Africa Anti-Corruption Centre (CAACC) while also being an active member of the Southern African Forum Against Corruption and the East and Southern Africa Anti-Money Laundering Group (ESAAMLG).

## 2.1 Introduction

Botswana's anti-corruption ranking places it higher than even some of the Member States of the European Union (Gbadamosi 2006). Since the beginning of Transparency International's Corruption Perceptions Index, it has been ranked as the least corrupt African country, a position it has held without interruption (see Table 2.1). What factors account for this sustained performance? This case study shows that Botswana's political history and contemporary governance record as well as deliberate measures for fighting corruption all count in its favour. There are challenges, such as weak

**Table 2.1 Transparency International's Corruption Perception Index (CPI) for Botswana, 1997–2016**

Year	CPI score	Africa position	Global position
1997		1	23
2007	5.4	1	38
2008	5.8	1	36
2009	5.6	1	37
2010	5.8	1	33
2011	6.1	1	32
2012	6.5	1	30
2013	6.4	1	30
2014	6.3	1	31
2015	6.3	1	28
2016	6.0	1	35

**Source:** Transparency International.

legislative oversight, the internationalisation of corruption and general weakening attention to good governance (Good 1994; Sebudubudu 2009). However, the country's sustained ranking suggests a continuing commitment to ensuring that the challenges stay better managed (Kuris 2013).

On the other hand, the table also shows that Botswana's ranking globally has been consistently in or near the 30s in the last decade, an indication of possible stagnation. Such stagnation leads to the conclusion that the institutions (law, organisations and political culture) and the various tactics used by the DCEC need reviewing to ensure that the country's global ranking improves and is sustained. Indeed, the historically poor showing by other African nations in terms of this index suggests that Botswana's position as the best performer in the region is partially explainable by the poor performance of comparator nations.

This case study looks at the institutions and reforms that support Botswana's anti-corruption measures and some of the challenges it faces in maintaining and improving its global ranking.

### 2.1.1 Methodology

The study used several different sources of data. The first was qualitative data from DCEC staff and organisations that come into contact with the DCEC, the University of Botswana, the media fraternity, Members of Parliament and the Office of the Ombudsman. These data were collected during interviews carried out for input into the design of a national policy on anti-corruption. The interview questions asked for information on a number of variables related to fighting corruption, including:

- mandate in relation to combating corruption;
- adequacy of laws and policies;
- views on prevention;
- availability and adequacy of resources; and
- monitoring and evaluation.

Second, the author was invited to the inaugural Anti-Corruption *Pitso*,<sup>1</sup> an event used to mark the beginning of annual gatherings of stakeholders to assess anti-corruption initiatives. At the *pitso*, current and former national politicians, academics, auditors, investigators and legal practitioners exchanged views on progress on anti-corruption.

A third source of data was a legal review. Domestic legal instruments with direct and indirect relevance to anti-corruption were assessed in terms of a number of variables including whether or not the law provided any means for co-ordination and the punitive measures recommended.

The fourth source of data was archival material, including annual reports 10 years old or older showing the early years of the DCEC, and records from Hansard, which is the parliamentary record, particularly when the DCEC was introduced. The basis for selection of the institutions reviewed in this chapter was whether or not they shared an aspect of the anti-corruption mandate.

### 2.1.2 The socio-economic and political context

This section looks briefly at the political history of the country as well as contemporary governance and political issues to provide an understanding of the environment in which anti-corruption efforts take place. Botswana has long been touted as the 'African miracle' owing to a historically impressive developmental trajectory (Mkandawire 2001; Samatar 1999; Taylor 2003). Botswana's relative exceptionalism in comparison to other African countries was based on two factors, the country's consistent adherence to multi-party democracy and consistent economic growth (Mosime and Kaboyakgosi 2016; Kaboyakgosi and Marata 2012).

Strict observance of multiparty democracy since independence and the observance of basic rights such as that of association have made Botswana somewhat distinct owing to Africa's postindependence disappointments of one-party rule, corrupt, repressive governments and persistent civil wars (Kaunda 2008). Economic growth was so strong that the country was the only African entrant among the 13 fastest-growing economies globally for the years 1995–2005 (World Bank 2008).

Yet both of the factors for which Botswana has been lauded have notable shortcomings. For example, its democratic system lacks the inclusion of women, youth and ethnic minorities (Good 1999; Melville and Mogwe 2012). It is also skewed in favour of the ruling party, which has unfair access to state resources – to the extent that the opposition has, for a long time, had no realistic chance of electoral success (Bothomilwe et al. 2011) and parliamentary oversight of the executive is notably weak (Botlhale 2012). Similarly, the economic growth occurs amidst gross income inequalities, and it is so dependent on diamond mining that economic diversification, or the lack of it, has been a major policy concern of the state over the last three decades (Jefferies 2014).

These challenges notwithstanding, Botswana is generally accepted as a country where the rule of law, management of corruption, voice and accountability, political stability, lack of violence, government effectiveness and regulatory quality prevail, at least in comparison with most of sub-Saharan Africa or indeed the world (Vision 2016 Council 2012; World Bank 2014). Its developmental achievements, it has been argued, are not only a result of its mineral endowment. They also stem from the country selecting the right policies and political cultures to engender development (Acemoglu et al. 2003; Robinson et al. 2006; Iimi 2006; Nordås et al. 1998).

Some of Botswana's contemporary policy choices can be explained by the country's political history. In the Protectorate era, it was deemed economically worthless by the British, who governed it through a system of indirect rule that largely preserved local governance systems. Little repression and other negative consequences of colonialism were felt, leaving indigenous political cultures such as the consensus culture through the indigenous *Kgotla* system<sup>2</sup> largely intact. The repression and violence associated with colonialism were thus not visited upon the country, making for a relatively smooth transition after independence. The emerging elite was quick to build consensus on the premise that development was the most important ideology for nationhood. A fortunate circumstance was that the overwhelming majority of

the population were Tswana-speaking ethnic groups, meaning that there was little opportunity for conflict once independence was attained (Molutsi 1998).

Transition to statehood was thus at the behest of local elites – teachers, farmers, the traditional leadership and others, including the protectorate-era administrative staff – forming consensus around the kind of country they wanted to build. Administrative capacities were maximised through retention of British-era public servants, as well as training locals, building a state machinery committed to the ethos of development and political neutrality, centring development on mid-term national development plans that were centrally determined and investing diamond revenues in health, education, infrastructure and other public goods (Somolekae 1998).

### 2.1.3 The genesis of current anti-corruption measures

Before the current legal and organisational infrastructure was set up to fight corruption in Botswana, a number of cases of mismanagement of public funds were discovered. These include, for example, the findings of a presidential commission in 1990 that revealed massive irregularities and widespread flouting of normal tender processes in the supply of textbooks to primary schools (Government of Botswana 1991a). Following this, in 1991, a commission of inquiry uncovered land scams in villages surrounding Gaborone, the capital, implicating the secretary general of the ruling party and its chairman, who resigned their positions but subsequently won their court cases (Government of Botswana 1991b). In 1992, another commission of inquiry revealed irregular contracting and abuse of public waiting lists by politicians who favoured their friends and associates in the award of houses by the state-owned Botswana Housing Corporation (Government of Botswana 1992).

Following these various scandals, the government contacted the Independent Commission Against Corruption (ICAC) in Hong Kong. The ICAC deputy chief executive officer, Graham Stockwell, suggested setting up an institution in the mould of ICAC and agreed to lead it on his retirement. He also agreed to bring experienced investigators from ICAC to train local Botswana investigators (Kuris 2013).

The government gave Mr Stockwell its full support in setting up the DCEC. Besides being allowed into meetings of the executive, and given the means to tour the country and alert members of the public to the coming of the institution and its supportive legal instruments, he notes the role of the president himself (then Sir Ketumile Masire):

He was very supportive as indeed were his other Ministers although we had one Minister who walked out during the parliamentary discussions. Also, we had to explain everything to Members of the House of Chiefs (Ntlo ya Dikgosi). That was very important because they rule their individual tribes (Stockwell, as cited in Kuris 2013).

Thus, the genesis of Botswana's anti-corruption institutions and laws was both home-grown and in direct response to a felt need. Anti-corruption measures had 'ownership' among the political leadership and were not imposed by external forces, so the local elites could be expected to support them.

## 2.2 Legal and institutional backing for anti-corruption measures

This section describes the aspects of the legal system that support anti-corruption and the institutional framework set up to ensure the laws are enforced.

### 2.2.1 The legal system

The main law dealing with corruption is the Corruption and Economic Crimes Act (CECA). In introducing the Corruption and Economic Crimes Bill, the then Minister for Presidential Affairs and Public Administration said:

Government wishes it to become known both within and outside Botswana that ours is a country in which public and private business can be carried out honestly... It is recognised that the current laws and the resources devoted to the fight against corruption and economic crime are inadequate to achieve that aim (Republic of Botswana 1994, 36–37).

Section 3 of the Act sets up the Directorate on Corruption and Economic Crime (DCEC) and lists the offences under the Act. These include corruption by a public officer, acceptance of bribes, conflict of interests, cheating of the public revenue and the promise of a bribe to a public officer among others.

Other laws with a bearing on fighting corruption include those dealing with general issues of serious crime, cross-border crime, money laundering and confiscation of the proceeds of crime (Khan undated; Bedham-Jones 2014; BIDPA 2014). Whereas a number of these legal instruments actually preceded the CECA, they are part of a system that supports anti-corruption measures. The following are some examples.

#### **Box 2.1 Important anti corruption statutes in Botswana**

1. Accountants Act (Cap 61.05)
2. Corruption and Economic Crime Act (Cap 08.05)
3. Engineers Registration Act (Cap 61.06)
4. Extraditions Act, 1990 (No. 18/1990)
5. Financial Intelligence Act (Cap 08:07)
6. Legal Practitioners Act (Cap. 61:01)
7. Mutual Assistance in Criminal Matters, 1990 (Cap. 08:04)
8. Penal Code (Cap. 08:01)
9. Public Procurement and Asset Disposal Act (Cap 42.08)
10. Proceeds of Serious Crimes Act, 1990 (Cap. 08:03)

**Source:** Author compiled from literature and DCEC publications.

### **Public Procurement and Asset Disposal Act**

The Public Procurement and Asset Disposal (PPAD) Act enables the PPADB and its committees to implement major procurement, rentals and disposal of assets on behalf of the government and its agencies. It regulates public procurement by bringing transparency to all government procurement and asset disposal. The Local Authorities Public Procurement and Asset Disposal Act is the equivalent of the PPAD Act for local authorities (such as rural and urban councils). It sets out the principles for the procurement and disposal of goods and services for urban and rural councils.

### **The Proceeds of Serious Crimes Act**

The Proceeds of Serious Crimes Act seeks to deprive individuals and corporate entities of the benefits obtained from serious crimes, of which corruption is one. The Act also gives the Director of Public Prosecutions the right to apply for a confiscation order to obtain the proceeds of anyone convicted of a serious crime.

### **The Financial Intelligence Act**

The Financial Intelligence Act establishes the Financial Intelligence Agency, which is responsible for requesting, receiving, analysing and disseminating to an investigatory authority, supervisory authority or comparable body disclosures of financial information that concern suspicious transactions. It also establishes a National Coordinating Committee of financial intelligence as well as providing for mutual assistance with similar organisations outside the country to combat illicit financial transactions including money laundering.

### **The Penal Code**

Arguably Botswana's oldest piece of legislation dealing with malpractice in the public service, the Penal Code is administered by the police services. Corruption is dealt with under Part IV of the Code and includes corruption by public officer, corruption in respect of an official transaction, acceptance of a bribe by public officer, promise of a bribe to a public officer and bribery for giving assistance in regard to contracts.

### **The Extradition Act, number 18 of 1990**

The Extradition Act enables the extradition of persons living in the country who may be of interest to foreign governments. While its scope spreads to matters beyond corruption, this law is important in ensuring that corrupt persons may not escape punishment from their countries of origin by hiding in Botswana.

### **The Mutual Assistance in Criminal Matters Act of 1990**

The Mutual Assistance in Criminal Matters Act of 1990 aims to help Botswana seek persons outside the country who may have committed crimes in the country and need to stand trial. The law assists with the discovery of information and other forms of evidence that other countries may avail to Botswana. Such assistance may include

the request for documents, the identification of witnesses, freezing of assets and confiscation of proceeds of crime.

### Competition Act of 2009

While the Competition Act of 2009 is applicable mainly to the private sector, its importance is in fighting anti-competitive behaviour in the private sector that, if unattended, might affect the public sector. Section 3 provides for the establishment of a Competition Authority to enforce the Act. The law covers control mergers, investigations of horizontal and vertical agreements, control of restrictive agreements, the abuse of dominant position and determination of cases, and applies penalties and remedies where necessary.

### Self-regulatory statutes

Self-regulation measures are aimed at giving professionals some space to manage their own affairs, and they can be effective tools for the management of misconduct and corruption among professionals (Mooketsane 2013). The Legal Practitioners Act provides for both the registration and disciplining of errant attorneys, including striking them off the list of practising attorneys as a measure of last resort. The Engineers Registration Act establishes the Engineers Registration Board, which both registers and polices the conduct of engineers, including reprimanding, suspending or totally withdrawing their rights to practice. The Accountants Act and other similar self-regulatory statutes also allow self-policing by professionals under statutory law and create alternative measures for managing ethical conduct by appealing to professional integrity.

### 2.2.2 The institutional framework

As previously noted, the Directorate on Corruption and Economic Crime (DCEC) leads anti-corruption efforts. However, the strength of the anti-corruption approach comes from the support offered by other organisations as well as the strategies of prevention, education and prosecution. Added to that is the attention paid to the co-ordination of the various players as well as the deliberate efforts made to involve the private sector in anti-corruption efforts.

### The public sector

#### *The DCEC and its operations*

After Parliament passed the Corruption and Economic Crimes Act (CECA) in 1994, the DCEC began operations in 1995. Its functions include receiving and investigating complaints; investigating corruption allegations; educating the public against the evils of corruption; and enlisting public support to fight corruption. It is made up of four divisions: Investigation, Corruption Prevention, Public Education and Corporate Services. Over the years it has built expertise in anti-corruption activities and sustained investigations, some of which have led to prosecution and even convictions of wrongdoers.

One of the criticisms of the DCEC is that it is more interested in ‘small fish’ than ‘big fish’. However, it often investigates prominent state personalities, challenging this notion (de Speville 2007; DCEC 2009; Sebudubudu 2014). DCEC investigations have led to the prosecution of government ministers, permanent secretaries, chief executive officers of state-owned corporations and other important persons. Its track record shows a reasonably high rate of convictions in comparison with investigations (see Figure 2.1).

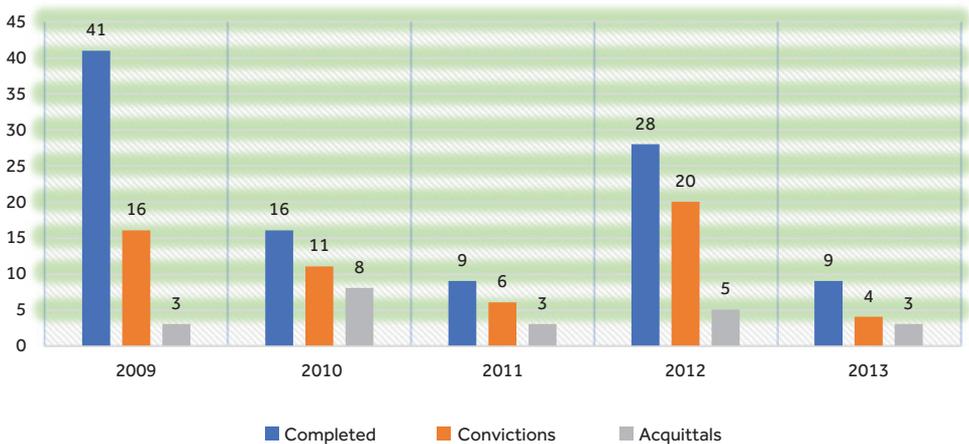
The DCEC has gained considerable support from the political leadership, as exemplified by the fact that the tenure of each of its directors has been respected (i.e. none of them has been terminated mid-contract). Indeed, both Tymon Katlholo and Rose Seretse have served more than one term. Stockwell, the founding director, served only one term but left voluntarily (Kuris 2013). The strength of the DCEC’s public information and education approach is in its all-encompassing nature. As viewed by the Centre for Public Impact (2018):

The DCEC’s public education programme has been one of its most important achievements, targeting schools, universities, ministries, churches and other organisations.

*Continuous public education as an enabler*

One of the important aspects of the DCEC is sustained public education. It has an array of strategies through which it educates the public about the evils of corruption. These include advertising on buses, the *Ra Boammaaruri* (Mr Upright) campaign, where the DCEC visits primary schools and preaches the spirit of uprightness to children (DCEC 2007, 2012), and forming anti-corruption clubs in secondary schools to sensitise students against the evils of corruption. According to the DCEC, it uses different themes – with Empowering Youth Today, Leaders of

**Figure 2.1 DCEC case performance: 2009–2013**



Source: DCEC (2009–2014).

Tomorrow chosen for the 2014/15 fiscal year, for example – under which a number of subjects are taught, including project management, team work and conducting meetings (DCEC 2014, 27).

### *Corruption prevention strategies*

Another important stratagem for managing corruption in Botswana is to emphasise corruption prevention. As stated by President Khama:

To encourage the improvement of corruption prevention initiatives across government, the DCEC is now part of a review team that assesses ministries' performance. The Directorate has in this respect promoted the creation and functioning of Corruption Prevention Committees in each ministry (Khama 2013, 13).

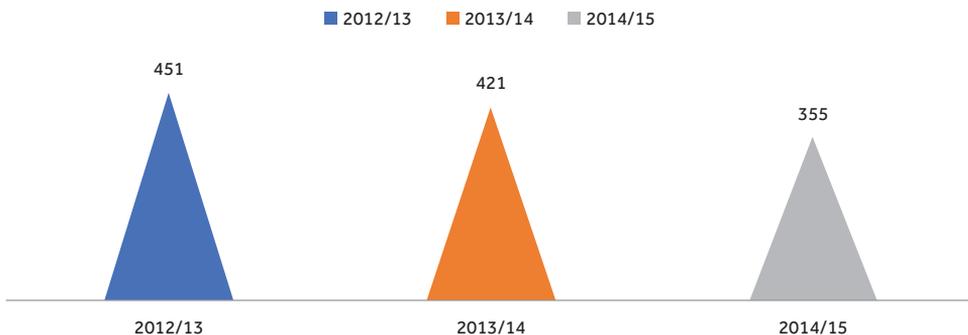
Corruption Prevention Committees (CPCs) co-ordinate anti-corruption strategies and prevention measures and review operations in order to limit opportunities for corruption. Commitment to CPCs is shown by, for example, training their staff. Training is given to as many officers as possible to build a critical mass of staff members who can assist in corruption prevention. Figure 2.2 shows the number of members of CPCs trained annually from 2012 to 2015.

The fact that the numbers of public officials trained annually are declining may signify that fewer civil servants need training, as more have been trained in the past. Anti-corruption units also conduct initial investigations of transactions within ministries and local government agencies and submit reports to relevant authorities for action. Figure 2.3 shows that the DCEC receives fewer reports of corruption each year, which may be attributable to corruption prevention efforts.

### *Financial support for the DCEC*

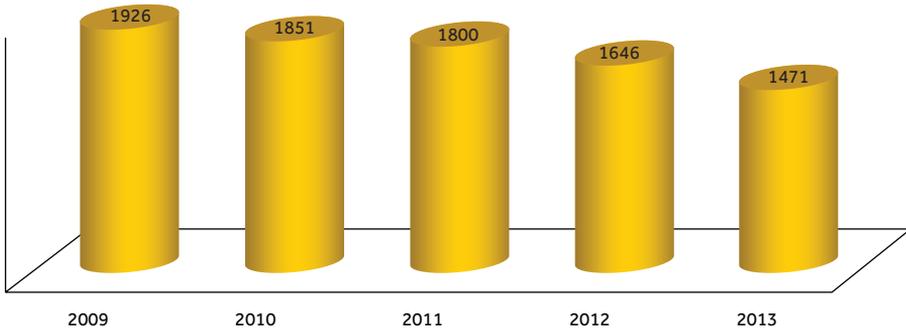
Anti-corruption is further strengthened by the commitment by Parliament to funding the DCEC. A review of the anti-corruption strategy in 2007 found that some of the constraints faced by the DCEC were not related to refusal of funds but rather were

**Figure 2.2 Number of staff trained in corruption prevention, 2012–2015**



**Source:** DCEC (2013, 2014 and 2015).

**Figure 2.3 Corruption reports received by the DCEC, 2009–2013**



**Source:** DCEC (2009–2013).

‘the result of the DCEC not fully appreciating the need to extend its operations and its presence over the whole country’ (de Speville 2007, 47).

Where the training budget falls short, financial support has been obtained from development partners, including the United Nations Development Programme (UNDP), the US Government and the Australian Government (DCEC 2012, 35).

*The National Assembly*

As part of its oversight and regulatory roles, Parliament has a Public Accounts Committee and a Committee on Statutory Bodies and Public Enterprises. Its other contribution to anti-corruption measures is setting up commissions of inquiry when suspicions of corruption are reported in the media. In recent years these have included inquiries into the Botswana Meat Commission, where gross mismanagement was confirmed by Parliament (Government of Botswana 2013), and the Botswana Development Corporation (Government of Botswana 2012).

What is instructive about these processes is that Parliament, with the active participation of ruling party legislators, often agitates for investigations that may involve backbenchers from the ruling party and going against the wishes of the executive. Thus, it provides an alternative source of investigations that, owing to the nature of Parliament, is carried out in public.

*The police*

The mandate of the Botswana Police Service is the prevention, detection and investigation of crimes in the country, and it relies on the Penal Code for the enforcement of anti-corruption matters. It has an ongoing partnership with the Federal Government of the United States to operate the International Law Enforcement Agency (ILEA). The ILEA runs training for the police force in Botswana and other countries in southern Africa for law enforcement, including for transnational crime. Through this mechanism, the police builds networks with other police forces for the purpose of enhancing its law enforcement capacity.

### *The Office of the Ombudsman*

Founded by the Ombudsman Act of 1995, the Office of the Ombudsman has the mandate to investigate cases related to maladministration and recommend action for redress. Investigation and monitoring of maladministration is important, according to the Office of the Ombudsman, because:

Where there are inefficiency even good people become corrupt. Monitoring is also important to ensure that everyone does what they are supposed to do and that they are aware and well informed of what is expected of them. Individuals should take responsibility to inform them (interview at the Office of the Ombudsman).

The Office of the Ombudsman is thus a part of the continuum of enforcing ethical conduct in the public service and forms part of the preventative aspect to corruption.

### *The Directorate of Public Prosecutions*

Founded on section 51 of the Constitution, the Directorate of Public Prosecutions (DPP) is a department in the Attorney General's Chambers whose primary duty is to prosecute matters on behalf of the state (Khan undated). The DPP has a specialised anti-corruption unit to try to build speciality on the subject.

### *The Public Procurement and Asset Disposal Board*

The PPADB was formed under section 3 of the PPAD Act of 2001 as the body primarily in charge of managing government procurement. The PPADB mandate is to adjudicate over the tendering process where public finance is concerned, including setting standards for public procurement and ensuring proper competition over public procurement. The public sector in this case includes civil service and parastatals as well as the local authorities.

### *The judiciary*

Botswana's judiciary is founded on section 95 of the Constitution. It is renowned for its independence (Transparency International undated) and also continually reviews its approaches to make it more relevant to fighting corruption (Dambe undated). An addition to the judicial branch in 2013 was the formation of the Corruption Court, a section of the High Court solely dedicated to trying corruption cases. The court came about owing to the realisation that corruption was becoming more complex, and thus needed closer attention, as well as the realisation that corruption cases took longer than desirable to be prosecuted.

In a response to the suggestion that the judiciary perpetuates corruption by giving light sentences, a high court justice points out that this is a result of structural constraints:

It is how the laws are crafted by the legislature and the courts can only implement the laws as written. Courts are loath about the minimum sentences prescribed and feel circumstances should determine the minimum sentence given. Courts must be given the discretion to penalize. There shouldn't be minimum penalties, these make judges' decisions look ridiculous, and legislatures should only set the maximum sentence and allow the judges to use their discretion (Dambe, undated).

### *The Competition Authority*

The role of the Competition Authority is to enforce the Competition Act. The Act prohibits certain uncompetitive business practises such as price fixing, collusion, bid rigging and abuse of dominance. While the Competition Authority does not address corruption as it is defined in the CECA, it is an important part of the management of business-related malpractices, which may end up compromising ethical practices in the economy. The importance of managing anti-competitive practices lies in the fact that it is often the private sector that implements public sector programmes and it may thus bring such practices to the public services.

### *Memoranda of understanding*

A number of memoranda of understanding (MoUs) provide co-ordination in anti-corruption and related law enforcement matters. In 2010, the DCEC, the Competition Authority and the PPADB signed an MoU to facilitate information exchange. It set up a joint working committee that implements the provisions of the MoU and monitors progress. The DCEC and the Ombudsman also have an MoU, which is predominantly about resource sharing and governance matters (interview at the Office of the Ombudsman). Another MoU exists between the Competition Authority and the Non-Bank Institutions Financial Regulatory Authority.<sup>3</sup>

## **The private sector**

### *Business*

In recognising challenges of corruption in the private sector, the DCEC has enrolled private businesses into anti-corruption efforts (Bertelsmann Transformation Index 2014). An important result of the partnership between Business Botswana (formerly known as BOCCIM), an umbrella organisation of businesses in Botswana, and DCEC is the creation of a Code of Conduct Against Corruption. The code has a number of objectives including developing and observing compliance with business ethics; avoidance of conflict of interest by members; prohibition of solicitation of, offering, acceptance and promising of bribes for favourable consideration in doing business; and high amounts of commitment of ethical conduct and legal procurement and tendering.

### *The media*

The media environment is relatively free, with comparatively few cases of prosecution of journalists and at the same time very robust reporting about corruption matters (Ndlovu 2012). The DCEC has a media and public relations unit to apprise the media of important aspects of its mandate. However, there is some friction between the media and the executive (see Challenges below).

## **The international dimension**

Botswana actively participates in international forums against corruption, thus creating a sense of commitment to the general ethos on ethical governance. Besides being host to the Commonwealth Africa Anti-Corruption Centre, the country is

also a member of and active participant in the SADC Forum Against Corruption (SAFAC). The Centre allows Botswana to bring the anti-corruption agenda into the public sphere owing to its high-profile nature, while membership of SAFAC enables the country to exchange notes with regional peers on anti-corruption measures. In addition, Botswana is a member of the ESAAMLG.

## 2.3 Conclusion: lessons, challenges and recommendations

### 2.3.1 Lessons

Several facets of Botswana's efforts to tackle corruption provide valuable lessons for other countries.

#### *Putting the right laws in place*

A number of points can be made about how the law facilitates anti-corruption management in Botswana. First, the comprehensiveness of the law sends a consistent message that anti-corruption is taken seriously. It creates a nexus between several organisations implementing anti-corruption and related activities, and most of the new laws are crafted with the intent to co-ordinate activities between various actors. Section 13 of the Financial Intelligence Agency (FIA) Act and schedule C of the Competition Act remain two of the laws with this virtue. Botswana also applies the Mutual Legal Assistance in Criminal Matters Act of 1990 to fight crime in other jurisdictions. It helps even where it has no specific agreement with the country making the request (Dambe undated).

Second, the PPAD Act recognises the importance of government procurement to development as well as its capacity to lead to corruption. By publicly listing all details about major public procurements, the PPADB brings transparency to public procurement. Added to that, its capacity to blacklist companies that offend the spirit of the law enforces honesty and good practice.

Third, in passing the Competition Act, the government recognised that illicit conduct may take place outside the public sector. Indeed, most public works in the country are undertaken by the private sector, and such practices as may occur between private sector companies may actually be transferred to the public sector.

A fourth characteristic of the legal system is the exploitation of the possibilities presented by self-regulation. While the idea that self-interested professionals can best manage the conduct of their own colleagues is controversial, this self-regulatory system is actually enforced through public statute. Thus, self-regulation extends enforcement capacity beyond just the state institutions, allowing unethical practices to be fought on many fronts.

#### *Building consensus for development*

Botswana emphasises consensus-building models for its developmental efforts. Its national principles – from its early days of democracy, development, unity and self-reliance – were followed by its Vision 2016 and, latterly, Vision 2036. The

High-Level Consultative Council, chaired by the President, co-ordinates public and private sector developmental initiatives (Mosime and Kaboyakgosi 2017). The country's creation of a national ideology with development at its centre arguably led to an environment in which the DCEC was crafted. It is an environment in which elites take regular turns at openly reinforcing developmental ethos in an open and transparent manner.

### *The importance of a professional public administrative machinery*

Another important factor to explain Botswana's anti-corruption management approaches is the country's professional civil service. Among the notable characteristics of the bureaucratic machinery are:

1. rigorous commitment to state-funded training to build capacity for development as opposed to maintenance of law and order;
2. a central planning system that emphasises equitable access to resources nationally;
3. central management of all mineral proceeds, with the government initially owning all these and later a public-private system with DeBeers Diamond Mining Company partnering with the government (the presence of DeBeers meant mining was efficient, and enhanced state coffers for development); and
4. a politically insulated bureaucracy that could theoretically answer to any change in government.

From the start, the DCEC could depend on a civil service ethos that was relatively clean, development focused and with a national leadership that by and large was prepared to eschew corruption.

### *Leadership commitment and parliamentary oversight*

A number of leadership positives have contributed to Botswana's relatively successful approach to managing corruption. These include:

1. supporting the DCEC financially, politically and legally; and
2. strong public statements against corruption by national leaders.

Botswana's Parliament plays an oversight role that belies the majority of the BDP. To fight corruption, it uses parliamentary oversight committees and regularly sets up commissions of inquiry in order to bring pressure to bear on the executive.

### *A resilient private media*

Botswana's private media plays a crucial role in exposing corrupt practices in the country. It faces numerous challenges (discussed below) but remains unbowed.

### *Dispersal of power*

Botswana's decentralised governance systems have the effect of preventing and deterring corruption. For example:

1. Using regulators to provide market governance – from the pensions industry, to construction, teaching and others – provides corporate governance practices that help avert wrongdoing.
2. Central–local relations, particularly through the PPAD Act and LAPAD Act, ensure that bodies other than the government may exercise oversight over the spending of government finance.

### *Optimising co-ordination*

Botswana has set up co-ordinating mechanisms, including information-sharing committees, memoranda of understanding and fighting maladministration, which could lead to corruption, in order to maximise its efforts in anti-corruption. The Criminal Justice Forum exists primarily to co-ordinate Botswana's criminal justice system and includes the Registrar of the High Court, the DPP, the DCEC, the Botswana Police and Tribal Administration. The Intelligence and Security Community consists of the Military Intelligence, the Botswana Police, the Immigration Department, Customs and the Directorate of Intelligence and Security. It holds quarterly scheduled meetings with the possibility for more meetings if need be.

## 2.3.2 Challenges

A number of factors present important challenges to Botswana's ability to tackle corruption. These are legal, social, institutional, political and governance related.

Overall, one of the worrying aspects of the anti-corruption fight is perhaps summed up by the Director General of DCEC in a recent parliamentary Public Accounts Committee appearance, where Mrs Seretse is said to have informed MPs that, since the DPP is not compelled to give reasons for not prosecuting cases referred to them, there was not much the DCEC could do – except to ask DPP for such reasons – without the backing of any legal means (Letswamotse 2016). The many cases that fall into this category (investigated and referred to the DPP but not prosecuted) include:

1. two dockets on the Botswana Development Corporation alleging corruption;
2. one docket on the Botswana Meat Commission alleging corruption;
3. two dockets on the Botswana Railways alleging corruption;
4. one docket on the director general of intelligence alleging corruption (Letswamotse 2017).

### *Challenges related to the law*

The Penal Code is out-dated and most punitive measures would not act as deterrent. Added to that, it does not emphasise prevention, which is a more effective method of fighting corruption. Moreover, the Penal Code and the Corruption and Economic Crimes Act (CECA) prescribe different sentences for corruption. The CECA did not

prescribe an asset forfeiture unit for the DCEC, leaving it without the capacity or authority to impound the proceeds of crime.

There is also a lack of laws that support transparency. For instance, there is no law on the declaration of assets and liabilities, freedom of information act or law to protect whistleblowers.

In terms of public procurement, the PPAD Act has a number of limitations. First, since the Act targets the conduct of corporate entities, it is easy for unscrupulous individuals to evade punishment by forming new companies to bid for public projects. Second, procurement by state-owned enterprises (SOEs) is not covered by the Act, as this is regulated by the individual statutes setting up the various SOEs. A recent example of possible corruption in the parastatal sector is that of the government-owned Botswana Railways, where company management had been found by auditors to have a large sum of money without the approval of the board (Lute and Modiakgotla 2016).

The self-regulatory statutes have a number of shortcomings (Mooketsane 2013). These include lack of visibility due to self-regulating professionals managing what are essentially public matters privately, and particularly because the management of lawyers may lead to illicitly gained finances being laundered, since, once such money is deposited into a trust account before being detected as illicit, it is usually easier to partake of its use afterwards (Dambe undated).

In addition, extradition treaties with some of the country's major trading partners are lacking, making it difficult for law enforcement agencies if someone commits a crime in Botswana and relocates to his/her country of origin. As described by Khan (undated, 165):

The absence of an extradition treaty with a requested state often makes it difficult to get the required assistance. Even where these instruments are in place, various legal requirements and restrictions, jurisdictional problems and differences in criminal law and procedure often pose serious barriers to co-operation and mutual legal assistance... Resort to informal requests which are less cumbersome and capable of yielding quick results may not always pass constitutional muster.

#### *Capacity challenges in the judiciary*

The judiciary faces a number of capacity challenges, including that corruption is a relatively new form of offence under Botswana's jurisprudence and thus members of the bench and the magistracy largely lack requisite skills to tackle it, leading to backlogs. Another challenge comes from the insufficiency of resources for the judicial branch, including electronic journals that are not readily available to judges (interview with High Court Justice).

#### *Capacity challenges in the Directorate of Public Prosecutions (DPP)*

As an important aspect of the anti-corruption machinery in Botswana, the DPP's credibility is as critical as that of the DCEC. A number of issues challenge its capacity to be effective (interview at the DPP):

- inability to retain professional staff in the face of competition from the private sector;
- potential witnesses refusing to testify owing to the lack of a witness protection law;
- doubts about the DPP's autonomy because the Director was appointed by the executive; and
- the length of time it takes to prosecute matters, as the DPP often gets inundated with corruption issues to prosecute and anti-corruption is just one of its mandates.

### *Questions about the independence of the DCEC*

Though through the years the DCEC has found acceptance in Botswana's governance structures and processes, a negative view of anti-corruption agencies suggests some may only be set up for appearance's sake (Heilbrunn 2004; Nwokorie and Vinamakie 2017). In the case of Botswana, it can be argued that, since the investigative role of the DCEC invariably leads to no convictions while suggesting that 'something is being done' about errant public leaders, the role of the DCEC is that of ensuring regime survival by the ruling BDP.

On the one hand, it can be argued that the government sourced internationally renowned personnel at great expense. The early ICAC commissioners were globally respected figures in anti-corruption reform. Foreign experts would be averse to working in an environment where they might have to be compromised by local elites, and their engagement gave the appearance of fairness and commitment to transparency. Furthermore, the DCEC's anti-corruption units have had some success in reducing anti-corruption reports and incidences (Mwamba 2014). The DCEC continues to investigate and prosecute (and recommend for prosecution) high-ranking state figures, and the tenures of the directors general have been respected (Kaboyakgosi 2017). It is accepted in most analyses as a well-performing anti-corruption agency (Heilebrunn 2004).

On the other hand, however, while the agency does have a record of publicly pursuing cases, observers have argued that these are simply 'small fish'. With a few minor exceptions, the DCEC has never obtained a conviction of any senior ranking member of the government. Several parliamentary commissions of enquiry have recommended further action, to no avail, though there are clear cases of public funds being misused or paid out for no delivery.

The appointment of the DCEC director general and the Ombudsman by the executive also raises suspicions that neither can be independent of the executive. As observed by one of the members of the opposition in Parliament:

The institutional make-up of the DCEC is important, e.g., reporting to the Office of the President de-values their legitimacy, even where the intention is noble and on the right track... This is about checks and balances; they run the risk of being suffocated/manipulated. (interview with former Member of Parliament).

### **Parliamentary shortcomings**

Parliament's major shortcoming is its failure to come up with laws to bolster transparency. Added to that, its incapacity to enforce its own findings means it often has to rely on the executive to enforce disciplinary action against members

of the executive – for example, civil servants who run afoul of the law – which is a clear contradiction (Marata 2014; Kaboyakgosi 2011). The BDP majorities in Parliament have of late been accused of stifling debates in the National Assembly, something buttressed by the fact that the majority of BDP MPs now sit in the expanded Cabinet.

### *Strained media relations*

The unhealthy relationship between the executive and the media – leading to regular skirmishes that include detention of media personalities and threats of legal suits – creates a lack of trust and threatens self-censorship on the part of the media. It also leads to suspicions that the executive is hiding something.

Section 44 of the CECA forbids that anyone:

without authority or reasonable excuse disclose[s] to any person who is the subject of an investigation in respect of an offence alleged or suspected to have been committed by him under this Act the fact that he is subject to such an investigation or publishes or discloses to any other person either the identity of the person who is subject to an investigation...

This creates friction between the media's need to inform the public and the DCEC's need to keep the subjects of its investigations unaware they are being investigated. A standoff between the *Botswana Gazette* and the DCEC proved the difficulty of enforcing this section, with the newspaper saying that the DCEC was invading its privacy by trying to forcefully enter the newspapers' premises. On the other hand, the DCEC charged that a recent story written by the newspaper was compromising the sanctity of the DCEC's investigations.

### *Competition for human resources*

Owing to uncompetitive pay, the DCEC, DPP, Botswana Police and the Financial Intelligence Agency invariably lose experienced personnel to the private sector.

### *Lack of a 'champion' for anti-corruption*

Unlike financial prudence (Ketumile Masire), HIV/AIDS prevention (Festus Mogae) and poverty eradication (Ian Khama), anti-corruption is not readily identifiable with any of Botswana's presidents as a signature policy issue.

### *A voluntary Code of Conduct for the private sector*

As the Code of Conduct managing private sector anti-corruption activity is voluntary (interview at Business Botswana), it is not enforceable in terms of the law and infractions of it cannot be prosecuted in court, unless the action is brought about in terms of other laws.

## 2.3.3 Recommendations

1. The DPP's discretion to prosecute or not to prosecute needs to be backed up with reasons. Failure to proffer reasons may play into the notion that the DPP is playing political games by not prosecuting.

2. To strengthen the capacity of the law to address corruption, Botswana must institute a freedom of information law, a law on declaration of assets and liabilities and a whistleblower protection law.
3. To enhance the DCEC's autonomy, its director general should be appointed by the President in consultation with Parliament. Similarly, the executive must share with Parliament the authority to fire the director general.
4. The DCEC should find proactive means of alerting media houses to the cases they are investigating, so that the latter may allow the former the space to investigate without reporting on matters of investigative interest.
5. To improve private sector anti-corruption capacities, the PPADB should consider making it a condition of doing business with the government for people to sign up to the Code of Conduct.
6. In order to bolster the capacity of the Office of the Ombudsman, the government should consider joint authority between the executive and the legislature in appointing the Ombudsman.
7. In order to assist the members of the magistracy and the bench to understand the challenges of corruption and be better judges of the matter, training specific to anti-corruption is needed for these cadres.
8. The challenging human resources situation in the frontline organisations against corruption requires more training for all the organisations, as well as measures being taken to share what expertise may exist in any of them.
9. To provide more uniformity of the public procurement regime, government must consider making it compulsory for SOEs to align their procurement regimes with those of the PPADB.
10. Anti-corruption is an important national policy matter that needs a champion. Important persons – or groups of persons – at a national level need to take the issue up as a signature political issue to keep it on the national agenda.

## Notes

- 1 *Pitso* is the Setswana word for 'consultation'.
- 2 The *Kgotla* is a gathering of adult males in Botswana where, traditionally, decisions of importance were made by royalty in consultation with tribesmen. Now the *kgotla* practice has been opened to include females over the age of 18 years, and is still used for democratic consultation, though excluding party political activity.
- 3 Interview at the Office of the Ombudsman. <<http://www.competitionauthority.co.bw/competition-authority-and-nbira-pave-way-cooperation>>

## References

- Acemoglu, D., S. Johnson and J. Robinson. 2003. 'An African Success Story: Botswana'. In Rodrik, D. (ed.). *In Search of Prosperity: Analytical Narratives on Economic Growth*, 80–119. Princeton, NJ: Princeton University Press.

- Bedham-Jones, M. 2014. *Overview of Corruption and Anticorruption in Botswana*, Transparency International, Munich.
- Bertelsmann Transformation Index (BTI). 2014. 'Botswana Country Report'. Gutersloh: Bertelsmann Stiftung.
- Bothhale, E. 2012. 'Accountability and Democracy'. In Alexander, K. and G. Kaboyakgosi (eds). *A Fine Balance: Assessing the Quality of Governance in Botswana*. Johannesburg: Institute for Democratic Alternatives in South Africa (IDASA).
- Bothhomilwe, M.Z., D. Sebudubudu and B. Maripe. 2011. 'Limited Freedom and Intolerance in Botswana'. *Journal of Contemporary African Studies*, Vol. 29 (3): 331–348.
- Botswana Institute for Development Policy Analysis (BIDPA). 2014. Presentation to the Stakeholder Seminar on the Draft National Anti Corruption Conference, Cresta Lodge, 18 April 2014, Gaborone.
- Centre for Public Impact. 2018. 'Fighting Corruption in Botswana-A Case Study', available at: <https://www.centreforpublicimpact.org/case-study/fighting-corruption-botswana/> (accessed, 14 October 2018).
- Chingainpe, H. 2017. 'Malawi'. In Open Society Initiative for Southern Africa (OSISA). *Effectiveness of Anti-Corruption Agencies in Southern Africa: Angola, Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia, Zimbabwe*, 132–166. Johannesburg: OSISA and African Minds.
- Dambe, L. Undated. 'Botswana Law Enforcement: Lessons for Investigators and Prosecutors'. A conference paper presented at an anti-money laundering conference. DCEC, Gaborone.
- DCEC (Directorate on Corruption and Economic Crime). 2009. 'DCEC Annual Report for 2008'. Gaborone: DCEC.
- de Speville, B. 2007. 'Review of Botswana's National Anticorruption Strategy and its Implementation'. Delegation of the European Commission to Botswana, Gaborone.
- \_\_\_\_\_. 2011. 'Deepening the Fight Against Corruption in the SADC Region'. Report by the Directorate on Corruption and Economic Crime for the 9th SAFAC Annual General Meeting. Hilton Hotel, Windhoek, Namibia.
- \_\_\_\_\_. 2012. 'DCEC Annual Report for 2011'. Gaborone: DCEC.
- \_\_\_\_\_. 2013. 'DCEC Annual Report for 2012'. Gaborone: DCEC.
- \_\_\_\_\_. 2014. 'DCEC Annual Report for 2013'. Gaborone: DCEC.
- \_\_\_\_\_. 2015. 'DCEC Annual Report for 2014'. Gaborone: DCEC.
- Gbadamoosi, G. 2006. 'Corruption Perception and Sustainable Development: Sharing Botswana's Anti-Graft Agency Experiences'. *South African Journal of Economic and Management Studies*, NS9, No. 2.
- Good, K. 1994. 'Corruption and Mismanagement in Botswana: A Best-Case Example?'. *Journal of Modern African Studies*, Vol. 32 (3): 499–521.
- \_\_\_\_\_. 1996. 'Authoritarian Liberalism: A defining characteristic of Botswana'. *Journal of Contemporary African Studies*, Vol. 14 (1): 29–51.
- \_\_\_\_\_. 1999. 'The State and Extreme Poverty in Botswana: The San and Destitutes'. *Journal of Modern African Studies*. Vol. 37 (2):185–205.
- Government of Botswana. 1991a. 'The Report of the Presidential Commission of Inquiry into IPM Consultancy'. Gaborone: Government Printers.

- \_\_\_\_\_. 1991b. 'The Report of the Presidential Commission of Inquiry into Land Problems in Mogoditshane and Other Peri-Urban Villages.' Gaborone: Government Printers.
- \_\_\_\_\_. 1992. 'The Report of the Presidential Commission of Inquiry into the Botswana Housing Corporation.' Gaborone: Government Printers.
- Government of Botswana. 2012. *The Report of the Republic of Botswana's Parliamentary Special Committee into the Botswana Development Corporation's Fengyue Glass Manufacturing Project*, Government Printer, Gaborone.
- Government of Botswana. 2013. *The Report of the Republic of Botswana Special Committee into the Botswana Meat Commission and the Decline of the Beef Industry*, Government Printer, Gaborone.
- Heilebrunn, J. 2004. 'Anti-Corruption Commissions: Panacea or Real Medicine to Fight Corruption?' Washington, DC: World Bank Institute.
- Imi, A. 2006. 'Did Botswana Escape the Resource Curse?' IMF Working Paper # 138. International Monetary Fund Africa Department.
- Jefferies, K. 2014. 'The Botswana Development Model Since 1996: An Evaluation of Diversification Efforts – What Worked and What Didn't?'. In *Are Diamonds Forever? Prospects of a Sustainable Developmental Model for Botswana*. Gaborone: BIDPA/Friederich Ebert Stiftung/University of Botswana.
- Kaboyakgosi, G. 2011. 'Enhancing Public Budget Transparency in Botswana: Why and How?', *BIDPA Policy Brief*, Number 10, BIDPA, Gaborone.
- Kaboyakgosi, G. 2017. 'Botswana'. In Open Society Initiative for Southern Africa (OSISA). *Effectiveness of Anti-Corruption Agencies in Southern Africa: Angola, Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia, Zimbabwe*, 42–71. Johannesburg: OSISA and African Minds.
- Kaboyakgosi, G. and K. Marata. 2012. 'Introduction' In Alexander, K. and G. Kaboyakgos (eds). *A Fine Balance: Assessing the Quality of Governance in Botswana*, Institute for Democratic Alternatives in South Africa (IDASA), Johannesburg.
- Kapa, M.A. 2017. 'Lesotho'. In Open Society Initiative for Southern Africa (OSISA). *The Effectiveness of Anti-Corruption Agencies in Southern Africa: Angola, Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia, Zimbabwe*, 104–131. Johannesburg: OSISA and African Minds.
- Kaunda, J.M. 2008. *The Progress of Good Governance in Botswana 2008: Final Report of the UNECA Project Measuring and Monitoring Progress Towards Good Governance in Africa – African Governance Report II*. Gaborone: Botswana Institute for Development Policy Analysis (BIDPA) and United States Economic Commission for Africa (UNECA).
- Khama, I.S.K. 2013. 'State of the Nation Address by His Excellency Lieutenant General Seretse Khama Ian Khama, President of the Republic of Botswana to the Third Session of the Tenth Parliament'. Gaborone: Government Printing, Publishing and Broadcasting Services.
- \_\_\_\_\_. 2014. 'State of the Nation Address by His Excellency Lieutenant General Seretse Khama Ian Khama, President of the Republic of Botswana to the Third Session of the Tenth Parliament'. Gaborone: Government Printing, Publishing and Broadcasting Services.

- Khan, R. Undated. 'Effective Legal and Practical Measures for Combating Corruption.' *Training Course on the Criminal Justice Response to Corruption: Participants' Papers*, 159–165.
- Kuris, G. 2013. 'Managing Corruption Risks: Botswana Builds and Anti-Graft Agency, 1994–2012'. *Innovations for Successful Societies*, Princeton University. Available at: <http://www.princeton.edu/successfulsocieties/content/superfocusareas/traps/RT/policynotes/view.xml?id=233>
- Letswamotse, P. 2016. 'DPP May Be Blocking Criminal Prosecutions against Big Fishes'. *Sunday Standard Newspaper*, 22 May.
- \_\_\_\_\_. 2017. 'DPP Sitting on High Profile Cases'. *Sunday Standard Newspaper*, 13 February.
- Lute, A. and O. Modiakgotla. 2016. 'Botswana Railways Vulnerable to Fraud-Audit Report', *Weekend Post*, available at: <http://www.weekendpost.co.bw/wp-news-details.php?nid=2307>, (accessed 14 October 2018).
- Marata, K. 2014. *Effective Budget Oversight in Botswana. Role of the Legislature and the Office of the Auditor General*, BIDPA, Gaborone.
- Mathekg, R. 2017. 'South Africa'. In Open Society Initiative for Southern Africa (OSISA). *Effectiveness of Anti-Corruption Agencies in Southern Africa: Angola, Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia, Zimbabwe*, 221–261. Johannesburg: OSISA and African Minds.
- Mkandawire, T. 2001. 'Thinking about Developmental States in Africa'. *Cambridge Journal of Economics*, Vol. 25: 289–313.
- Mogwe, A. and A. Melville. 2012. 'Human Rights and Dignity', in Alexander, K. and G. Kaboyakgosi (eds). *A Fine Balance: Assessing the Quality of Governance in Botswana*, Institute for Democratic Alternatives in South Africa (IDASA), Johannesburg.
- Molutsi, P. 1998. 'The Ruling Class in Botswana'. In Holm, J. and P. Molutsi (eds). *Democracy in Botswana: The Proceedings of a Symposium Held in Gaborone, 1–5 August 1998*. Gaborone: Macmillan.
- Mooketsane, K. 2013. 'Self-Regulation at the Law Society of Botswana: Private Management of Public Affairs?'. In Kaboyakgosi, G., M. Sengwaketse and T. Balule (eds). *Industry Regulation in Botswana: Case Studies in Industry Governance, Implementation and Public Accountability in Botswana*. Gaborone: Botswana Institute for Development Policy Analysis (BIDPA).
- Mosime, S. and G. Kaboyakgosi. 2017. 'Botswana: Africa's Democratic Developmental State or Outright Flattery?' In Kanyendze, G., H. Jauch, J.D. Kanengoni, M. Madzwamuse and D. Muchena (eds). *Towards Democratic Developmental States in Southern Africa*, 106–134. Harare: Weaver Press.
- Mwamba, L.T. 2014. 'An Evaluation of the Anti-Corruption Initiatives in Botswana and their Relation to Botswana's Development'. Master's Degree Thesis for the University of South Africa.
- Ndlovu, T. 2012. 'Political Freedoms and Democracy'. In Alexander, K. and G. Kaboyakgosi (eds). *A Fine Balance: Assessing the Quality of Governance in Botswana*. Johannesburg: Institute for Democratic Alternatives in South Africa (IDASA).

- Nordås, et al. 1998. 'Managing Good Fortune: Macroeconomic Management and the Role of Aid in Botswana'. Evaluation Report 6/98. Oslo: Ministry of Foreign Affairs.
- Nwokorie, E.C. and O.P. Viinamäki 2017. *Legitimacy Building of Anti-Corruption Agencies in Five Countries*. Vaasa, Finland: University of Vaasa.
- Open Society Initiative for Southern Africa (OSISA). 2017. *Effectiveness of Anti-Corruption Agencies in Southern Africa-Angola, Botswana, DRC, Lesotho, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe*. Johannesburg: OSISA and African Minds.
- Republic of Botswana. 1994. *National Assembly Weekly Parliamentary Updates, Official Report, 9–15 July, 1994*. Government Printer. Gaborone, Botswana.
- Robinson, J.A., Torvik, R. and Verdier T. 2006. 'Political Foundations of the Resource Curse', *Journal of Development Economics*, Vol. 79 (4), 447–468.
- Samatar, A. 1999. *An African Miracle: State and Class Leadership and Colonial Legacy in Botswana's Development*. Portsmouth: Heinemann Press.
- Sebudubudu, D. 2009. 'Corruption and its Control in Botswana'. *Botswana Notes and Records*, Vol 35: 125–139.
- \_\_\_\_\_. 2014. 'The Evolving State of Corruption and Anti-Corruption Debates in Botswana: Issues in Good Governance'. In *Anti-Corruption Policies Revisited*. EU Grant Agreement Number: 290529. Berlin: The Hertie School of Governance.
- Somolekae, G. 1998. 'A Brief History of the Botswana Public Service'. In Edge, W.A. and M.H. Lekorwe (eds). *Botswana Politics and Society*. Johannesburg: J.L. van Schaik Publishers.
- Swartz, J.K. 2011. Official Opening Speech. Construction Pitso, Gaborone
- Taylor, I. 2003. 'As Good as It Gets? Botswana's "Democratic Development"'. *Journal of Contemporary African Studies*, Vol. 21 (2), 215–231.
- Transparency International. Accessed on several dates. Available at: [www.transparency.org](http://www.transparency.org)
- \_\_\_\_\_. Undated. 'Avoiding the Resource Curse: What Can We Learn from the Case of Botswana?' Available at: [www.transparency.org](http://www.transparency.org).
- Vision 2016 Council. 2012. 'Botswana Performance Report: A Report on the Progress Being Achieved against the Vision 2016 Goals'. Gaborone: Lentswe La Lesedi.
- World Bank. 2008. 'The Growth Report: Strategies for Sustained Growth and Inclusive Development'. Washington, DC, World Bank.
- \_\_\_\_\_. 2014. *Worldwide Governance Indicators*. Washington, DC: World Bank.

## Chapter 3

### Mauritius

---

*By H. Bhunjun-Kassee*

#### Summary

This case study looks at the experience of Mauritius in reducing the prevalence of corruption. Fighting corruption has been a high priority for the country since 2000, when it embarked on its anti-corruption drive as the decision-makers became more and more aware of threats to the economy from corruption and money laundering and the need to tackle this in order to attract foreign direct investment (FDI). There were also specific areas such as tax administration, issue of permits/licences, procurement and business/trade facilitation where corruption risks had to be addressed.

From 1998 to 2017, the rank given to Mauritius by Transparency International's Corruption Perceptions Index (CPI) averaged 44.65, showing that it managed to sustain a position within the less corrupt category of countries for the achievement of its economic goals. Today, the country is extolled as sub-Saharan Africa's brilliant example of democracy, good governance and economic success.

This study analyses the context, origins and status of the anti-corruption reform in Mauritius; identifies the roles and initiatives of the main stakeholders that may have impacted positively on the CPI; reviews the enabling factors and key achievements; and outlines the outstanding challenges. The following are the main findings.

#### Conducive factors for anti-corruption reform

A key factor has been the continuous political will and support from the government to fight corruption and promote transparency and accountability, despite changes of regime in the process. The commitment has been visible, forceful and convincing, with the introduction of legislations and institutions that give effect to the relevant international conventions and treaties to which Mauritius is a signatory. The recent passing of the Good Governance and Integrity Reporting Act (GGIRA) to combat illicit enrichment, and creation of a fully fledged Ministry of Financial Services and Good Governance (MFGG) with a mandate to promote good governance, improve financial services and fight corruption in themselves demonstrate this strong political will to fight corruption.

Other important factors have included the political, economic and democratic stability of the country, the high literacy rate among the population and the separation of powers existing among the three branches of the government – the legislative, the executive and the judiciary – which is embedded in the Constitution. Moreover,

corruption is not fought in isolation, as there is a strong focus on public–private partnership and close collaboration with civil society to glean relevant information for better strategies.

An important condition for the comparatively successful anti-corruption drive in Mauritius has been its linkages with parallel reforms, especially in the areas of public financial management (PFM) (budgeting, procurement and taxation), business facilitation, good governance, equal opportunities, information and communications technology (ICT), civil service and the police. The focus of these efforts was to reduce current spending, extra budgetary costs or attract investment, and they indirectly reduced corruption linked with bureaucratic sluggishness. In addition, it has been a necessity to promote transparency and accountability in order to attract FDI for economic growth.

Corruption risks have also been reduced by the absence of a natural resources extractive sector and the lack of major dependency on donors and international aid, which is normally not the case in some other African countries.

## Stakeholders playing a major role

The government has buttressed the fight against corruption through the passing of relevant laws, ratification of important conventions and the setting up of relevant institutions to fight corruption directly or indirectly and to preserve democratic order.

The Independent Commission Against Corruption (ICAC) represents the national anti-corruption agency that has led a consistent and significant institutional anti-corruption drive in Mauritius. Supported by other key public institutions, it has also championed the national anti-corruption strategy, which is described within the Prevention of Corruption Act 2002 (POCA). The past 15 years of the ICAC have been invested in handling complaints and investigations and in sensitising, educating and empowering the population. At the same time, systems and procedures prone to corruption in public bodies have been continuously upgraded for more corruption resistance. The ICAC has investigated, and referred to prosecution, graft cases related to elites, politicians and Members of Parliament (MPs).

Mauritius also has independent judicial and prosecution structures. Systems in place have been able to bring to trial elites, politicians and even MPs involved in graft cases. The judiciary has also pronounced judgments against important personalities concerning graft cases.

Civil society, the private sector and the media are highly dynamic. They have been acting as agents of change in the field of anti-corruption by spurring community support and providing continuous public pressure on the government. The media possesses a competitive advantage in the fight against corruption due to its proximity to the public and its perceived positive role and independence by an overwhelming part of Mauritians.

Mauritius has received valued support from development partners in terms of technical assistance including hands-on support, expert assessments and solutions.

## Achievements and challenges

So far, Mauritius has reaped remarkable achievements in terms of sustained economic performance; sustained good CPI ranking; better transparency and accountability in public bodies; stronger strategic orientation towards corruption prevention and increased awareness; successful tax reform with inherent corruption prevention and good governance features; and regulatory and institutional rules for doing business that have been established to remove obstacles in trade and business sectors. For several years, Mauritius has been ranked first regionally in the World Bank Doing Business Index and has streamlined and digitalised procedures for important areas such as procurement and issue of permits and licences.

However, there are still some areas that need improvement, such as increasing public trust in the fight against corruption through better protection of whistleblowers and elimination of the culture of having political nominees at the head of certain parapublic bodies. Political corruption needs to be addressed through a genuine willingness to put in place structures for regulating the funding of political parties.

### 3.1 Introduction

Corruption is considered one of the most pressing concerns of our time, both because of its negative impact on sustainable economic growth and distortion of fair competition, but also owing to its contributing effects on poverty and political instability (Humboldt Viadrina Governance Platform 2015). This situation is a problem for every country, developed or developing, and Mauritius is no exception. The flourishing of its economy was challenged by corruption risks and money-laundering opportunities. However, the ongoing implementation of anti-corruption strategies and other relevant reforms have been comparatively successful, to a large extent, owing to continuous political support and the efforts of all important stakeholders.

#### 3.1.1 Methodology

This chapter aims to address the questions of which institutions within Mauritius have taken the lead in reducing the impact of corruption, their respective initiatives and their impact, and to account for the enabling factors supporting the successful implementation of anti-corruption strategies. The methodology comprised review and analysis of secondary data, use of a timeline to better understand the major developments, and use of semistructured interviews to validate results from the secondary data and to obtain primary data.

In line with the National Integrity Systems put forward by Transparency International and with other literature, stakeholders for the research included public bodies, the national anti-corruption body, oversight bodies, the judiciary, the police department, non-governmental organisations (NGOs), the media, members of the public and academics/experts from the field. Public materials on the relevant strategies undertaken were also reviewed to identify relevant organisations/persons to be contacted. Organisations were chosen based on their mandate and/or the vulnerability of their services to the risk of corruption according to national surveys

on corruption (in 2004 and 2014). Individuals were chosen based on their experience and responsibilities in society.

Most organisations that responded positively to participating in this study assigned someone from the management level to provide the required information. Some 32 interviewees were asked to identify the following: institutions; factors or conditions that in their experience and opinion had a positive impact on the ability of the institutions/country to carry forward anti-corruption strategies; and the achievements and challenges.

Secondary data were collected from various sources. The body of literature available on the success of anti-corruption strategies across different countries comes from international NGOs and development partners such as the World Bank, Transparency International and the United Nations (UN). Government reports, legal documents, annual reports, anti-corruption papers, audit reports, and survey and evaluation reports on corruption in Mauritius were also consulted. The information obtained from the mass media in the form of discussion or open debates on the topic was also used. These were collected from the respective organisational websites and libraries.

The data gathered from both sources were analysed, organised and categorised to meet the objective of the research.

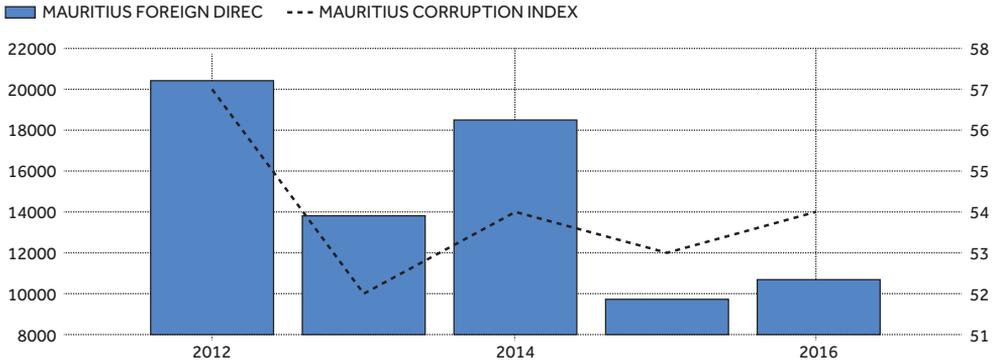
### 3.1.2 The political context and background to anti-corruption reforms

Since 1998, Mauritius has increased its efforts to put in place the appropriate legislative formula for eradicating corruption. The Economic Crime and Anti-Money Laundering Act 2000 was followed by the more comprehensive Prevention of Corruption Act 2002 (POCA) and then the Financial Intelligence and Anti-Money Laundering Act 2002 (FIAMLA), supported by other relevant legislation. Both POCA and FIAMLA incorporate and give effect to the broad principles articulated in the relevant international conventions. Corruption linked specifically to certain sectors of activity is also included in various legal provisions separate from the POCA (Transparency International 2007).

Relevant international and regional conventions and agreements were signed. They include the United Nations Convention against Corruption (UNCAC), the African Union (AU) Convention on Preventing and Combating Corruption and the Southern African Development Community (SADC) Protocol against Corruption. Institutions such as the Independent Commission Against Corruption (ICAC), Financial Intelligence Unit (FIU) and Financial Services Commission (FSC) were also established.

According to information received from secondary data and interviews, these efforts may be linked to international trends in anti-corruption as well as a national context marked by some corruption scandals. There was also pressure to attract FDI and meet economic goals. Indeed, a comparison of these two elements in Figure 3.1 shows a direct correlation, with high CPI scores in 2012 and 2014, for example, reflecting high FDI while lower CPI scores in 2013 and 2015 reflect lower levels of FDI in the country.

**Figure 3.1 Foreign direct investment (MUR million) and CPI scores (out of 100 points), 2012–2016**



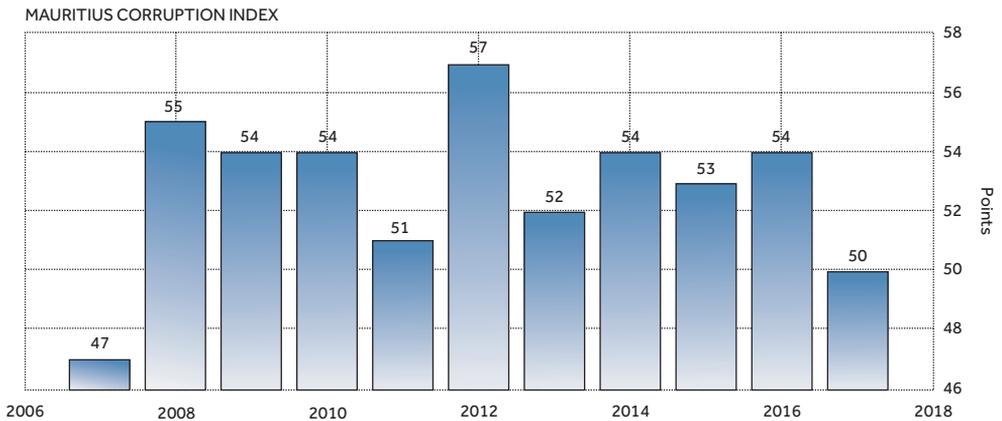
Source: tradingeconomics.com.

Mauritius fares comparatively well in anti-corruption indices, scoring 50 points out of 100 on the 2017 CPI and ranked 54 out of 175 countries assessed by Transparency International. CPI in Mauritius averaged 49.75 points from 1998 until 2017, reaching an all-time high of 57 points in 2012 and a record low of 41 points in 2004. Figures 3.2 and 3.3 show the CPI scores and rankings for the last 10 years.

In 2015, Mauritius topped the Ibrahim Index of African Governance among 54 countries assessed in Africa for the tenth consecutive year with a score of 79.9 out of 100 (Vuylstseke 2016).

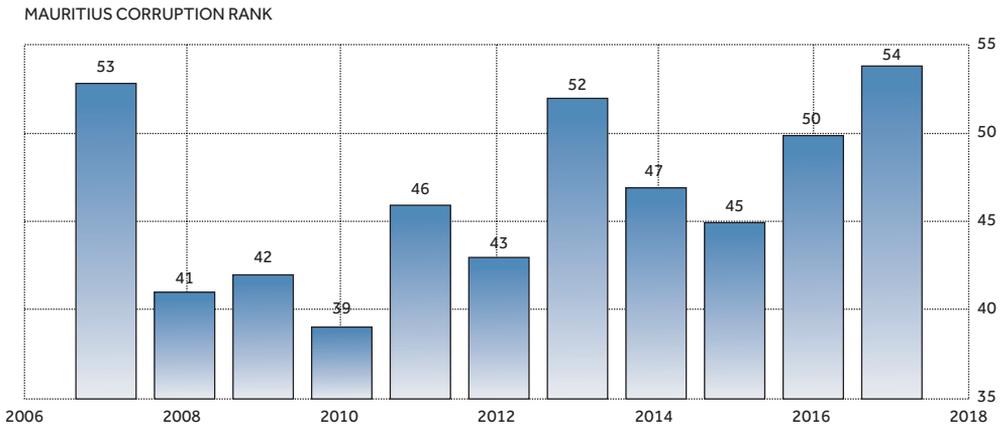
It can be noted, however, that the country’s position weakened over the last few years. This was confirmed by a country profile report (Transparency International 2014a) that attributed this fall to a series of high-profile corruption scandals and perceived

**Figure 3.2 Corruption Perception Index, 2007–2017 (higher scores are better)**



Source: tradingeconomics.com | Transparency International Mauritius.

**Figure 3.3 Mauritius corruption rank, 2007–2017 (lower rank means less corrupt)**

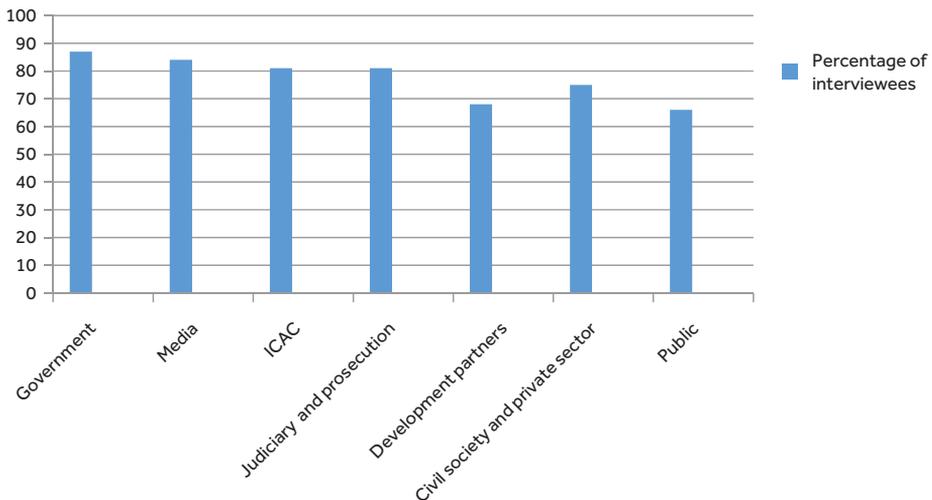


Source: tradingeconomics.com | Transparency International Mauritius.

corruption in the offshore industry, clientelism, political corruption, lack of a right to information act and absence of regulations dealing with both private sector corruption and the funding of political parties. The National Survey on Corruption (StraConsult Ltd. 2015) does not offer a very positive picture.

This led policy-makers to contemplate legislation to tackle corruption. The Ministry of Financial Services and Good Governance (MFGG), with a mandate to promote good governance, improve financial services and fight corruption, was set up in December 2014. The next objective is to establish a Financial Crime Commission to bring harmonisation to the structure to fight against financial crime and to ensure better co-ordination and synergy among existing bodies including the ICAC, FIU and FSC.

**Figure 3.4 Main stakeholders in the fight against corruption, as identified by the interviewees**



The National Assembly passed the Good Governance and Integrity Reporting Act in December 2015. Its main objects are to disclose malpractices and recover unexplained wealth; stimulate integrity reporting in the public and private sectors; and protect and reward persons making disclosures and reports. The Act prompted the creation of an Integrity Reporting Services Agency and an Integrity Reporting Board.

### The main stakeholders in the fight against corruption

According to some 87 per cent of the 32 interviewees, the government and its political will to fight corruption represents the main driver of the anti-corruption initiatives in Mauritius, followed by 84 per cent who mentioned the media as playing an informative role to deter corruption. The work done by the national anti-corruption agency, the ICAC and the judiciary and prosecution have been recognised as very important by some 81 per cent of the persons interviewed. Some 75, 68 and 66 per cent of the interviewees considered the ‘civil society and private sector’, the development partners and the public respectively major stakeholders too.

## 3.2 Anti-corruption reforms and their efficacy

### 3.2.1 The ICAC and anti-corruption reforms

The Independent Commission Against Corruption (ICAC), supported by other key institutions, has championed the national strategy that is described in the Prevention of Corruption Act 2002 (POCA). The POCA applies to all civil servants and people vested with public authority (MPs, ministers, members of commissions created by the Constitution, etc.). It applies also to individuals or agents who could act as intermediaries in a corruption case. It provides for punishments of up to 10 years of imprisonment and also the forfeiture of proceeds accruing from corruption crimes.

The ICAC was based on the anti-corruption institution in Hong Kong and hence uses a three-pronged approach to carry out its mandate: investigation, prevention and education. However, preventive work, complaint managing and investigative work represent only one part of a bigger picture of the direct interventions, which may also include profiling and intelligence work carried out by the FIU, prosecution by the Office of the Director of Public Prosecutions (ODPP), trials/appeals at the level of courts and forfeiture of criminal proceeds under the Asset Recovery Act.

### ICAC’s work with the public sector

The ICAC developed the Public Sector Anti-Corruption Framework (PSACF) to strengthen the institutional capabilities of public bodies. As of 31 October 2015, 64 public bodies are responsible for its implementation. In addition, 128 civil servants have been trained as Integrity Officers, who will co-ordinate integrity issues within the ministry/organisation and liaise with the ICAC for relevant support.

Corruption prevention reviews (CPRs) have been conducted in public bodies with environments perceived as more prone to corruption. To ensure effective and prompt implementation of anti-corruption measures proposed by the ICAC, focus group discussions are conducted with management. Follow-up exercises are conducted six

months after the issue of a report to assess and monitor implementation status. For more transparency, the ICAC publishes the main findings and recommendations from the CPRs on its website.

Several anti-corruption tools have been developed to address and manage corruption risks proactively. The materials are mainly in the form of best practices and guidelines developed in collaboration with the organisations concerned. The materials are intended to serve as self-assessment tools for the enhancement of systems and procedures in public bodies.

### Initiative with the private sector

In view of engaging the private sector in the fight against corruption, the ICAC initiated actions to move the fight against corruption into a higher gear. In collaboration with the Joint Economic Council, Mauritius Institute of Directors, Mauritius Chamber of Commerce and Industry, Transparency Mauritius and other volunteers from private businesses, the ICAC set up two new platforms to ensure sustained collective action – the Public Private Platform Against Corruption and Private Sector Anti-Corruption Task Force (PACT).

### Initiatives with young people

The ICAC is empowering youth to be anti-corruption ambassadors. Activities include integrity clubs in secondary schools, involvement of university students in anti-corruption clubs, engagement of young professionals in anti-corruption initiatives, the revamping of the anti-corruption youth network and increased youth participation on ICAC social networks.

Through value-based education, the ICAC hopes to foster a culture of integrity in schools, change the mindset and attitudes of the younger generations and empower them to be intolerant against corruption. It has in recent years developed and implemented several tailor-made corruption-related modules with a view to enhancing the school curriculum. Anti-corruption materials comprising posters, bookmarks, rulers, wall calendars, CDs and notebooks that are distributed to schools and students enable the ICAC to reach over 70,000 children annually. Social media such as Facebook and YouTube are also being used to create awareness.

**Table 3.1 ICAC key performance indicators: complaints and convictions**

	2013	2014	2015 (31 Oct)
No. of complaints received	1,613	1,533	1,359
Preliminary inquiries opened	553	491	494
No. of cases sent to the DPP	219	148	144
Cases lodged in court	59	23	31
No. of cases won	21	17	17

**Source:** ICAC.

## Public education and community work

Mass communication campaigns are organised using billboards, adverts on buses, the press and private and public radios and television, and evaluation surveys are conducted to assess their impact and relevance. International Anti-Corruption Day is commemorated every year through a number of activities organised in collaboration with stakeholders and scheduled over a week. Other public events include exhibitions/values weeks focusing on the dangers of corruption and competitions to mobilise the community in the fight against corruption as well as to trigger reflection and research on corruption and related issues.

Various empowerment programmes have been conducted with NGOs, and a best practice guide on integrity building for NGOs has been developed. The Community Integrity Award targeting community-based organisations and NGOs is aimed at giving due recognition to NGOs that have demonstrated their strong willingness to nurture a culture of integrity. Four Community-Based Integrity Circles have been set up to strengthen community solidarity and disseminate anti-corruption messages through the organisation of anti-corruption activities by the local community groups.

### 3.3 Parallel reforms impacting on the level of corruption

More than 75 per cent of the stakeholders approached for this study confirmed that an important condition for the success of the anti-corruption drive has been its linkages with the modernisation of the legal and institutional framework. Parallel reforms were of particular importance especially in the following areas: budgeting, procurement and taxation; business facilitation; good governance; ICT; civil service and the police; and equal opportunities. Moreover, most participants believed that, though the focus of these efforts was to cut current spending, extra budgetary costs or attract investment, they indirectly reduced corruption linked with bureaucratic sluggishness.

Tax reform included a new structure in the form of the Mauritius Revenue Authority, based on new models of tax administration. It contained inherent corruption prevention and good governance features. Integrity and ethical behaviour were enhanced through training, compulsory declaration of assets by all staff, higher salaries and a code of conduct and ethics. Programme-based budgeting has also allowed ministries to have more flexibility in budget execution and to better monitor progress made by institutions falling under their purview. Moreover, the Mauritian Government has taken a number of steps through the Public Procurement Act 2006 to mitigate corruption risks in procurement, reforming or abolishing many 'bureaucratic hurdles' and thereby reducing the possibility of rent seeking by public officials dealing with the private sector (U.S. Department of State 2012).

Major legislations affecting the business sector include the Companies Act 2001, the Business Facilitation Act 2006 and the Competition Act 2007. They facilitated doing business and acquisition of properties by foreigners and, among other things, enabled small enterprises to start business activities within three working days. Competition control deterred bid rigging.

The National Code of Corporate Governance was published in 2004, and in 2009 the Statutory Bodies (Accounts and Audit) Act was amended to make it compulsory for statutory bodies to include in their annual reports a corporate governance report in accordance with the Code, this being effective as from 2011. The Code has recently been revised and improved with the aim to raise compliance.

Interviewees acknowledged that e-government represents an important strategy for working more effectively, sharing information and delivering better services to the public. The telecommunication infrastructure and human resources in ICT literacy were also strengthened to respond to the demand of the new strategy. It is recognised that this also helped in building a more efficient, accountable and transparent government.

The civil service reforms aimed at performance-oriented culture in the public service and to develop innovative and improved methods to deliver high-quality public services. In 2010, the Mauritius Police Force also undertook a reform programme that included preventative aspects aimed at decreasing incentives for corruption. The main focus was typically on issues of enforcement, institutional change, and public education and participation.

The government also brought forward the Equal Opportunities Act (2008) and the Equal Opportunity Commission to eliminate different forms of discrimination, biased policies and prejudicial practices in organisations and against individuals, not only in employment but also in all spheres of social and economic life.

### 3.4 Key achievements of the anti-corruption drive

According to respondents, the anti-corruption strategies helped the country to improve in the following main areas: transparency and accountability, strategic direction for corruption prevention and awareness of corruption. They also helped the country to sustain its economic goals as well as a good CPI ranking over the years. FDI averaged MUR13,147.30 million from 2007 until 2016 and CPI in Mauritius averaged 49.74 points from 1998 until 2016.

#### 3.4.1 Greater transparency and accountability

Major organisations with high-risk functions such as licensing, revenue collection and procurement saw their working systems revamped to improve accountability and transparency, leading to more predictability in service delivery. The regulations influencing the business environment have also been improved significantly.

The Public Procurement Portal website allows all public bodies to post information such as invitations for bids, annual procurement plans, summary of bid evaluation reports and notices of procurement awards. Suppliers, contractors and consultants are able to view these and even download bidding documents in some cases. Information about debarred/suspended suppliers is posted online. There is also an oversight system to ensure compliance with the law and best practices.

Similarly, to promote good governance, a full set of laws, codes and regulatory bodies have been introduced into the corporate world to ensure that an enterprise is not only

accountable to its shareowners but to all its stakeholders, which may include not only its staff but also the communities that surround it.

### 3.4.2 Stronger strategic orientation towards corruption prevention

Public bodies are becoming more conscious of the importance of corruption prevention and the need to implement anti-corruption structures, as this helps them achieve their goals and objectives as the guardians and stewards of the management of public funds and also operate in an environment where integrity prevails. The Public Sector Anti-Corruption Framework developed by the ICAC formalises their commitment to fight corruption and enables them to take up ownership of building corruption resistance. It provides for the establishment of an Anti-Corruption Committee, which has the responsibility to drive this project at the level of each public body, formulation of an Anti-Corruption Policy and conduct of an integrated Corruption Risk Management exercise. Reporting and monitoring are under the responsibility of each ministry/department, with the ICAC playing a supervisory role.

Some public bodies have even gone further by integrating the anti-corruption policy as part of their mission and objectives. For example, the Mauritius Police Force has embedded this policy in its National Policing Strategy.

### 3.4.3 Increased awareness of corruption

Since 2000, the population's awareness of the causes and dangers of corruption has undoubtedly increased. The ICAC's campaigns are one of the reasons. Moreover, the interviewees from the media also confirmed that this was their greatest contribution in the fight against corruption. Mauritians are now more apt to recognise acts of corruption or to have an idea about the level of corruption in the country, as shown by the increase in the number of complaints received at the ICAC and the fact that 7 out of 10 respondents to a national survey knew of the existence of an anti-corruption law and said they would refuse to give or take bribes. Outside observers have noted that public sentiment about the need for probity is strong in Mauritius and people want a more meritocratic society (Wan 2015).

### 3.4.4 International recognition and positive evaluations

Mauritius has received international recognitions and positive feedbacks on the implementation of its anti-corruption strategies. For example, the UNCAC Implementation Review of 2013 noted that:

Mauritius has effective institutions for combating corruption. ICAC, in particular, is regarded as very active and effective. For example, it received the first prize in the United Nations Public Service Awards in the category 'Preventing and Combating Corruption in the Public Service'. Mauritius is regarded in Africa as one of the least corrupt countries (United Nations 2013).

Since then, the United Nations has been recommending other countries to adapt the ICAC's Public Sector Anti-Corruption Framework to their public service (ICAC Newsletter June 2015).

The ICAC has also received study visits of delegations from Comoros, Lesotho and Madagascar among others to learn from its experiences. The institution is considered an example to follow and the country was established as a Small Island Developing States platform for anti-corruption reforms following a resolution at the UNCAC States Parties meeting in St Petersburg in November 2015.

Mauritius performed better against the Public Expenditure and Financial Accountability (PEFA) benchmarks in the 2010 assessment than it had in 2007 (IMF 2011). In a 2010 report, the Collaborative Africa Budget Reform Initiative noted that programme-based budgeting had made a noticeable impact on budgetary processes, including flexibility and ownership, better resource allocation, performance orientation and transparency. A United Nations Development Programme (UNDP) outcome evaluation also highlighted that this reform appropriately contributed to progress in public service delivery (cited in UNDP Mauritius 2013, 5).

According to the World Bank Report on the Observance of Standards and Codes (2010), Mauritius has been one of the best growth performers in the developing world over the past three decades thanks to sound policies and strong institutions. It also noted that ‘The Code of Corporate Governance has made a significant impact on behaviour’.

### 3.4.5 Good performance on comparative indicators

Mauritius has positioned itself as a continent leader in a number of areas including governance, business environment and economic freedom. In 2014, it ranked first in Africa in 12 out of the 20 international socio-economic, democracy and good governance indices. For most of these, country rating is done against a set of criteria grouped in four clusters: economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions. Hence, the positive impact of direct and indirect anti-corruption interventions brought to these clusters is also reflected in these indices and intertwined to help the country achieve good performances.

## 3.5 Conclusion: lessons, challenges and recommendations

Over the years, Mauritius has been able to make a difference in the fight against corruption, since the highest level of government has been strongly committed to pursuing anti-corruption strategies. This commitment has been visible, forceful and convincing, as all important and relevant laws, institutions and conventions were introduced to the country. Different forces joined in the fight against corruption: the legislative and judicial branches of government, the ICAC, public bodies, development partners, the business community, the media and civil society. The media played a vital role owing to it being perceived by an overwhelming majority of Mauritians as being independent and as playing a positive role.

Mauritius also had an environment conducive for anti-corruption reform in terms of high literacy rates, political, democratic and economic stability, presence of independent judicial and prosecution structures and parallel reforms being initiated

in areas vulnerable to corruption. The absence of a natural resources extractive sector and lack of dependence on donors were also favourable for the anti-corruption drive in the country. Mauritius is currently extolled as one of the best examples of democracy, good governance and economic success in sub-Saharan Africa.

Yet some challenges still remain and are reflected in the country missing the first place on CPI ranking in the region. Most respondents believed that, with all the previous laudable initiatives at hand together with persistence in overcoming weaknesses, it will not be difficult for Mauritius to position its anti-corruption drive at higher levels in the global arena.

### 3.5.1 Lessons, enabling factors and preconditions

According to the respondents, Mauritius has been able to make a good reputation in the fight against corruption owing to certain conditions, enabling factors and initiatives. These are described below.

#### Firm political will and government support

For most participants, despite the change in regimes, each government has shown its commitment to bring about and/or sustain the anti-corruption drive. Moreover, Parliament, deriving its power from the Constitution, proceeded in the following systematic way:

- using a Select Committee on Fraud and Corruption in 2001 to research and advise on relevant strategies;
- voting in 2002 for legislations (POCA and FIAMLA) that criminalises corruption and provides for appropriate punishment and other deterrent measures;
- ratifying relevant international instruments;
- setting up the National Audit Office, the ICAC, the FIU and the new ministry (MFGG), among others, to foster integrity, transparency and accountability in public affairs;
- allocating sufficient budgets for these purposes;
- passing the Declaration of Assets Act 1991 requiring MPs to declare their assets through the ICAC and, more recently, the Good Governance and Integrity Reporting Act (GGIRA) 2015 to address illicit enrichment;
- making the government accountable for its actions through parliamentary questions and motions;
- providing up-to-date information to the public through its website;
- encouraging the participation of all stakeholders through public consultations and debates on bills and calling relevant stakeholders as deponents before select committees;
- setting up Parliamentary Committees for oversight that include members of the opposition.

The government has not hesitated to set up independent inquiries headed by respected judges to investigate alleged cases linked with ministers, senior public officials or even management of the ICAC in the past. Interviewees believed that the creation of a fully fledged ministry with the mandate to promote good governance and fight corruption in itself demonstrates a strong political will to fight corruption.

### Consistent and significant institutional drive by ICAC and other key institutions

The institutional drive has been both consistent and significant. The ICAC, though operating as an independent body, is accountable administratively to a Parliamentary Committee (composed of MPs from the opposition and ruling party) and judicially to the Director of Public Prosecutions (DPP). The Prevention of Corruption Act 2002 (POCA) also requires the Director General of the ICAC to be appointed by the Prime Minister after consultation with the leader of the opposition.

The ICAC believes that a vigilant society if adequately supported can blow the whistle and uncover misappropriations of public funds, corruption in public procurement and misuse of administrative procedures. Thus, it has not only handled complaints and investigations but also invested in sensitising, educating and empowering the population through direct interfacing, mass communication and other media outlets. At the same time, systems and procedures prone to corruption in public bodies have been continuously upgraded to become more corruption resistant through corruption prevention reviews and advisory services. The ICAC assesses the impact of its work through follow-up exercises and independent surveys.

To further its mandate, the ICAC has also been enlisting international and national support in the fight against corruption. Agreements and working relationships have been established with organisations such as UNODC and the Commonwealth Secretariat. At national level, stakeholders include not only public bodies but also the community, the government and the private sector.

To strengthen the institution itself, the ICAC focused on capacity building, getting the right staff profile, using standardised work procedures, getting a proper state-of-the-art case management system and ensuring complementarity between investigation and prevention (Kuris 2013). It has reinforced staff integrity by vetting new recruits and propagating a code of conduct that also covers conflict of interests. Staff of the ICAC have a legal obligation to declare their assets upon joining and leaving the ICAC and they are also subject to the POCA.

The ICAC shows a commensurate rate in terms of conviction when compared with peer organisations in other countries (ICAC Newsletter 2014). These covered different offences including public officials using office for gratification, bribery of/by public official, influence peddling and conflict of interests. The ICAC has also investigated and referred to ODPP graft cases related to elites, politicians and MPs (Kuris 2013 and press reports).

In its fight against money laundering, the ICAC benefited from Mauritius's sophisticated system of financial regulations and institutions such as the FIU, which is responsible for receiving, requesting, analysing and disseminating to local investigatory and supervisory authorities, as well as foreign FIUs, disclosures of information concerning suspected proceeds of crime, alleged money laundering or transactions related to terrorism. The presence of oversight bodies such as the National Audit Office and the Public Accounts Committee has also been beneficial.

In addition, the new Ministry of Financial Services and Good Governance forms part of this institutional drive and since its creation has been providing guidance and support for the enforcement of good governance, promotion of financial services and re-engineering of public sector bodies to eradicate fraud, corruption, malpractices and irregularities.

### **Robust judicial and prosecution structures**

An independent, impartial, honest and competent judiciary and prosecution structure is integral to upholding the rule of law, engendering public confidence and dispensing justice. In Mauritius, the concept of separation of powers, as defined by the Constitution, supports the independence of the judiciary. Systems in place have been able to bring to trial elites, politicians and even MPs involved in graft cases. The judiciary has also pronounced judgements against important personalities.

There are elements in this sector that act as safeguards against malpractices. For example, appointments in the judicial service are made by the Judicial and Legal Service Commission; the Constitution and domestic laws already provide for procedures and offences to punish cases of misbehaviour or corruption by members of the judiciary. Domestic laws also provide for efficient appellate and review processes to ensure adequate supervision over the whole judicial process. No acts of corruption by judicial officers have been reported in recent years except for alleged wrongdoings by some support staff in 2013.

The Office of the Director of Public Prosecutions (ODPP) plays a pivotal role as it advises on major criminal cases and represents the state in major criminal matters before the courts. As such, the DPP has the final say on whether or not to prosecute corruption cases that have been investigated and brought forward by the ICAC (although where the DPP refuses consent to a prosecution there is always the possibility of remedial action by way of judicial review). The responsibility to prosecute corruption cases was purposely allocated to the ODPP instead of the ICAC to prevent over-concentration of power accruing to the latter and to foster independence. Pursuant to section 72 of the Constitution, the DPP derives the power to exercise its function in full independence and is not subject to the direction or control of any other person or authority (Boolell 2015).

### **The role of social accountability mechanisms**

A strong partnership and sense of collective responsibility between civil society, the media, the public and the government has been vital for the fight against corruption.

## Civil society

Civil society in Mauritius is made up of a rich diversity of organisations and, over the years, trade unions, NGOs, co-operative societies, professional associations and religious bodies have not hesitated to denounce corrupt practices. Moreover, most of them have tried to empower their members through workshops and training sessions from the ICAC.

Transparency Mauritius (TM) is an independent, non-political and non-partisan body and the national chapter of Transparency International in Mauritius. Since its establishment in 1998, it has been acting as an agent of change in the field of anti-corruption by spurring community support and putting continuous public pressure on the government. Primarily, it operates the Advocacy and Legal Advice Centre, which offers free assistance and legal advice to victims or witnesses of corruption on making complaints and following them up. TM has favoured a partnership with the press and has worked in conjunction with both the public and private sector for a more comprehensive fight against corruption. It has also initiated several anti-corruption projects and undertakes actions to sensitise and create awareness of corruption (with special attention to the youth) through press adverts, communiqués and interviews.

Regarding the lack of transparency and accountability in political funding as a breeding ground for corruption, TM has submitted proposals to the authorities in connection with the elections since 2009. It has also launched an engagement initiative known as 'Pledge towards transparent and accountable political funding by the private sector' on political party financing, which to date is supported and implemented by some eight private companies.

## The media

The media – and particularly the private radio stations, newspapers and online publications – are the go-to sources of information for an overwhelming proportion of Mauritians. They have a generally positive image in terms of credibility and positive impact on public affairs. Their financial stability or independence has enabled media houses to stand up to pressure from the corporate world or even the government. According to interviewees, the media have been promoting good governance and rule of law by reporting on issues related to electoral campaigning, constitutional changes, the way specific institutions are managed or ill-managed and how policy decisions are taken. They have also exposed unethical and illegal malpractices or behaviours by important public or private sector personalities.

The interviewee's views echo the findings of the National Survey on Corruption in 2014 (StraConsult Ltd. 2015), in which journalists were considered by 69 per cent of respondents the most committed and efficient in the fight against corruption. Other than reporting to the ICAC, 32.6 per cent of respondents from the same survey indicated that they would report to the media. The survey revealed that, beside personal experience, people derive their perception of state corruption in the country (particularly high-profile cases) from media reports and about 60 per cent trust the reports.

However, according to the managing editor of ION News, there is a very limited amount of quality investigative journalism, a fact he ascribes to the lack of permission granted to journalists to take the time needed to conduct in-depth investigations, lack of expertise and training, and lack of a 'freedom of information' type of mechanism.

Moreover, some participants suggest public television needs to be seen separately from other media, as the perception persists that it is dependent on the government. According to Kasenally (2009), the introduction of private commercial radio stations under the Independent Broadcasting Authority Act (2000) has to a certain extent enlarged the 'democratic' access to political parties and has provided an outlet for the public to express its views and opinions. The private radio stations broadcast a number of debates on a broad set of themes and the public are invited to phone in.

### The private sector

Most stakeholders contacted for this study recognised the existence of a robust relationship between the private and public sectors impacting positively on different spheres of development in the country. This relationship was confirmed in the African Peer Review Mechanism report (2010), which states: the public consults the private sector about new laws and budget proposals. It seems, in fact, that the government accepts between 50 and 60 per cent of the advice that the private sector gives and that the government and the private sector develop policy jointly'. Representatives from the private sector are called on to serve on the boards of parapublic structures such as the National Committee for Corporate Governance, the Mauritius Revenue Authority, the Financial Reporting Council and the Board of Investment.

Likewise, the private sector has been quite active and vocal in the fight against corruption, especially in areas pertaining to corporate governance, ethics, business facilitation, political party funding and electoral reform. The Joint Economic Council, a co-ordinating body representing the private sector, set up a task force in August 2000 and developed a code of ethics that was implemented by private sector companies. Moreover, private sector representatives have acted as deponents in select committees, provided concrete inputs for the Business Facilitation Act 2006, and supported anti-corruption legislations and the drafting of both the first National Code for Corporate Governance and its revised version. Many of them have been implementing the Code and have been adhering to the reporting standards set by the Financial Reporting Act (2004).

As mentioned earlier, the ICAC and the private sector have collaborated through different forums. Numerous anti-corruption projects are also in the pipeline, including the organisation of workshops for managers of the private sector to share best practices, empowerment of private sector employees on corruption and related issues and the development of a model gift policy for private sector organisations.

The Mauritius Institute of Directors (MIOD) is a crucial player as far as the contribution of private sector is concerned. MIOD is a private independent not-for-profit membership organisation regulated by the Companies Act 2001. It promotes good corporate governance, best business practices, leadership, professional development

and stakeholder engagement across both public and private sectors. To support its mission, it also runs several forums and councils.

### The public

The public's contribution is recognised as vital in controlling both the demand and supply sides of corruption. The National Survey on Corruption in 2014 (StraConsult Ltd. 2015) revealed that, when respondents were asked how they could help in the fight against corruption, most of them answered they would refuse to give and take bribes. There is also a strong public sentiment for bringing honesty and integrity to government and businesses. According to interviewees, most Mauritians do not let anybody buy their vote, they do not vote for political parties that are perceived to encourage corruption, they do not pay bribes themselves and they report incidents of corruption through authorities or any other channels. They also try to instil moral values in their children. However, respondents confirmed that there is still the fear of retaliation concerning corruption reporting.

### Valued support from development partners

The anti-corruption drive has benefited from the support of development partners in terms of technical assistance including hands-on support, expert assessments and solutions all the way through its implementation of both direct and indirect strategies. The interventions are not limited only to the ICAC but extend to all other concerned stakeholders such as the police, the FIU and the ODP.

UNODC has been providing valuable technical assistance for fighting different forms of crimes and for implementing relevant conventions. It conducted the UNCAC implementation review for Mauritius around 2012.

Moreover, the Commonwealth has also been very active in various sectors. As a member of the Commonwealth Africa Anti-Corruption Centre, Mauritius benefits from the sharing of technical expertise and policy advice, the provision of a helpdesk and specialist training in forensic investigation and asset tracing. The US government also provides regular training to ICAC officers and other enforcement agencies dealing with financial investigation through its regional training centre in Botswana.

The Public Sector Anti-Corruption Framework manual, used to promote corruption prevention, has been produced by the ICAC with the financial assistance of the European Union under the Decentralised Co-operation Programme. The Public Financial Management (PFM) reforms have also been possible owing to the technical assistance of the World Bank, the International Monetary Fund (IMF) and the UNDP.

### Focus on proper planning and a collaborative approach

In 2001, the government set up a select committee composed of learned persons to carry out a national diagnosis of the nature, causes and extent of corruption in the private sector and public institutions. According to its report, the level of corruption was medium and the gap analysis disclosed the entry points for anti-corruption strategies.

International benchmarking brought both preventive and punitive aspects in the anti-corruption strategies adopted. Preventive measures include transparent procurement and sound financial management, clear conflict of interest regimes, auditing and codes of ethics/conduct, an independent judiciary, active involvement of civil society in anti-corruption efforts, anti-corruption awareness campaigns and measures to prevent money laundering. Punitive measures criminalise bribery (both the giving of an undue advantage to a public official and the acceptance of an undue advantage by a public official), influence peddling and abuse of function among others.

The state also used a risk-led approach by dealing first with those segments of the public sector that were most affected by corruption – for example, the Customs Department and Public Procurement – by reviewing their procedures and the way they operate.

There is also a strong focus on public–private partnership and close collaboration with civil society in nation building. Collaborative approaches are seen between Parliament and all stakeholders, the ICAC and its stakeholders and the public and private sectors and finally among the private sector, media and civil society.

### 3.5.2 Challenges

Although Mauritius has reaped successes in the fight against corruption, according to respondents and the literature available there are still areas that need improvement. Some of these challenges are described below.

#### A trust gap with the public

According to interviewees and the recent survey report (StraConsult Ltd. 2015), though awareness of corruption has increased, a trust gap affects the public's intention to act and participate sufficiently. The main reasons for distrust are insufficient protection of whistleblowers and the existence of political nominees at the head of certain authorities.

Two recent surveys found that corruption is not reported primarily because of fear of the consequences (Joomun 2015). The government has started to address this through the Good Governance and Integrity Reporting Act (GGIRA) of 2015, which introduced strict penalties for persons committing an act of victimisation or retaliation against whistleblowers.

There is also a perception that political 'friends' are appointed on boards of parastatal bodies in a sign of recognition and reward for political support during electoral campaigns. Such appointments are not based on open competition. Senior management and most of the board are replaced when governments change after a general election, raising concerns about the independence of the regulators, the type of leadership and adherence to good governance principles, and it is undoubtedly disruptive to the ongoing operation of important institutions.

#### Political corruption and clientelism

Over the years, Mauritius has experienced political corruption scandals involving members of all major political parties. Allegations of conspiracy, money laundering,

bribery, conflict of interests and cronyism involving politicians or MPs have unfolded in public from time to time. During consultations with stakeholders, the lack of an overall system to regulate political party financing was a subject that elicited strong reactions. Respondents believed that corruption in the realm of political finance generally takes many forms, ranging from vote buying and the use of illicit funds to the sale of appointments and the abuse of state resources.

### Loopholes in legal, regulatory and institutional frameworks

The work of the ICAC on several cases was affected because it had no authority to investigate conspiracy offences, even those related to corruption (Kuris 2013). The legal system also gave defendants numerous opportunities to delay proceedings, with several levels of appeal. POCA's scope for intervention is very limited in respect of corruption in the private sector. Besides, acts in the private sector are no longer offences if they are committed with the agreement of a superior (African Peer Review Mechanism 2010). Other loopholes include inadequate penalties for corruption crimes, ambiguity about protection of whistleblowers and impediments on ICAC communications. Corruption prevention work and implementation of recommendations from corruption prevention reviews are also not binding for public bodies.

Under the Public Procurement Act 2006, the decisions of the appellate body known as the Independent Review Panel (IRP) are not binding on the public body. The Procurement Policy Office noted that in 2011 there were at least 13 occasions when the public body chose to ignore the IRP's recommendations and no corrective actions were taken.

Moreover, according to some respondents, public sector recruitment and selection functions still warrant improvements to ensure better meritocracy. The ICAC also considers the recruitment process in parastatal bodies to be highly prone to a perception of corruption due to numerous related complaints being received (ICAC Newsletter March 2015). There is no proper mechanism to oversee the process of recruitment in parastatals as there is for the judiciary and ministries; there are high discretionary powers of ministries or ministers in recruitment and selection exercises with respect to parastatals; the Public Bodies Appeals Tribunal is not mandated to consider appeals from external candidates; and the Equal Opportunity Commission and the Equal Opportunities Tribunal cannot entertain cases when it comes to the Public Service Commission, the Local Government Service Commission and the Judicial Legal Service Commission. This affects their authority and power to consider cases of discrimination in the public service, the judicial and legal service and within the police force, the fire service and the prison service.

The role of the media and civil society as watchdogs is hampered by lack of legislation on access to information.

### 3.5.3 Recommendations

In the light of the foregoing challenges, the study recommends the following:

1. **Promote public trust:** Proper enforcement of laws encouraging whistleblowing is highly recommended as one of the prerequisites to nurture public trust. To

address the culture regarding political nominees, a select committee comprising experts should be set up to advise the government on the proper mechanism to be instituted for the recruitment and selection of top management in prominent public bodies.

2. **Regulate political financing:** Recommended key features from previous groundwork done on this area for Mauritius include enactment of legislation to regulate political parties and to establish structures and mechanisms for their registration and financial accountability, a Political Activities Public Financing Fund and mechanisms aimed at restricting campaign expenses. The concretisation of a regulatory framework for funding political parties must become a priority for the government together with the outstanding ratification of the AU Convention on Preventing and Combating Corruption, which also supports transparent political funding. It should be noted that Mauritius has been a signatory of the AU convention since 2004 and has not ratified it owing to the absence of structure for managing political funding.
3. **Introduce and implement a code of conduct for parliamentarians:** Although all public officials including ministers and other MPs are covered by POCA, the introduction and implementation of a code of conduct for parliamentarians is highly recommended to promote ethical behaviour, provide a set of ethical standards, increase public trust in and respect for the institution, and establish rights and responsibilities for parliamentarians.
4. **Close legal loopholes and enforce the law:** Amendments must be introduced to the POCA to fully integrate private sector corruption offences, enhance the effectiveness of the whistleblowing structure and make corruption prevention mandatory in public and private sector organisations. The Equal Opportunity Act must be extended to cover the whole public service. The government should enforce the recently introduced legal framework that gives scope for inquiring into unexplained wealth. Parliament should consider enacting the Freedom of Information Bill that was announced in the last two consecutive government programmes.
5. **Capitalise on the media's competitive advantage and the potential of social media:** According to the 2014 National Survey on Corruption (StraConsult Ltd. 2015), reaching citizens is much easier for the media and they have already gained the public's trust. This should be exploited in a positive way for future anti-corruption efforts. The research revealed that there is very limited high-quality investigative journalism, and thus assistance from development partners in terms of expert training in this field would be beneficial for the fight against corruption. Social media could be used to bring together the media, civil society, the ICAC and the public. Globally, social media offer potent opportunities for anti-corruption activism and it can become the basis of new forms of collaborations. For example, a website where personal experiences with corruption can be easily and anonymously shared should be run by the collaborators proposed above with the media as the lead. The website need not only get complaints but could offer practical solutions. Examples of related websites are 'I Propose' in Mexico and [ipaidabribe.com](http://ipaidabribe.com) in India. This knowledge could then be used to crowdsource possible improvements.

### Annex 3.1 List of interviewees

R Jugurnat, Director, Public Sector Efficiency Bureau, Ex-Director of Audit, National Audit Office

D Padachi, Associate Professor and Head of School at University of Technology, Mauritius

Hon. Gobin. Maneesh, Member of Parliament, Barrister-at-Law, Chairperson of Parliamentary Committee-ICAC

G Ballam, Head Policy, Financial Services Commission

Rabin Bhujun, Executive Member of the Media Trust and Managing Editor of ION News

P G Bussier, Director (Economic and Finance) responsible for Development Cooperation Ministry of Finance and Economic Development, Ex-Director, Corruption Prevention and Education Division, ICAC

Nitish Dussoye, private sector employee

K Goburdhun, Barrister-at-Law and Chief Legal Adviser, ICAC

Mr Gopee, Director, Office of Good Governance Director, Office of Good Governance  
Beedeeanan Hulman, Independent Consultant, Ex-SADC Staff

Raju Jadoo, Secretary General, Mauritius Chamber of Commerce and Industry

I Jheengut, Director, Corruption Prevention and Education Division, ICAC

P Jhugroo, Senior Chief Executive, Ministry of Civil Service and Administrative Reforms

Sanjeev Narrainen, Anti-Corruption Expert, African Development Bank, Côte d'Ivoire, Ex-Chief Officer, ICAC

Soopayah Narrainen, Director Internal Affairs, Mauritius Revenue Authority

R Nookadee, Ex Senior staff of Mauritius Council of Social Service (MACOSS), Activist, Civil Society

G Ollivry, Director, Financial Intelligence Unit

S Ram, Freelance Press Reporter

Mr Rama, Chief Inspector, Mauritius Police Force

Mr Rashid Ahmine, Senior Assistant DPP, Office of the Director of Public Prosecutions

Vishal Soockeea, IT Professional

Mr Tahaloo, Board Member Procurement Policy Office

V Tuhobol, Manager, Financial Reporting Council

N Gobin-Bheenick, Secretary to the Commission, Public Service Commission

Arunima Gobin-Bhunjun, business person

Prameeta Goordyal-Chittoo, Assistant Parliamentary Counsel, Attorney General's Office

Veena Jankee-Dhunpath, public sector employee

Indranee Taukoordass, private sector employee

Jane Valls, Executive Director, Mauritius Institute of Directors

Faeza Ibrahimsah, Manager, Mauritius Chamber of Commerce and Industry

Ms Nobutsing, Manager, Financial Reporting Council

Rooma Pilay Narrainen, Manager, Trade Division, Mauritius Chamber of Commerce and Industry

## References

- APRM (African Peer Review Mechanism). 2010. 'Country Report No 13: Mauritius'. Johannesburg: APRM.
- Bertelsmann Stiftung Transformation Index (BTI). 'BTI 2014: Mauritius Country Report'. Gütersloh: Bertelsmann Stiftung.
- Boolell, S. 2012. 'Challenges in Crime in the 21<sup>st</sup> Century'. Paper presented the Director of Public Prosecutions (DPP) Mauritius at the 11th Heads of Prosecuting Agencies Conference, Singapore, 20–22 March.
- \_\_\_\_\_. 2015. 'Introducing the Office of the Director of Public Prosecutions'. ODP website. Available at: <http://dpp.govmu.org/English/AboutUs/Office%20of%20DPP/Pages/Introducing-the-office-of-the-DPP.aspx>
- CABRI (Collaborative Africa Budget Reform Initiative). 2010. 'Programme-Based Budgeting: Experiences and Lessons from Mauritius'. CABRI Joint Country Case Study. Pretoria: CABRI.
- Chene, M. 2010. 'Anti-Corruption and Police Reform'. Anti-Corruption Resource Centre. U4 Expert Answer No. 247, 31 May.
- DFID (Department for International Development). 2015. 'Why Corruption Matters: Understanding Causes, Effects and How yo Address Them'. Available at: <https://www.gov.uk/government/publications/why-corruption-matters-understanding-causes-effects-and-how-to-address-them>
- EOC (Equal Opportunities Commission). 2014. 'Annual Report'. Port Louis: EOC.
- Fjeldstad, O-H. and J. Isaksen 2008. 'Anti-Corruption Reforms: Challenges, Effects and Limits of World Bank Support'. IEG Working Paper 2008/7. Washington, DC: World Bank.
- GRIPS Development Forum. 2012. 'Report on the Mauritius Mission (Revised)'. Available at: [http://www.grips.ac.jp/forum/afgrowth/support\\_ethiopia/document/2012.09\\_IND\\_MAU/mauritius\\_web\\_201212rev.pdf](http://www.grips.ac.jp/forum/afgrowth/support_ethiopia/document/2012.09_IND_MAU/mauritius_web_201212rev.pdf)
- Humboldt Viadrina Governance Platform. 2015. 'Anti-Corruption'. Available at: <http://www.governance-platform.org/en/governanceprojects/anticorruption/>
- ICAC (Independent Commission Against Corruption) (Mauritius). 2015. 'ICAC v/s Pravind Kumar Jugnauth'. Judgments and Rulings. Available at: <http://www.icac.mu/judgments-and-rulings/>

- ICAC. ICAC Newsletters (Feb 2014, June 2014, Sept 2014, March 2015, June 2015, Sept 2015, Dec 2015). Available at: <http://www.icac.mu/publications/>
- IMF (International Monetary Fund). 2011. 'Mauritius: Public Expenditure and Financial Accountability (PEFA) Assessment'. IMF Country Report No. 11/259. Washington, DC: IMF.
- Johnson, J., N. Taxell and D. Zaum. 2012. 'Mapping Evidence Gaps in Anti-corruption: Assessing the State of the Operationally Relevant Evidence on Donors' Actions and Approaches to Reducing Corruption'. Anti-Corruption Resource Centre. U4 Issue 2012, No. 7, October.
- Joomun, G. 2015. 'AD26: Mauritians Trust Their Institutions but Say Corruption Is Growing'. Afrobarometer. Available at: <http://afrobarometer.org/publications/ad26-mauritians-trust-their-institutions-say-corruption-growing>
- Kasensally, R. 2009. 'Mauritius'. In Kadima, D. and S. Booysen (eds). *Compendium of Elections in Southern Africa 1989–2009: 20 Years of Multiparty Democracy*, Chapter 8. Johannesburg: EISA (Electoral Institute of Southern Africa).
- Klitgaard, R. 2012. 'Public-Private Collaboration and Corruption'. In Pieth, M. (ed.). *Collective Action on Anti-Corruption*. Basel: Basel Institute on Governance.
- Kuris, G. 2013. 'From a Rocky Start to Regional Leadership: Mauritius's Anti-Corruption Agency, 2006–2012'. Innovations for Successful Societies series. Princeton, NJ: Princeton University.
- Mauritius News. 2016. 'Arrest by ICAC: Raj Dayal Released on Bail'. 6 April. Available at: <http://mauritiusnews.info/index.php/judiciary-updates/item/4693-arrest-by-icac-raj-dayal-released-on-bail>
- Meagher, P. 2002. 'Anti-Corruption Agencies: A Review of Experience'. Prepared for the World Bank. College Park, MD: IRIS Center, University of Maryland.
- Modern Diplomacy. 2013. 'African Governance: Pressing for Transparency, Reaching for Change'. 26 May. Available at: <https://moderndiplomacy.eu/2013/05/26/african-governance-pressing-for-transparency-reaching-for-change/>
- National Assembly. 2013. 'Oral Answers to Questions: Supreme Court – Officers Cases – Alleged Corruption'. Available at: <http://mauritiusassembly.govmu.org/English/Pages/Answers/PNQ/2013/pnqans16july2013.pdf>
- NCCG (National Committee on Corporate Governance). 2004. *The Report on Corporate Governance for Mauritius*. Port Louis: NCCG.
- \_\_\_\_\_. 2009. 'Survey Report on the State of Compliance with the Code of Corporate Governance in Mauritius'. Available upon request from: <http://www.nccg.mu/contact>
- Norad (Norwegian Agency for Development Cooperation). 2009. *Anti-Corruption Approaches: A Literature Review*. Study 2/2008. Oslo: Norad.
- ODPP (Office of the Director of Public Prosecutions). 2016. 'Communiqué of the Office of the Director of Public Prosecutions'. Available at: <http://dpp.govmu.org/English/Documents/CommuniquePKJ.pdf>
- Rojid, S., B. Seetanah and R. Shalini 2010. 'Are State Business Relations Important to Economic Growth? Evidence from Mauritius'. Discussion Papers Series 36. Manchester, UK: IPPG (Institutions and Pro-Poor Growth).
- Republic of Mauritius. 2015a. 'Prime Minister Announces the Creation of the Financial Crime Commission'. Available at: <http://www.govmu.org/English/>

- News/Pages/Prime-Minister-announces-the-creation-of-the-Financial-Crime-Commission.aspx
- \_\_\_\_\_. 2015b. 'At the Crossroad: Supplement to the Budget Speech.' Available at: <http://budget.mof.govmu.org/budget2015/Supplement.pdf>
- Saunders, J. 2014. 'Is Fighting Corruption a Collective Responsibility?' Essay by the Chief Executive Office of Integrity Action. Available at: [http://www.integrityaction.org/sites/www.integrityaction.org/files/documents/files/Fighting\\_Corruption\\_Paper\\_r2.pdf](http://www.integrityaction.org/sites/www.integrityaction.org/files/documents/files/Fighting_Corruption_Paper_r2.pdf)
- Shah, A. 2004. 'Fiscal Decentralization in Developing and Transition Economies: Progress, Problems, and the Promise.' Policy Research Working Paper 3282. Washington, DC: World Bank.
- Stapenhurst, R. 2000. 'The Media's Role in Curbing Corruption.' Departmental Working Paper. Washington, DC. World Bank.
- StraConsult Ltd. 2015. National Survey on Corruption (NSC). Available at: <https://www.icac.mu/national-survey-on-corruption>
- Transparency International. 2007. 'National Integrity System Country Study Report Mauritius S. Callikhan.' Available upon request from: [comsweb@transparency.org](mailto:comsweb@transparency.org)
- \_\_\_\_\_. 2013. 'Examples of Anti-corruption Strategies.' Available at: [http://www.transparency.org/whatwedo/answer/examples\\_of\\_national\\_anti\\_corruption\\_strategies](http://www.transparency.org/whatwedo/answer/examples_of_national_anti_corruption_strategies)
- \_\_\_\_\_. 2014a. 'Overview of Corruption in Mauritius.' Anti-Corruption Helpdesk. Available at: [http://www.transparency.org/files/content/corruptionqas/Country\\_Profile\\_Mauritius\\_2014.pdf](http://www.transparency.org/files/content/corruptionqas/Country_Profile_Mauritius_2014.pdf)
- \_\_\_\_\_. 2014b. 'Corruption Perceptions Index.' Available at: <https://www.transparency.org/cpi2014>
- \_\_\_\_\_. 2015–2017. 'Corruption Perceptions Index.' Available at: <http://www.transparency.org>
- Transparency Mauritius. Undated. 'Le Journalisme d'Investigation [Investigative Journalism]'. Port Louis: Transparency Mauritius.
- \_\_\_\_\_. Undated. 'Pledge Towards Transparent and Accountable Political Financing'. Available at: [http://www.transparencymauritius.org/wp-content/uploads/2014/10/Transparency-Mauritius\\_Pledge\\_HD.pdf](http://www.transparencymauritius.org/wp-content/uploads/2014/10/Transparency-Mauritius_Pledge_HD.pdf)
- UNDP Mauritius 2013. 'Planning and resource management for inclusive growth'. Available at: <https://info.undp.org/docs/pdc/Documents/MUS/pdf%20prodoc%20PRMIG%20Part%201.pdf>
- United Nations Conference of the Parties to the United Nations Convention against Transnational Organized Crime. 2013. 'Executive Summary: Mauritius'. In *Review of the Implementation of the United Nations Convention on Corruption*. CAC/COSP/IRG/I/2/1/Add.21
- U.S. Department of State. 2012. 'Investment Climate Statement: Mauritius'. Bureau of Economic and Business Affairs. Available at: <http://www.state.gov/e/eb/rls/othr/ics/2012/191196.htm>
- Vuylstke, Y. 2016. 'The 2016 Ibrahim Index of African Governance: Key Findings'. Mo Ibrahim Foundation. Available at: <http://mo.ibrahim.foundation/news/2016/progress-african-governance-last-decade-held-back-deterioration-safety-rule-law/>

- Wan, J. 2015. 'Changing fortunes of Mauritius' ousted leaders'. Al-Jazeera. Available at: <http://www.aljazeera.com/indepth/features/2015/03/changing-fortunes-mauritius-ousted-leaders-150309095143234.html>
- World Bank. 2007. *Social Accountability Sourcebook: Strengthening the Demand Side of Governance and Service Delivery*. Washington, DC: World Bank.
- \_\_\_\_\_. 2010. *Report on the Observance of Standards and Codes (ROSC): Corporate Governance Country Assessment – Mauritius*. Washington, DC: World Bank.
- Zafar, A. 2011. 'Mauritius: An Economic Success Story'. African Success Stories Project. Washington, DC: World Bank.

## Chapter 4

### Lesotho

---

*By Emmanuel M Letete, PhD*

#### Summary

During 23 years of autocratic rule, corruption in the Kingdom of Lesotho was widespread and people considered it a way of life. This was understandable, since these years were characterised by suppression of the media, a dominant bureaucracy and weaknesses within law enforcement agencies. The collection of data to support allegations of corruption in the country was also seriously constrained and all the oversight bodies were paralysed.

Since the return to multi-party democracy in 1993, successive governments have shown sustained commitment to combat corruption in the country and extended participatory rights of citizens. The successful trials of several senior public officials – including a number of members of the executive and multinational corporations – for alleged involvement in corruption (bribery and public funds embezzlement) has proved to be an important milestone in the country's fight against corruption. The restoration of civilian rule and the democratisation process guaranteed the protection of rights and civil liberties of citizens including freedom of speech, promoted freedom of the media and reinstated oversight bodies. Taken together with advances in media technology, these factors changed the environment for reporting corruption in the country.

Lesotho has enacted a number of laws to address the problem of corruption over the past two decades. These include the Prevention of Corruption and Economic Offences Act No. 5 of 1999, which established the Directorate on Corruption and Economic Offences (DCEO), and its amendment of 2006, which requires public officials to declare their assets; the Income Tax (as amended) Act No. 10 of 1993 to counter tax evasion and fraud; the Money Laundering and Proceeds of Crime Act (MLPCA) No. 4 of 2008, which established the Financial Intelligence Unit (FIU 2014) with the core mandate to fight money laundering and terrorist financing offences; and the Public Service Act of 2005 and its corresponding public service reform programme. These were all aimed at professionalising public administration, improving the capacity of the civil service and curbing nepotism and cronyism. To stop corruption in procurement processes, the government passed the Public Procurement Act and its accompanying regulations in 2006. These instruments established thresholds for use of procurement methods, bid evaluation procedures and contract management.

The DCEO was established in 1999 to drive the fight against corruption. It is mandated to investigate complaints; prosecute suspected cases of corruption and economic crime working together with the Directorate of Public Prosecutions (DPP),

and prevent corruption through public education and public awareness of the ills of corruption.

However, the factors that pushed Lesotho to launch the anti-corruption drive and, as a corollary, to draft anti-corruption strategies are not clear; whether it was a donor-driven initiative or a purposeful plan by the political regime that had just taken over power is not known. Nonetheless, it could be argued that both internal and external factors – in particular, the global anti-corruption movement and push for democratic governance that gathered momentum in the 1990s and donor influence – played a role in the launch of the anti-corruption drive.

From the onset, the DCEO adopted a three-pronged strategy – public education, prevention, and investigation and prosecution – to fight corruption. The adoption of this strategy was in line with international best practices of places such as Hong Kong that have successfully implemented anti-corruption strategies. It facilitated the ‘whole government’ approach to combating corruption and mobilised different sectors of the society against corruption. To enhance its efficiency and enlist and foster public support in fighting corruption and economic offences, it formed some sectoral structures: the District Anti-Corruption Committees (DACCs), Systems Integrity Committees (SICs), Business Action Against Corruption (BAAC) and Students Integrity Associations (SIAs). It prevented the impact of corruption and economic crime through system strengthening across government ministries and examined systems and procedures of government and public bodies to identify corrupt practices or those with the potential to lead to corruption. It also provided impartial and independent advice to organisations and individuals (public and private) on preventing corruption/economic crime and reducing its likelihood. In the process, it made public those systems and procedures of government and public bodies where corruption/economic crime and/or its potential had been identified.

The DCEO devoted a lot of resources to educate the public about the negative effects of corruption – through public outreach involving the media, in public assemblies at community level and in workshops for strategic groups such as parliamentarians and principal secretaries. These campaigns were also carried out at national expos and festivals. In addition, the DCEO organised biannual national school debates on corruption and its debilitating effects, and distributed sensitisation and educational materials.

The directorate carried out analyses of the operational systems and procedures of institutions with a view to identifying any existing opportunities for corrupt practices and then proposed practical measures for minimising their occurrence. Following such an examination, it would establish internal self-monitoring Systems Integrity Committees (SICs) to guide institutional reforms where appropriate and subsequently strengthen the systems. This was made possible by the strategic partnership it formed with similar institutions that have a stake in the fight against corruption. This partnership – named DIAAL after the initial letters of the institutions involved – consists of the DCEO, Internal Audit, Accountant General’s Office, Auditor General’s Office and Lesotho Mounted Police Services (LMPS). The goal of forming such a partnership was to solicit and enlist public support in the fight against corruption.

The anti-corruption fight also included the establishment and strengthening of the parliamentary oversight bodies and institutions such as the Public Accounts Committee (PAC); strengthening of government financial accounting, internal audit systems and laying foundations for the procedures for integrated financial management system across government ministries; and strengthening of the Office of the Auditor General. In addition to strong accounting and auditing systems, the government has laid emphasis on building strong institutions to stand the test of time in the fight against corruption.

Evidence in support of the effectiveness of these anti-corruption strategies has been the trial of several individuals for suspected corruption and more than 1,718 reported corruption cases between July 2004 and July 2013. Some of these cases have been successfully prosecuted. Further evidence is provided by the FIU, which reported more than 569 fraud cases of money laundering and possible proceeds of crime to the LMPS and forwarded 222 corruption-related cases to the DCEO (FIU 2014). The fight against corruption has impacted positively on a number of sectors such as the Ministry of Home Affairs, where corruption took place over decades in passport issuance. The ministry boasts an electronic system that uses biometrics and has reduced inefficiencies and subsequent corruption in the form of bribes, which were paid to obtain travel documents. In terms of the impact on revenue collection, the government has been able to increase this by more than 191 per cent, from M1.37 million in 2003/04 to almost M4 million in 2012/13, and total tax remittance has increased by about 238 per cent over a 10-year period holding other factors constant.

The key factor leading to success in fighting corruption always starts with political will at the level of policy-makers. The fact that Lesotho was able to enact appropriate laws, establish institutions and permit these institutions to perform their duties as mandated by law, even when the odds were not in their favour, is quite critical. During the period under review, the DCEO worked closely with all other law enforcement agencies including oversight institutions, the police, the Tax Revenue Authority and the Auditor General's Office. The directorate also worked well with all other sectors of society, a typical example being the successful holding of the National Dialogue on Corruption in 2013, in which about 250 stakeholders drawn from all sectors of society participated. This national dialogue resulted in the development of the National Anti-Corruption Strategy and Action Plan 2014/15–2018/19. However, DCEO has been leading the fight against corruption and made huge progress with tangible results without much resource capacity in terms of personnel and financial resources.

In the public sphere, the most important anti-corruption forces are sound ethics and a strong sense of public responsibility. But ethical values are often outweighed by other factors: poverty, political pressure, increasing social inequalities and political competition that may induce officials to do wrong. Lesotho's experience further provides a lesson that even where traditions of corruption are so entrenched that one could believe it is almost impossible to eradicate them, efficiency of systems in service delivery driven by political will and societal ethical transformation can change people's incentive to engage in corrupt activities. However, several challenges remain

that could reverse the gains made so far. These include: inefficiencies in delivery of justice with some cases taking two to three years on average before a verdict; weak accountability systems across certain institutions and underfunded oversight bodies; lack of skills such as forensic audit and investigative journalism; absence of a rectified access to information bill; and increasing socio-economic problems (e.g. inequalities and unemployment levels estimated at more than 25 per cent of the labour force).

This modest victory notwithstanding, corruption continues to hit hard in some sectors of the economy and remains a dominant discourse of complaint in the country. Petty corruption remains an acute challenge in the Ministry of Works and Public Transport, and people still have to offer bribes to obtain driving licences. This has been partially blamed on the breakdown of systems and weak accountability mechanisms in the ministry and has led to the erosion of public trust in the government and fuelling of inequalities as those who pocket bribes become richer and their clients poorer.

The report recommends further strengthening of systems of accountability, increasing resources to the DCEO and continuous cultivation of ethics among public servants and communities in general.

## 4.1 Introduction

While it is generally accepted that Lesotho has made noticeable progress in its anti-corruption drive, corruption continues to exist in some sectors of the economy and it continues to be a dominant discourse of complaint in the country. This is perhaps because the fight against corruption was popularised by some political parties during the run-up to the 2015 national elections. Some of these parties blamed what they called ‘rampant’ corruption during the Lesotho Congress for Democracy (LCD)-led administration for many economic, political and social problems in the country. Yet a deeper reflection on this dominant discourse reveals people’s disappointments with democracy and development and their frustrations with continued social inequalities. There is no doubt that the fight against corruption in Lesotho is a modest success story. But which key institutions and actors within the country have taken a lead in the fight and in reducing its impact? What are the factors that led to the lifting of the cloak of secrecy from corruption? What are the factors (both technical and political) that supported institutions to implement successful anti-corruption strategies and expose corruption cases? What is the impact made by these institutions and to what extent have they been able to facilitate the ‘whole government’ approach to combating corruption?

This case study considers these questions and also investigates how the anti-corruption institutions have worked with groups such as political parties, civil society organisations, development partners and the private sector in the course of their efforts. It starts by tracing the anti-corruption drive in Lesotho from the early 1990s and examines the success and limitations of various strategies pursued. The conclusion discusses the challenges these institutions face in their anti-corruption efforts and makes recommendations.

### 4.1.1 Methodology

This case study relies on information obtained from several sources. These include the Directorate of Corruption and Economic Offences (DCEO), the Office of the Ombudsman, the office of the Department for Public Prosecutions (DPP), the United Nations, Transparency International, the World Bank and the media houses. Data used in this study include corruption cases (i.e. cases under investigation and court verdicts involving people of different social standing including those who were members of the executive and public service administration and ordinary citizens suspected of corruption) filed with the DCEO. The criteria used to select the cases were as follows:

- corruption allegations since 2004–2013;
- cases that are currently in or have been settled through formal legal proceedings; and
- cases exposed publicly and settled in court.

Given that the DCEO has its headquarters in Maseru, although it co-ordinates all anti-corruption efforts in the country, most of the data were collected in Maseru. This is also because a number of non-governmental organisations (NGOs) that work to promote justice for the poor are based in the capital. However, the study still included a broad spectrum of representatives from business people at district level, especially in its focus group discussions. The procedure for the selection of representatives from business people was based on a database filed with the Lesotho Chamber of Business and Business Action Against Corruption (BAAC). The following qualitative research methods and procedures were also employed:

- a. Collection and analysis of mass media corruption stories, investigation results, documentation by the DCEO and legal documents (i.e. charges, indictments and court verdicts).
- b. In-depth interviews with respondents from NGOs, journalists, some corruption suspects and representatives from law enforcement agencies. Interviews were also conducted with local DPP offices and executive officials from several institutions involved in the fight against corruption, ordinary citizens at various public service points in Maseru, representatives of various embassies in Lesotho, private sector representatives, business organisations, the Office of the Auditor General, the Minister of Justice and Correctional Services, the Public Accounts Committee, the Office of the Police under Crime and Investigation Unit, representatives of commercial banks and the office of the Prime Minister. Approximately 120 respondents were interviewed. The procedure for selection of individual respondents was random and relied on individuals who were available at a point of service during the survey days, while institutions were selected based on their level of involvement in the fight against corruption. Information on these institutions was obtained from the DCEO.
- c. Focus group discussions were held to complement findings from document reviews and interviews. Five focus groups were conducted with a minimum of four participants including local anti-corruption actors, academics and law enforcement.

### 4.1.2 The political context

For decades the Government of Lesotho has been grappling with the problem of corruption. During the 23 years of autocratic rule, corruption was widespread and people considered it a way of life. This was understandably so, since these years were characterised by suppression of the media, a dominant role played by the bureaucracy and weaknesses within law enforcement agencies.<sup>1</sup> The collection of data to support allegations of corruption in the country was seriously constrained and all the oversight bodies were paralysed. When the democratically elected government assumed power in 1993, corruption was pervasive in the public service and public institutions (APRM 2011). The restoration of civilian rule and the democratisation process, which started in 1993, guaranteed the protection of rights and civil liberties of citizens, including freedom of speech, promoted freedom of media and reinstated oversight bodies. Taken together with advancement in media technology, these actions changed the environment in terms of reporting corruption in the country.

Beginning in 1999, there was a wave of corruption allegations starting with the case in which Masupha Sole, who was the chief executive in charge of the donor-funded multibillion-dollar Lesotho Highlands Water Project, was sentenced to 18 years in prison for 11 counts of bribery and 2 of fraud. What made the case extraordinary was that bribe-paying multinationals were also in the dock in Maseru. Several incidences of suspected corruption committed during the 7-year rule of the military regime and the 16-year rule of an autocratic regime were also brought to light.<sup>2</sup> These included high-level involvement in drug trafficking and the sale of fraudulent passports in Hong Kong (Scott and Weisfelder 2013).

Following this ground-breaking case, the government set up the Directorate on Corruption and Economic Offences (DCEO).<sup>3</sup> The DCEO was mandated to investigate complaints, prosecute suspected cases of corruption and economic crime working with the Directorate of Public Prosecutions (DPP), and prevent corruption through public education and public awareness of the ills of corruption.

However, the factors that pushed Lesotho to launch the anti-corruption drive, and as a corollary to draft the anti-corruption strategies, are not clear; whether it was a donor-driven initiative or a plan by the political regime that had just taken over power is not known. Nonetheless, it could be argued that both internal and external factors – in particular, the global anti-corruption movement and push for democratic governance that gathered momentum in the 1990s, and donor influence – played a role. The anti-corruption drive included the establishment and strengthening of parliamentary oversight bodies and institutions such as the Public Accounts Committee (PAC); strengthening of government financial accounting, internal audit systems and laying foundations for the procedures for integrated financial management systems across government ministries; and the strengthening of the Office of the Auditor General. In addition to strong accounting and auditing systems, the government emphasised building strong institutions that would stand the test of time in the fight against corruption. For instance, in 1993, the country passed the Income Tax (as amended) Act No. 10 to counter tax evasion and fraud.

Subsequent exposures led to a pronounced increase in the number of corruption cases involving misappropriation of public finances, fraud, abuse of power, conflict of interest, tender manipulation and bribery, and some of the perpetrators were convicted. It is precisely this kind of exposure and convictions in corruption cases, and the emergence of community-level actors willing to advocate in the fight against corruption, that has distinguished the landscape over the last decade. Many other cases have gone to trial through the courts of justice and are pending the courts' decisions. The indictment and conviction of some powerful figures, including both sitting and former ministers, for separate incidents of corruption has sent a strong signal to the world that the government is firmly committed to fight corruption.

The anti-corruption progress made to date is evidenced by a continued improvement in several corruption perception indicators. For instance, the Transparency International Corruption Perception Index shows that in 2012 and 2013 the country received a score of 45 and 49 respectively on a scale that ranges from 0 (most corrupt) to 100 (least corrupt). This score placed Lesotho at position 6 in sub-Saharan Africa and position 55 on the global scale (World Bank Institute 2014) on perceived public sector corruption. In 2014, the World Governance Indicators ranked the country at position 61 in terms of control of corruption on a scale from 0 (lowest control of corruption) to 100 (highest control of corruption). This reflected an improvement from rank 43 attained in 2003, the year in which the DCEO was established (World Bank Institute 2014). Since 2009, the World Governance Indicators have consistently ranked the country above 60 out of 100 in perceptions about control of corruption. This progress has been applauded by a number of international bodies such as the Millennium Challenge Corporation, the World Bank and the United Nations Development Programme (UNDP).<sup>4</sup>

#### 4.1.3 The nature and dimensions of corruption

Despite noticeable progress, the following forms of corruption were identified as continuing to frustrate anti-corruption efforts in the country.

##### **Bureaucratic corruption/petty corruption**

Key informants noted that this kind of corruption continues to be part of citizens' everyday life in the Ministry of Works and Public Transport. In a survey of more than 400 drivers in the Maseru, Letete et al. (2014) found that more than 60 per cent of the respondents had paid a bribe to obtain a driving licence. Focus group discussions also highlighted that corruption in the traffic department remains pandemic although highly secretive. Discussions with staff at the ministry revealed that systems and procedures of accountability have collapsed, and that they are in the process of instituting new systems. Interviews with the Private Sector Foundation revealed that petty corruption is still common in government procurement. Businesses lament that 'to get contracts we must pay bribes and to get paid after delivery of service we must pay bribes as well'.

Corruption in procurement has led the business community to overcharge the government to such an extent that sometimes procured services or goods are sold

at two to three times their true prices. The predatory nature and the desire of the bureaucratic elite to plunder state coffers are due to a number of factors. First, there seems to be immense financial pressure on civil servants due to depressingly poor wages, particularly in the period prior to 2012–2013, increasing pressure on young people to adopt modern lifestyles accompanied by conspicuous consumption and popular association of elites with self-aggrandisement. Second, polarised partisan politics mean that elites at any point in time cannot hold their fellow members accountable over the use of state resources. Bureaucratic corruption strains government resources and stifles the provision of public goods and services. However, discussions with various stakeholders indicated that measures are under way to circumvent corrupt practices in procurement processes. For instance, the Ministry of Finance is undertaking a review of the existing public procurement legal framework and intends to develop a new public procurement policy and related legislations under the Enhancement of Public Financial Management Project.

### Grand corruption

Interviews with the business sector, members of civil society and the DCEO showed that, although grand corruption is not a major threat in the country, there have been instances of its occurrence such as the Lesotho Highlands Development Authority (LHDA)–Soli bribery scandal (Maema 2003, Hatchard 2004), the block farming scandal (Ralengau 2013) and the Nikuv passport scandal (*Lesotho Times* 2014). A more recent scandal relates to the investigation of the Nthane Brothers PTY (Ltd) for supplying faulty road works as part of a government contract (Ntaote 2014).

### Political corruption/favouritism, nepotism and clientelism

This type of corruption continues to be rife and manifests in different forms, including bribery paid in order to secure jobs in both the public sector and the private sector,<sup>5</sup> extortion, cronyism, nepotism, patronage, influence peddling, graft and embezzlement of state resources (Heritage Foundation 2014). Between 2004 and 2013, more than 50 per cent of cases reported to the DCEO involved bribery and misappropriation of public funds (DCEO 2013). The political and economic ‘reforms’ of the early transition phase lessened political corruption during the period 1993 to 2011. However, following the change of power from the LCD-led administration to the All Basotho Convention (ABC)-led administration in 2012–2013, political corruption resurfaced.

A vivid example of this was the blatant replacement of all principal secretaries and high-level public servants – including the commissioners of Independent Electoral Commission (IEC)<sup>6</sup> – based on their political affiliations. This resuscitated the nepotism, patronage and cronyism in public sector that had previously been experienced in the early 1970s and late 1980s. After the breakdown of the first coalition government in 2015, the second coalition government once again replaced the principal secretaries appointed during the previous regime by their politically compliant principal secretaries. Focus group discussions with the private sector and civil society organisations revealed that such patronage appointments were a strategy

to retain loyalty but have rocked the country and caused instability. Depoliticising the civil service remains a challenge given the competitive nature of Lesotho patronage politics and the current pressing socio-economic problems of high unemployment, poverty and inequality confronting the country.

## 4.2 Anti-corruption reforms and their efficacy

### 4.2.1 The DCEO and anti-corruption legal reforms

As stated earlier, Lesotho established the DCEO in 1999 but it started its operations in 2003 with a staff of five people – a director, two investigators, a prosecutor and a court conveyer – contrary to the requirement by the law establishing the DCEO office, which provided for a staff complement of 103 people. From the outset, the DCEO set itself an ambitious target of promoting zero tolerance to corruption and economic offences through a three-pronged strategy of public education, prevention and investigation and prosecution in conjunction with all sectors in society. The adoption of this strategy was in line with the international best practices of places that have successfully implemented anti-corruption strategies such as Botswana and Hong Kong. Karklins (2002) states that anti-corruption work among public administrators and high-level officials can help, but in the long run the mobilisation of democratic forces from below and the forging of civil society are a decisive way to contain corruption in a democratic society.

The DCEO devoted a lot of resources to educate the public on the negative effects of corruption on socio-economic and political development through public outreach that started immediately after its establishment. This involved weekly radio broadcasts, notice boards, TV broadcasts and anti-corruption campaigns through *lipitso*<sup>7</sup> at community level across all the districts, and workshops organised for strategic groups such as parliamentarians and principal secretaries. The anti-corruption campaigns were also carried out at national expos and festivals such as agriculture and trade show and arts and cultural festivals. The DCEO also organised biannual national school debates on corruption and its debilitating effects, and distributed sensitisation and educational materials such as brochures, pamphlets, t-shirts, pens, rulers and drinking glasses during these debates.

The directorate carried out analyses of the operational systems and procedures of institutions with a view to identifying any opportunities for corrupt practices and then proposed practical measures for minimising the occurrence of corruption. After examining an institution, an internal self-monitoring SIC – discussed below – would be established to guide institutional reforms where appropriate and subsequently strengthen the systems. This was made possible by the strategic partnership it formed with other similar institutions that have a stake in the fight against corruption. This partnership was named DIAAL – after the initial letters of the organisations participating – and consists of the DCEO, Internal Audit, Accountant General's Office, Auditor General's Office and LMPS.

To consolidate its efforts in the fight against corruption and improve the effectiveness of the DCEO, the government passed an amendment to the Prevention of Corruption

and Economic Offences Act in 2006. This broadened the scope of the investigative powers of the DCEO to include private as well as public bodies. It also introduced a requirement for officials to disclose their assets and adhere to a code of good conduct and ethics regarding the acceptance of gifts. An asset disclosure was, however, not properly handled by the previous ABC-led political administration to the extent that some public officials refused to disclose their assets in fear of lack of protection. Discussions with several high-level officials revealed that the asset disclosure procedures and processes that had to be followed were opaque, and that there was a lack of secrecy in the offices responsible for asset disclosure. This response is supported by the results from the Afrobarometer survey of 2013 in which 41 per cent of respondents said corruption was badly handled by the previous regime.

In 2005, the government enacted the Public Service Act and launched the Public Sector Improvement and Reform Programme. These reforms aimed to professionalise public administration, improve the capacity of the civil service and curb nepotism and cronyism. In the subsequent year, the government passed the Public Procurement Act and its accompanying regulations, which established thresholds for use of procurement methods, bid evaluation procedures and contract management. At the same time the Procurement Policy Division was created through this Act to guide procurement units through procurement processes and offer legal advice. The aim of these instruments was to combat corruption that had permeated the procurement process and to reduce corruption risk and the possibility of rent seeking by public officials by abolishing many 'procurement hurdles'.

In 2008, the government passed the Money Laundering and Proceeds of Crime Act (MLPCA) No. 4 to establish the Financial Intelligence Unit (FIU). The core mandate of the FIU is to fight money-laundering and terrorist-financing offences. The FIU receives financial information from accountable institutions, analyses such information and, where a laundering or terrorist financing offence is suspected to have taken place, discloses the information to law enforcement agencies for investigation and possible prosecution. In 2014, the FIU reported 569 fraud cases of money laundering and possible proceeds of a crime to the LMPS and forwarded 222 corruption-related cases to the DCEO (FIU 2014). These cases involved suspected tax evasion, fraud and money laundering. The amounts transacted in these unscrupulous transactions ranged from M180,000 to over M1 million.<sup>8</sup> The FIU has collaborated with the DCEO, Lesotho Revenue Authority (LRA) and LMPS and entered into a memorandum of understanding with these institutions and other strategic partners to share information in the fight against corruption.

By October 2015, the FIU had produced a number of intelligence reports on suspected 'white collar' corruption and submitted these to law enforcement agencies. It had also produced a number of 'topologies' reports to raise awareness among relevant authorities of trends relating to money laundering and sensitise them to vulnerabilities in their systems that might lead to money laundering and terrorist financing, thereby undermining the integrity of the financial system. The FIU had also been raising public awareness of issues related to corruption, money laundering, tax evasion, fraud, drugs and human trafficking through radio programmes, other

media outlets and workshops organised for members of Cabinet, principal secretaries and other state officials, media, law enforcement agencies, accounting institutions, financial intermediaries, etc. However, the effectiveness of the FIU is stifled by lack of capacity in financial analysis.

In 2009, the government introduced an Integrated Financial Management Information System (IFMIS) to serve as the basis for more effective monitoring and control over government revenue and expenditure. Given that the system combines preparing and executing budgets, accounting, financial management and reporting, it was hoped it would offer real-time accounting, reduce reporting time and ensure that financial reports were produced in time for regular audits to take place. The government believed that the IFMIS would assist in combating corruption and other fraudulent activities. However, discussions with officials from the Ministry of Finance reveal that no conclusion can be drawn regarding the effectiveness of the IFMIS in fighting corruption.

In 2011, the country passed the National Electoral Act to establish guidelines for private financing of electoral campaigns. The Act requires that any campaign-related donations higher than M20,000 be disclosed to the Independent Electoral Commission (IEC) and deposited into a registered party account. This was meant to avoid party financing through corrupt means, including using state resources. The Act further required the IEC to disclose this information to the public up to 12 months following a general election. Although the Act provides for public funding for registered political parties, it does not regulate the use of such funds or provide for monitoring the appropriate use of such funds. This loophole has opened the window to corruption in the system. Discussions with IEC personnel revealed that none of the oversight institutions in the country had ever audited the use of such funds. During 2011, the country also passed the Public Management and Accountability Act to provide a foundation for better financial control and reporting and more pro-active monitoring and control over public enterprises. In 2014, it enacted treasury regulations to close loopholes identified in the Finance Regulations of 1973. These loopholes had opened up opportunities for corrupt practices.

However, tough laws are not sufficient and cannot act as deterrents to corruption unless they are enforced. The asset disclosure requirement demonstrates this point. The United Nations (cited by Sarre et al. 2005) has cautioned that many corrupt countries have very exemplary formal statutes, but these statutes have no real meaning because they are seldom enforced owing to either inadequate capacity of the anti-corruption agencies or the powerful positions of offenders.

### **The DCEO's anti-corruption sectoral structures**

With its strategy in place, the DCEO has been able to facilitate the whole government approach to combating corruption. It mobilised different sectors of society against corruption and formed some sectoral structures: the District Anti-Corruption Committees (DACCs), Systems Integrity Committees (SICs), Business Action Against Corruption (BAAC) and Students Integrity Associations (SIAs). Various stakeholders

interviewed for the case study revealed that the DCEO enlisted and fostered public support in fighting corruption and economic offences from its inception. It prevented the impact of corruption and economic crime through system strengthening across government ministries, examined systems and procedures of government and public bodies to identify corrupt practices or those with the potential to lead to corruption, and provided impartial and independent advice to organisations and individuals (public and private) on preventing corruption/economic crime and reducing its likelihood.

The Systems Integrity Committees (SICs) were initiated by DIAAL in 2005 with the core tasks of facilitating the implementation of recommendations made by DIAAL and using the experience of the examined systems to monitor other functions of ministries. To date, SICs have been established in 11 ministries including Education, Home Affairs and Finance. They report to the chief accounting officer of the ministry and the principal secretary and they comprise heads of key departments from their respective ministries. The SICs employ a two-pronged approach: education and prevention to redress corruption issues in the public sector to ensure efficiency and effectiveness within key departments and analyse operational systems to identify possible flaws in the systems that may create opportunities for corrupt activities. This also involves training public officials on codes of conduct, sensitising them on corruption issues and promoting good service delivery by the departments. The DCEO has encouraged private companies to establish internal codes of conduct that, among other things, prohibit bribery of public officials. To date, most companies have effective internal controls, ethics and programmes to detect and prevent bribery.

Other DCEO initiatives established in 2008 that contributed to reducing corruption included DACCs, BAAC and SIAs. These structures were established to mobilise different sectors of society in the fight against corruption. Their composition is broad based and includes ordinary members of the community, representatives of district-level departments of government and of the business community, civil society, religious groups and community councils, and law enforcement agencies through the office of crime and intelligence unit of the police. DACCs were first established in four districts and subsequently rolled out in three more. The major achievement of these structures has been whistleblowing on suspected cases of corruption at the district level. Discussions with the DCEO revealed that these structures have apprehended even their own district administrators to account for alleged corruption incidences.

The BAAC Lesotho Chapter was launched in March 2012. Although this was a Commonwealth initiative that has already been introduced in other many African countries such as Botswana and Malawi, it was restructured in line with local settings and received high buy-in from all sectors of society. To date, the DCEO has been able to set up BAAC structures in all 10 districts, with a national co-ordinating committee operating from Maseru. The BAAC is composed of the key business organisations such as the Private Sector Foundation of Lesotho, Business Council of Lesotho,

Lesotho Chamber of Commerce and Industry, Ministry of Finance, LRA and law enforcement agencies.

The specific mandate of these committees is to fight corruption within the business sector. Through the BAAC initiative, the business community can jointly address with the government and civil society matters of mutual concern that have a bearing on corruption. For example, discussions on issues of transparency in the government procurement processes often come up in these meetings. Task teams were developed and assigned to develop terms of reference for BAAC, business codes of good practice, an integrity ratings framework and a medium-term strategic plan. The significance of this initiative is that it has put the fight against corruption into the hands of the business community, which is the supply side of bribes and kickbacks in many instances.

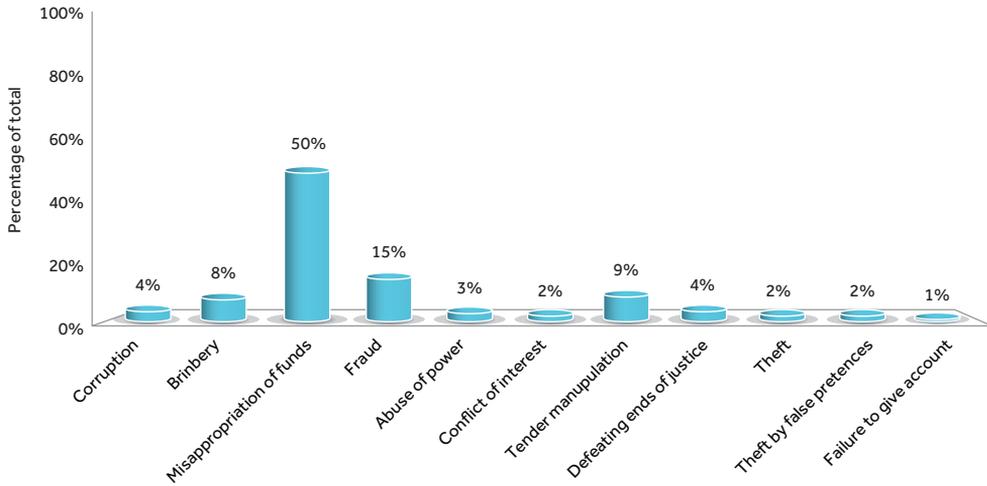
Later in 2012, DCEO launched the SIAs in seven schools in Maseru. The aim of the SIAs was to promote anti-corruption values and principles among learners in all educational institutions (primary and secondary schools, tertiary institutions and universities). The SIAs comprise two committees: a teachers' committee and a students' committee. These work closely together while they engage in educating the public through awareness campaigns through drama, poetry, songs, debate and community-based anti-corruption projects. Discussions with the DCEO pointed out that their long-term plan is to have the programme rolled out to all the schools in Lesotho.

### Performance of the DCEO's anti-corruption strategies

Although the analysis in the foregoing section demonstrates the DCEO's ability to take a whole-government approach in the fight against corruption, the central issue is to what extent this approach has worked in Lesotho.

The literature on corruption identifies four conditions that are generally accepted as necessary for an anti-corruption agency to operate effectively and efficiently: they must be operationally, politically and financially independent, possess powers to instigate investigations, have political support and operate where political leadership is perceived as honest and exemplary (Langseth et al. 1997). The DCEO has been leading the fight against corruption and made noticeable progress with tangible results without much capacity in terms of personnel and financial resources. It received about 1,718 suspected corruption reports from July 2004 to July 2013. Figure 4.1 establishes that 50 per cent of the alleged cases attended during this period were related to misappropriation of public funds or embezzlement, while 15 per cent were about fraud, 9 per cent involved tender manipulation and 8 per cent were for bribery. The figure provides evidence that reported corruption practices are concentrated in the public sector. One important message can be drawn from the figure: that the DCEO strategy of public education and corruption awareness campaigns has been successful given the rate of public reports of suspected corruption incidences. The success of this strategy is affirmed by the Afrobarometer survey results of 2014 in which 6 in 10 (about 60 per cent) respondents say that ordinary Basotho can make

**Figure 4.1 Classification of alleged corruption offences reported to DCEO, July 2004–July 2013**



a difference in the fight against corruption and that reporting corruption is the most effective way that an ordinary person can combat corruption.

Despite public criticisms that the DCEO has been a watch dog with no ‘teeth to bite’ (APRM 2011), evidence from a number of sources proves otherwise. For instance, in 2013, the DCEO indicted both a sitting minister and a former minister for separate incidents of corruption (their cases are pending in court). The sitting minister was indicted on two counts of fraud and bribery totalling more than M43 million (Ntaote 2013). The charges relate to the controversial block farming scheme, aimed at boosting agricultural production in the country, and to a wool and mohair development project. The indictment stated that the former minister – who was the Minister of Natural Resources at the time the offence was allegedly committed – abused his office to facilitate the issuance of mining licences, thereby contravening section 21 of the Prevention of Corruption and Economic Offences Act of 1999 as amended (*Lesotho Times* 2013c).<sup>9</sup>

During the same year, the directorate requested the deputy prime minister (DPM) to provide information relating to monies deposited in his account between April 2013 and January 2014 as per Section 9 (c) (sic) of the Prevention of Corruption and Economic Offences (Amendment) Act No. 8 of 2006. This information was requested after the directorate received information from whistleblowers to the effect that a company named Big Bravo Construction (Pty) Ltd was undeservingly and illegally awarded a tender to construct roads in some villages in Maseru. It was further alleged that the DPM, who at the time was serving as the Minister of Local Government and Chieftainship Affairs, received bribes from the company in order to award it the tender. Based on these allegations, the directorate had commenced a discreet investigation. The DPM filed a constitutional case in which he accused the DCEO of infringing his right to privacy as guaranteed by the Constitution. Although he

lost this case, he appealed to the High Court (Tefo 2015). This case was heard in the Court of Appeal on 19 October 2015 and the DPM lost again. The DPM's challenge as to whether or not the anti-corruption legislation was constitutional appears to have been an attempt to dismantle the oversight institutions by the same leaders who created them. Had the case been decided in his favour, it would probably have paralysed the efficacy in the prevention of corruption in the country.

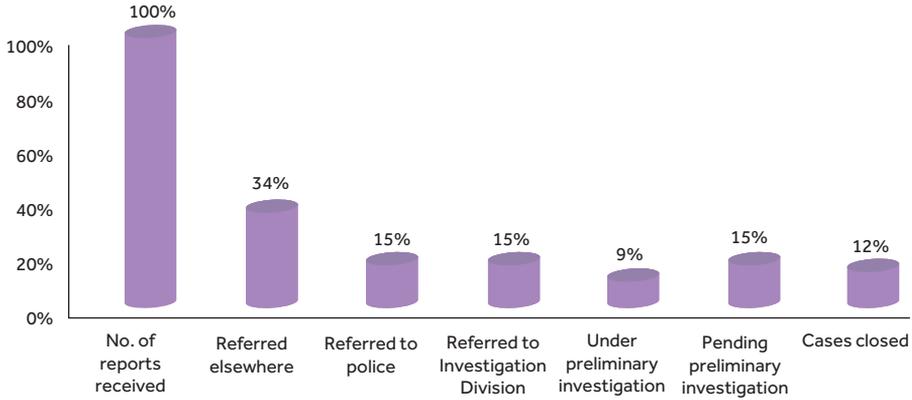
In 2010, the DCEO submitted 50 cases for prosecution and 10 led to convictions. These cases involved government departments, private companies and individual persons of all social standings, including high-profile ones. Among the convicted cases the following are worth noting:

- i. The conviction of the deputy commissioner of police, two assistant commissioners of police and an inspector who were charged with corruption, fraud, bribery, theft by false pretence and obstructing the course of justice. These officers were charged for conspiring to rig tenders for the supply of new police uniforms and for M125,000 in bribes.
- ii. The verdict against a former clerk of the National Assembly who was charged with inflating the price of a photocopier purchased by his ministry. The High Court sentenced him to 10 years' imprisonment with an option to pay a fine of M50,000. After he appealed against the sentence, the Court of Appeal confirmed his conviction and imposed a four-year prison sentence (*Lesotho Times* 2010b).
- iii. During the same year, the sentencing of a former military captain to six years for forging documents in a travel scandal (Lesotho Legal Information Institute 2007).
- iv. The conviction of the chief delegate of the Lesotho Highlands Water Project and his deputy for accepting bribes from a German engineering company, Lahmeyer International GmbH. He escaped to South Africa but his co-accused is currently serving his sentence at Maseru Central Prison (Public Eye 2015).

There are also a number of cases where the investigations have been completed and they are awaiting trial. These include a former principal secretary of public works accused of possible corruption and defrauding the government; a former principal secretary in the Ministry of Finance charged with allegedly defrauding the government of M19 million, alongside his former boss and a businessman; and a former principal secretary in the Ministry of Home Affairs charged with bribery alongside a 43-year-old South African man in the awarding of a contract for the production of national identity documents and passports.

In general, the DCEO has closed 12 per cent of all cases received since 2004 while 15 per cent are under investigation and 24 per cent are either at the preliminary stage of investigation or pending preliminary investigation (see Figure 4.2).

About 300 of those reports were allocated for investigations. The courts have reached a verdict in just over 20 cases, with 18 convictions secured.

**Figure 4.2 Distribution of cases under DCEO (July 2004–July 2013)**

#### 4.2.2 Parallel reforms and their role in the anti-corruption drive

While the DCEO championed the country's anti-corruption strategy, there were several other auxiliary reforms pursued by different institutions that consistently bolstered the fight against corruption. These reforms were mostly targeted at improving efficiency in service delivery and reducing bureaucratic procedures and delays that often result in corruption opportunities. They were also aimed at increasing accountability, transparency and effectiveness in governance. They include the Financial Management reforms that started in 2005, which were focused on procurement and performance-based budgeting and introduced the Medium Term Expenditure Framework as a way of increasing accountability, transparency and effectiveness in government.

More recently the government embarked on a series of far-reaching World Bank-assisted reforms under the Private Sector Competitiveness and Economic Diversification Project (PSCEDP). These reforms included changes to business regulations, industrial licensing and construction permits. The main objective was to remove unnecessary regulatory burdens for the private sector, saving time and costs for registering a business and potentially increasing the numbers of compliant businesses and obtaining construction permits. The rules and procedures for establishing a business in Lesotho were lengthy, cumbersome and costly for the private sector and often opened opportunities for corruption. Although the reform was prolonged over time, its eventual success on completion was evidenced by the introduction of the new 2012 Companies Act, and the creation of the One-Stop Business Facilitation Centre (OBFC), which brought under one roof different government departments and agencies in charge of business start-up and operations. The reform resulted in a more simplified and streamlined company registration system, with a decrease in the number of days required to register a business, from 28 days to 7. This was reflected in an increase in Lesotho's Doing Business ranking by 65 positions in the starting a business indicator, also making it one of the top Doing Business reformers for 2013.

Inspired by the success of the company registration under the OBFC, the government has taken steps to modernise its industrial licensing regime. It recognises that the

current licensing system is cumbersome, unpredictable and non-transparent, involving multiple agencies and resulting in high compliance costs and corruption in the private sector. In order to tackle these shortcomings, the government was supported by the PSCEDP to draft the 2013 Industrial Licensing Bill, which replaced the outdated 1969 Industrial Licensing Act. In 2014, the government entered into the second PSCEDP.<sup>10</sup> Although reforms under the second PSCEDP are still at their nascent stage, it is hoped that they will minimise corruption opportunities. At present the enforcement of construction permits creates opportunities for widespread discretion and corruption. The lessons from the past indicate that inefficient and corrupt construction permit and inspection systems mean lost opportunities for existing and would-be entrepreneurs.

### 4.2.3 The role of Parliament, the media and civil society

#### Parliament

Beyond its commonly understood core role of enacting laws to prevent and curb corruption, Parliament through its Public Accounts Committee (PAC)<sup>11</sup> played a significant role in curbing corruption through legislative scrutiny of public accounts and financial management practices. The PAC was established under the Public Accounts Committee Orders of 1972 but only began its oversight duties in 2002 after more than three decades of inactivity. To implement its functions, the PAC summons accounting officers from government ministries, departments and parastatals responsible for financial management and accountability matters to appear before it and provide explanations of any suspected mismanagement and irregularities in government finances. Following the process of interrogation, the committee makes recommendations for adoption by Parliament. The implementation of recommendations is monitored by the Treasury, which prepares a memorandum on the committee's recommendations.

During the period 2002–2014, the PAC concluded the review and conducted hearings on the audited public accounts for the financial years 1993/94–1996/97 and 2002/03–2009/10 and is yet to tabulate the report for 2011/12–2012/13 to Parliament. In a number of these reviews the PAC has repeatedly sensitised Parliament and the executive to the increasing levels of theft, fraud and embezzlement of public funds in the civil service. The impact of the committee is attested by the number of suspected corruption cases that it identified and forwarded to the DCEO and the Office of the Ombudsman for further investigation and prosecution. Two critical factors underline its successful operations: first, the chairman comes from an official opposition party in Parliament; and, second, the members cannot all come from the ruling party. These requirements ensure its transparency and independence.

#### The media

That the press is important for tackling corruption was observed long ago. David Hume in 1776 argued that a free press is important for keeping the behaviour of government in check, while disclosure of corruption was seen as the major function of the press (Eggelstone 1941). A number of recent studies have shown that better press coverage decreases corruption connected with national funds. For example, Reinikka and Jakob (2005) found that press freedom reduced corruption in government

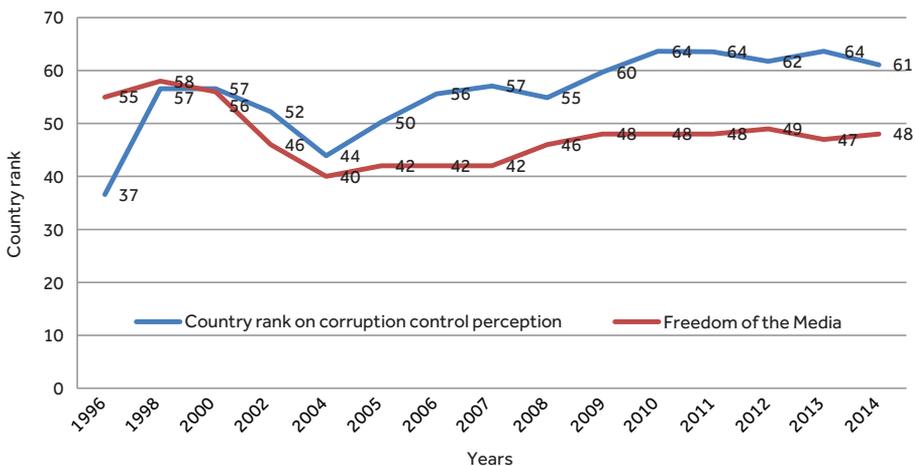
education funds in Uganda. In the context of Lesotho, since the reinstatement of the Constitution – which guarantees political rights and civil liberties, including press freedom – the media has been relatively free to report on corruption scandals. Figure 4.3 shows that in 1996 Lesotho performed relatively badly in terms of the Corruption Perception Index (ranked position 37 out of 100), and during this year the media was relatively repressed (score of 58 where higher scores represent worse performance). Since then, as the freedom of the media improved, corrupted perceptions scores improved too. Interviews supported the notion that the media has played a very important role in the fight against corruption, in particular through taking part in exposing corruption scandals.

The media has served as both a deterrent mechanism to potential perpetrators and a whistleblower regarding corrupt practices. The campaigns to raise awareness and educate the public on corruption issues have also been done through the media. During the period under discussion, there was increased media coverage, including stories exposing enormous corruption even at the higher echelons of power. This prompted some of the private firms to buy advertorials in an attempt to counter poor coverage, presenting emerging media houses with an opportunity to publicise the stories that the mainstream media was ignoring. The Afrobarometer survey shows that the media in Lesotho is appreciated in the fight against corruption: about 59 per cent of respondents said it was ‘very effective’ or ‘somewhat effective’ at revealing government mistakes and corruption (Afrobarometer 2013). The use of social networks as a forum for widespread discussion of national issues also ballooned in the period under review.

### Civil society

Although Lesotho civil society is not highly vibrant like that of other countries such as Ghana, Kenya and South Africa, it has been actively involved in the fight against social injustice and has contributed substantially to the fight against corruption through civic participation and public sector monitoring. Discussions with representatives of

**Figure 4.3 Trends in corruption control perception index and freedom of the media, Lesotho (country rank, 1996–2014)**



civil society groups revealed that they have been involved in DCEO anti-corruption events on an ad hoc basis. Some members of civil society have also been appointed to serve in the District Anti-Corruption Committees (DACCs). A meeting with the Transformation Resource Centre (TRC) – an organisation that deals with issues of citizen participation and accountability – revealed that the TRC has been playing a pivotal role in holding different actors (i.e. government ministries, mines and the business community) accountable.

#### 4.2.4 The impact of anti-corruption strategies

This section presents evidence from three public services centres – Home Affairs, Police Traffic and Revenue Collection – of the impact made by key institutions involved in the fight against corruption.

##### The Ministry of Home Affairs

By replacing its entire manual travel documents issuance system, which was a source of inefficiency and subsequent corruption (i.e. in the form of bribes), with an electronic system that uses biometrics, the Ministry of Home Affairs successfully reduced the impact of corruption that had flooded it over decades.

Previously, bribes had to be paid, for example, to get a passport, to register birth and death or to obtain a driving licence. Given the importance of passports in facilitating access to other services – and the fact that a sizable number of Basotho regularly cross the border into South Africa for various purposes such as seeking jobs, business, medical reasons, schooling and visiting relatives – passport backlogs due to inefficiencies and dysfunctional manual systems led to increasing levels of corruption as people ran out of patience.

In response to a public outcry, the DCEO advised the then Minister of Home Affairs to undertake an international audit to diagnose the problem. This found that it generally took three to four years to obtain a passport but that ‘emergency applications’ gave preferential treatment to the elites with political connections. Increased applications for ‘emergency passports’ led to a disturbance in the normal flow of production as these put money into officers’ pockets (Auditor General 2011). In some instances, immigration officers would refuse to release even the already produced passports until applicants paid a bribe. Temporary travel documents began to be produced, but these were so easily faked that the South African Government refused to accept them (Scott and Weisfelder 2013). South Africa also banned the use of six-month visas issued to Basotho owing to the loss of credibility of the passports, which by then had been found in the possession of foreign nationals who had acquired them fraudulently.<sup>12</sup>

The process of replacing the manual passport system with an automated system that uses biometrics began in 2010. The ministry also introduced a vital registry system and streamlined its processes and procedures. By 2014, the long queues at passport offices were no more. Passports are now usually released within two to three working days or sometimes within the day, showing that the new system is efficient and well organised. However, challenges remain, including political interference that has

changed the documents required for the issuance of a passport and the continued demands from certain politicians that passport and identity issuance officers give priority and favours to their political clients.

### The traffic police

In 2005, before the Traffic Department of the Lesotho Mounted Police Services (LMPS) was reformed, corruption was at the core of the police system. The traffic police in particular were known for extorting bribes. Admittedly salaries were very low, and the police suffered severe resource constraints that contributed to their loss of morality and professionalism. To clean up corruption in the traffic police, ambitious measures were needed.

In 2005, the government launched a series of sweeping reforms that included training of officers; efficient deployment of resources and people; a new performance management system; community policing policies; and government policing oversight agencies (i.e. the Police Complaint Authority, the Police Directorate and the Office of the Inspector of Police) to monitor the activities of the police and ensure that they adhere to common norms. The Commissioner of Police undertook a campaign against corruption within the force, targeting traffic enforcement in particular. To increase monitoring and detect corruption, undercover agents were used to trap other officers suspected of corruption. Another strategy was lobbying the government to increase the salaries of the police in order to incentivise them not to engage in corruption.

The 2005 Zero Tolerance to Crime and Corruption also mobilised community engagement in the fight against corruption and crime, and media campaigns were aimed at changing people's attitudes towards the traffic police. All these strategies resulted in the firing of more than 16 rogue police officers for engaging in corrupt activities (Kabi 2012) and a reduction in road traffic bribes.

### The Lesotho Revenue Authority

Before 2003, corruption in tax administration was common and decimated revenue collection. The then revenue collection agency, the Sales Tax and Customs' Revenue Department, remitted very little revenue collected domestically, as many corrupt officials had been enriching themselves for years (Scott and Weisfelder 2013). In 2001, the government introduced several tax reforms and enacted the Lesotho Revenue Authority Act to establish the Lesotho Revenue Authority (LRA), which became operational in 2003. The Act empowered the LRA to take measures to counteract tax fraud and other fiscal evasion.

Although fighting corruption is not the core mandate of the LRA, from the outset it has engaged aggressively in the fight against tax evasion, smuggling, bribery and fraud in revenue collection. It established an Internal Affairs Unit to deal with investigations into suspected corruption and fraud among its staff. During its first year of operations, the unit cracked down on potential internal tax fraud and saved the country millions of maloti (LRA 2004). During the same year, the authority

introduced a toll-free line for the public to report suspected cases of tax evasion, smuggling, under declaration and any other form of corruption.

In 2005, a tax amnesty was declared under the Tax Amnesty Act No. 9 of 2004 to allow taxpayers to start on a clean slate and break the past culture of non-compliance and tax evasion. The authority solicited support from the LMPS and DCEO that involved the attachment of police officers at LRA offices, and the arrest of some officers suspected of corruption became a deterrent. As a result of co-operation between these institutions, a number of tax evasion cases were successfully investigated and litigated.

In 2005, the Anti-Smuggling Unit was established to deal with fraud and smuggling at the customs and excise department. In addition, LRA established other complementary approaches to enhance its effectiveness and root out corrupt practices. These included provision of taxpayer education through tax clinics and radio broadcasting (i.e. 'Mokhafisi' Radio Programme); one-to-one meetings with taxpayers; strengthening audit and assessment capacity; improvements in imports and exports procedures; computerisation of tax payers' identification numbers; introduction of computerised financial and human resource management information system; simplification of revenue laws and introduction of performance development management system; and the establishment of an ethics unit with the responsibility of training all LRA staff on issues of ethics in tax.

The authority has been running anti-corruption awareness and integrity campaigns with the DCEO for its staff and the public through a series of workshops and media outlets across the country. In addition, it crafted the Whistle Blowing Policy, which has been a milestone achievement given that the country does not have a law to protect whistleblowers.

These strategies drastically reduced corruption in revenue collection. In 2012–2013, the LRA prosecuted about 64 cases of bribery, tax evasion and fraud. Consequently, its domestic revenue remittances to government increased by more than 191 per cent, from M1.37 million realised in 2003–2004 to almost M4 million in 2012–2013, and total tax remittances have increased by about 238 per cent over a 10-year period (see Table 4.1). As tax revenues increased, salaries increased. Staff incentives were changed by the introduction of performance evaluations based on the ability to collect taxes. Monitoring was also improved and target levels of tax collection were set and monitored.

### 4.3 Conclusion: lessons, challenges and recommendations

Lesotho has made progress in creating institutions necessary for good governance in general and political accountability. As far back as the late 1990s, the country built an anti-corruption institution possessing real influence and sustained by the lack of political interference in corruption cases. Lately, the country has promoted a broad-based coalition of institutions, businesses and civil society to combat corruption. These anti-corruption forces have delivered the hope that victory in the fight against corruption is possible. It is clear from the experience of Lesotho that economic and political reforms and competition are insufficient to prevent and reduce corruption significantly. What helps are more effective organs of oversight and accountability,

**Table 4.1 Tax revenue remittances to the government for 2003–2004 to 2012–2013 (M million)**

Year	Customs and excise revenue	Domestic tax revenue	% change in domestic tax	Total tax revenue	% change in total tax revenue	Prosecuted corruption cases
2003–04	1,421.7	1,372.0	–	2,793.7	–	–
2004–05	2,012.5	1,598.4	17	3,610.9	29	3
2005–06	2,306.2	1,580.2	–1	3,886.5	8	31
2007–08	3,822.3	1,687.7	7	4,468.9	15	–
2008–09	4,901.1	2,069.3	23	5,891.6	32	23
2009–10	2,911.9	2,530.4	22	7,431.5	26	58
2010–11	3,571.6	2,815.3	11	5,727.2	–23	41
2011–12	4,103.0	3,276.8	16	6,848.3	20	56
2012–13	5,438.0	3,995.4	22	9,433.4	38	64

**Note:** Domestic tax revenue comprises both income tax and value added tax.

**Source:** LRA Annual Reports (2003–2014); author with information from LRA.

reinforced by independent and free media and effective civil society groups. In the public sphere, the most important anti-corruption forces are sound ethics and a strong sense of public responsibility. But ethical values are often outweighed by other factors: poverty, political pressure, increasing social inequalities and political competition that may induce officials to do wrong. Lesotho's experience provides a further lesson that, even where traditions of corruption are deeply entrenched, efficiency of systems in service delivery driven by political will and societal ethical transformation can change people's incentive to engage in corrupt activities. However, several challenges as articulated above remain, which could reverse the gains made so far.

#### 4.3.1 Lessons

The key salient factor leading to success in fighting corruption always starts with political will at the level of policy-makers. The fact that Lesotho's political administrations were able to enact appropriate laws, establish institutions and allowed these institutions to perform their duties as mandated by law even when odds were not in their favour is quite critical. During the period under review, the DCEO worked closely with other agencies and oversight institutions – the police, the Lesotho Tax Revenue Authority and Audit Office, to name a few – to share information and fight maladministration, which is a potential corruption avenue. The Directorate also worked well with all other sectors of society, a typical example being the successful holding of the National Dialogue on Corruption in 2013, in which about 250 stakeholders drawn from all sectors of society participated. This national dialogue on corruption resulted in the development of the National Anti-Corruption Strategy and Action Plan 2014/15–2018/19. Another factor underlying this success has been the absence of political interference in the corruption cases even when such cases involved members of the ruling coalition. This gave the DCEO confidence and strengthened the fight against corruption.

The success of the anti-corruption reforms and the gains made so far also hinged largely on Lesotho's independent judiciary, which remained to a larger extent resilient in the face of political challenges and was able to adhere to separation of powers as prescribed in the Constitution. In addition, the country's commitment to a number of international organisations and bodies that fight against corruption has also played a role. These international bodies have supported the country both technically and financially in its efforts to root out corruption. In 2005, the country acceded to the United Nations Convention Against Corruption (UNCAC) through adoption of Article 68 (1) of Resolution 58/4. In 2012/13, the DCEO received technical assistance from the Commonwealth Office to help fine-tune its anti-corruption strategy, and there has been continued support from the Commonwealth through annual discussion forums where anti-corruption bodies meet and share their experiences and challenges.

Immense support also came from a number of continental and regional anti-corruption instruments that the country ratified under the African Union (AU) Convention on Preventing and Combating Corruption and Southern African Development Community (SADC) Protocol against Corruption, which the country ratified in 2003 and 2001 respectively. At the regional level, the country became a member of the Southern African Forum Against Corruption in 2002, and even chaired the forum from October 2012 to November 2013. Moreover, the country's membership of the African Peer Review Mechanism (APRM) and the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), a Financial Action Task Force-style regional body involved in the fight against corruption, provided further support in the fight against corruption.

### 4.3.2 Challenges

Despite these positive developments and achievements, there are several challenges that merit attention in the fight against corruption in Lesotho. These include:

- The lack of qualified personnel and financial resources devolved to the DCEO to carry out its mandate effectively.
- Inefficiencies in the delivery of justice with some cases going on for two or three years before a verdict, which reduces the morale of actors and institutions that have taken a lead in the fight against corruption.
- Weak accountability systems across certain institutions and underfunded oversight bodies.
- Lack of skills such as forensic audit, investigative journalism and financial crime investigation.
- Uncompetitive remuneration offered by the DCEO, DPP, LMPS and FIU, which has invariably led to loss of experienced personnel to the private sector.
- The absence of a rectified Access to Information Bill.
- Lack of extradition treaties with some major trading partners, which became evident in the case of *Sole v. LHDA* and makes it difficult for law enforcement agencies when corruption offences are committed locally and perpetrators relocate to their countries of origin.

- A mismatch in the legal framework between financial penalties and imprisonment terms imposed on perpetrators. Most punitive financial measures tend to be outdated and do not correspond to imprisonment terms and thus would possibly not act to deter would-be wrongdoers.

Added to this, public policing duties are reactive and thus do not stress prevention, which is a more effective method of fighting corruption. Civil society faces a challenge of a lack of resources and expertise in their anti-corruption fight. Over the past years they have experienced high staff turnover due to their diminished resources. The lack of resources has limited their operations in Maseru and they rarely have the capacity to expand into the interior parts of the country.

In addition, the increasing socio-economic problems (i.e. inequalities, unemployment levels estimated at more than 25 per cent of the labour force and more than half of the population living below the poverty line) might reverse the gains made so far in the corruption fight. Last, the country remains largely a cash economy and this makes controlling corruption more challenging.

### 4.3.3 Recommendations

In light of the foregoing challenges, and in recognition that there is no single solution in fighting corruption, the study recommends the following:

1. Identify successful champions within institutions in the country and use their best practices to assist the ailing ministries and other public or private service centres. The identified champions need to be provided with incentives for good performance to encourage continued improvement by institutions. This should be done at an annual anti-corruption champions' day and be widely publicised.
2. Enact whistleblowers legislation and its corresponding regulations to protect whistleblowers and enhance their willingness to continue exposing suspected corruption. Such legislation should contain strict penalties against anyone who victimises or retaliates against those that disclose suspected corruption. The LRA has a policy on whistleblowing and this should serve as a starting point. At the same time, the long-standing Information Bill needs to be passed into law urgently.
3. Eliminate political appointees in public positions. In the light of the common practice by which public servants are appointed based on their political affiliations, there is a need to urgently review the recruitment process of the public service and adhere to the public service commission's regulations. The commission needs to be technically empowered and respected by all political administrations lest they undermine its independence and autonomy. The screening processes for public servants should be strengthened and made more transparent.
4. Enact a law on a code of ethics across all institutions (both public and private) in the country and sensitise all leaders at different levels of leadership about this code. It should be mandatory for companies, parastatals and public bodies to adopt the code of ethics.

5. Institutionalise the declaration of assets by both private and public servants, review the regulations governing declaration of assets and interest and sensitise and obtain the buy-in of all relevant stakeholders. Before the enforcement of the law governing the declaration of assets, adopt best practices from peer countries on how to protect the assets of those that have declared them.
6. Review the law to make the DCEO and other oversight bodies financially and technically independent. At present, the DCEO is underfunded and this has stripped it off its financial independence and curtailed its operational independence. The government needs to devise a financing model for the DCEO and other oversight bodies, which does not depend on a discretionary government subvention. Perhaps a rule-based model similar to that of central bank financing would work better for these important bodies. Enhancing the financial independence of the DCEO will also allow it to train its staff in technical areas where it lacks expertise.
7. Strengthen leadership commitment to the fight against corruption. Leaders at all levels need to regularly make strong public statements against corruption and should publicly declare their assets and interests in order to build trust and pave the way for the rest of the society. They should continue to allow the DCEO to be independent politically and support it financially and technically.

## Annex 4.1 Anti-corruption legal and institutional framework

Legal and institutional anti-corruption framework	Main institutions involved in the fight against corruption
1. Constitution of Lesotho of 1993	1. Directorate of Corruption and Economic Offences
2. Criminal Procedure and Evidence Act of 1981	2. Lesotho Revenue Authority
3. Penal Code No.6 of 2010	3. The Office of the Ombudsman
4. Prevention of Corruption and Economic Offences Act of 1999	4. Business Action Against Corruption (BAAC)
5. Prevention of Corruption and Economic Offences (Amendment) Act of 2006	5. Parliamentary Public Accounts Committee
6. Public Procurement Regulations of 2007	6. Office of the Auditor General
7. Money Laundering and Proceeds of Crime Act No.4 of 2008	7. Crime and Investigation Unit of the Lesotho Mounted Police
8. Public Finance Management Act of 2011	8. District Anti-Corruption Committees (DACCs)
9. Lesotho Revenue Authority Act of 2001	9. Students Integrity Associations (SIAs)
10. Treasury Regulations of 2014	10. Financial Intelligence Unit (FIU)
11. Income Tax Act No. 10 of 1993	11. Transformation Resource Centre
12. Public Service Act of 2005	12. DIAAL institutions
13. National Electoral Act of 2011	13. Lesotho Council of NGOs
14. Lesotho Parliamentary Standing Orders	14. Media Houses 15. Directorate of Public Prosecution (DPP)

## Annex 4.2 List of main stakeholders consulted

<b>Name of representative(s)</b>	<b>Name of organisation(s)</b>	<b>Position in organisation</b>
1. Motlamelle Kapa	National University of Lesotho	Senior Lecturer
2. Seboka T. Thamae	Business Action Against Corruption	Member
3. Thabang Matjama	MISA – Lesotho	Reporter
4. Leshele Thoahlane	Office of the Ombudsman	Director General
5. Hon. Moeketsi Vincent Malebo	Ministry of Justice	Minister of Justice and Former Chair of PAC
6. Monica Besetsa	Office of the Auditor General	Deputy Auditor General
7. Litelu Ramokhoro	Directorate of Corruption and Economic Offences	Director of Public Education and Corruption Prevention
8. Holomo Molibeli	Crime and Investigation Unit, LMPS	Deputy Commissioner
9. Khoeli M.	Crime and Investigation Unit, LMPS	Senior Inspector
10. Lebona Mohloboli	Crime and Investigation Unit, LMPS	Senior Inspector
11. Molefe Clifford	Crime and Investigation Unit, LMPS	Senior Inspector
12. Mphaka L.R.	Office of Accountant General	Accountant General
13. Rant'si Tlatlai	Standard Bank of Lesotho	Head of Financial Crime Control Unit
14. Kopo Moneuoa	Lesotho Revenue Authority	Senior Manager – Internal Affairs   Assurance Services
15. Palesa Khabele	Financial Intelligence Unit	Director
16. Lenka T.	Transformation Resource Centre	Programme Manager
17. Reporter	<i>Public Eye</i> Newspaper	Reporter
18. Reporter	<i>Lesotho Times</i> Newspaper	Reporter
19. Ambassador Matthew T. Harrington	American Embassy	Ambassador to Lesotho
20. Thabo Mosoeunyane	UNDP	Governance Specialist
21. Daniel Rafube	Christian Council of Lesotho	–
22. Morero Sehlabane	DACC	Member
23. Thabo Qhesi	Private Sector Foundation	Director
24. Ntsebeng Motsoeli	<i>Lesotho Times</i> Newspaper	Reporter
25. Mphasa Mokhochane	Independent Electoral Commission	Deputy Director
26. Fako Likoti	Office of the Prime Minister	Government Political Adviser
27. Mosito Kananelo	Court of Appeal	President of Court of Appeal
28. Leaba L. Thetsane	Directorate of Public Prosecution	Public Prosecutor

(Continued)

<b>Name of representative(s)</b>	<b>Name of organisation(s)</b>	<b>Position in organisation</b>
<b>29.</b> Tumelo Raboletse	Ministry of Home Affairs	Director of Civil Registry and Identity Documents
<b>30.</b> M. Rafono	Ministry of Home Affairs	Director of Immigration
<b>31.</b> Mapalesa Rapapa	Ministry of Finance	Principal Secretary
<b>32.</b> Samonyane Ntsekele	ABC/Kobo-Tata	Secretary General
<b>33.</b> Hon. Mokhele Moletsane	Ministry of Public Works and Transport	Deputy Minister
<b>34.</b> Lindiwe Sephomolo	Association of Lesotho Employees	–
<b>35.</b> Mapetla M.	National University of Lesotho	Senior Lecturer
<b>36.</b> Makoa Kopano	National University of Lesotho	Retired Professor

## Notes

- 1 Peete (1999) noted that corrupt practices were present long before the 23 years of the autocratic rule and before the political transition in 1993, and that corruption was engraved in the Basotho culture in the form of gifts and tokens that were traditionally exchanged for certain favours. The recipients of such bribes were tribal chiefs who demanded them for the allocation of plots of lands to their subjects. Yet in contemporary Basotho society such bribes are no longer limited to chiefs but extend to all those entrusted with power but who abuse it for their personal gains.
- 2 See various Auditor General's Reports from 1980 to 1993.
- 3 The DCEO was established through the Prevention of Corruption and Economic Offences Act No.5 of 1999.
- 4 However, De Lancer and Villaria (2014) and Graycar and Prenzler (2013) argue that perceptions about corruption do not translate into incidence and do not help in understanding its prevalence in a society. Accordingly, such surveys must be accompanied by solid criminological data, evidence, reports or complaints in order to determine the true nature and extent of corruption in a society.
- 5 An interview with a group of textile workers indicated that corruption in the form of bribery to secure jobs in the textile industry has become commonplace.
- 6 The former Prime Minister argued that the appointment of political party affiliates expressed the composition of the government triumvirate of the ABC, the Lesotho Congress for Democracy (LCD) and the Basotho National Party (BNP) (Koloi 2014).
- 7 Public assemblies.
- 8 In May 2018, US\$ 1 = M12.55.
- 9 The minister was indicted alongside four businessmen who are all directors of the Mafeteng-based firm Refela Holdings. The businessmen allegedly failed to comply with the said legislation between 1 and 29 May 2012 when acquiring licences to prospect for diamonds in Ha Ramatšeliselo and Mosaqane in the Qacha's Nek district.
- 10 The second PSCEDP is aimed at supporting the streamlining of the construction permit system in the Maseru City Council by automating the document workflow, digitising back-office functions and digitising the archive where possible to create automated, predictable and transparent systems to reduce the time, cost and regulatory burden for the private sector and the transaction costs for the council.
- 11 The PAC is composed of 25 MPs (from the ruling party, official opposition and crossbenchers). It invites the DCEO, LMPS, NSS, Auditor General and Accountant General to sit in on the cross-examination.
- 12 Lesotho passports were reportedly sold in South Africa for between R10,000 and R15,000 (Molomo 2010). In one case decided by the High Court of Lesotho, Nigerian men were found guilty of illegally possessing Lesotho passports.

## References

- APRM (African Peer Review Mechanism). 2011. *Country Review Report No. 12: Kingdom of Lesotho*. Johannesburg: APRM.
- Afrobarometer. 2013. *Summary of Results: Afrobarometer Round 5 – Survey in Lesotho 2012*. Maseru: Advision, Lesotho.
- Auditor General. 2011. *Report of the Auditor General*, Government of Lesotho, Government Printers, Maseru, Lesotho.
- Daniel, S. 2010. *Reining in a Rogue Agency: Police Reform in Lesotho, 1997–2010*. Innovation for Successful Societies series. Princeton, NJ: Princeton University.
- De Lancer, J. and M. Villoria 2014. ‘Understanding and Addressing Citizens Perception about Corruption: The Case of Spain.’ *International Review of Public Administration*, Vol. 19 (1), 23–43.
- DCEO (Directorate of Corruption and Economic Offenses). 2014. *National Anti-Corruption Strategic Action Plan 2014/15–2017/18*. Maseru 100, Lesotho: UNDP.
- \_\_\_\_\_. 2013. *Harnessing Political Will to Fight Corruption at All Levels of Leadership*. Maseru: DCEO.
- Eggleston, W. 1941. ‘Press Censorship.’ *Canadian Journal of Economics and Political Science*, Vol. 7 (3), 313–323.
- Financial Intelligence Unit. 2014. Annual Topologies Report, Lesotho Government, Maseru, Lesotho.
- Government of Lesotho. 1980. *National Development Plan, 1980–1985*. Maseru: Government Printers.
- \_\_\_\_\_. 2000. *Lesotho Vision 2020*. Maseru: Government Printers.
- Graycar, A. 2015. ‘Corruption Classification and Analysis.’ *Policy and Society*, Vol. 34, 87–96.
- Graycar, A. and T. Prenzler 2013. *Understanding and Preventing Corruption*. Basingstoke, UK: Palgrave Macmillan.
- Heritage Foundation. 2014. 2014 Index of Economic Freedom, The Wall Street Journal, The Heritage Foundation and Dow Jones & Company, Inc, Washington, DC.
- Hume, D. 1776. ‘On the Liberty of the Press.’ Available at: <http://www.constitution.org/dh/libpress.txt>
- Kabi, P. 2012. ‘16 Rogue Policy Officers Fired.’ *Lesotho Times* 20 December, p. 2.
- Karklins, R. 2002. ‘Topology of Post Communist Corruption,’ *Problems of Post-Communism*, Vol. 49 (4), 22–32.
- Koloi, B. 2014. ‘Coalition Parties Represented in IEC.’ *Lesotho Times*, 23 January.
- Langseth, P., R. Stapenhurst and J. Pope 1997. ‘The role of a national integrity system in fighting corruption,’ *EDI Working Papers*. World Bank, Washington, DC.
- Lesotho Legal Information Institute. 2007. ‘Mahase v Director of Public Prosecutions (11/2006) [2007] LSCA 15 (24 October 2007),’ available at <https://lesotholii.org/node/3104/>, (accessed 12 December 2016).
- Lesotho Revenue Authority (LRA). 2004. *Annual Report*. Maseru: LRA.
- \_\_\_\_\_. 2005. *Annual Report*. Maseru: LRA.
- \_\_\_\_\_. 2006. *Annual Report*. Maseru: LRA.

- \_\_\_\_\_. 2007. *Annual Report*. Maseru: LRA.
- \_\_\_\_\_. 2008. *Annual Report*. Maseru: LRA.
- \_\_\_\_\_. 2009. *Annual Report*. Maseru: LRA.
- \_\_\_\_\_. 2010. *Annual Report*. Maseru: LRA.
- \_\_\_\_\_. 2012. *Annual Report*. Maseru: LRA.
- \_\_\_\_\_. 2013. *Annual Report*. Maseru: LRA.
- Lesotho Times*. 2009a. 'Man Facing M2.8m Fraud Charge Appeals Bail Ruling'. 14 October.
- \_\_\_\_\_. 2009b. 'Principal Secretary Sentenced'. 22 January.
- \_\_\_\_\_. 2010a. 'Corrupt Cop Escapes Jail'. 27 January.
- \_\_\_\_\_. 2010b. 'Court of Appeal Nails Matete'. 27 October.
- \_\_\_\_\_. 2010c. 'Another LHWP boss faces jail'. 15 September.
- \_\_\_\_\_. 2011a. 'PM's Office Corruption Saga'. 1 September.
- \_\_\_\_\_. 2011b. 'Cabinet Officer Acquitted of Corruption Charges'. 1 September.
- \_\_\_\_\_. 2011c. 'Law Society Urges PM to Probe Graft in Judiciary'. 23 November.
- \_\_\_\_\_. 2011d. 'PM Warns Civil Servants against Corruption'. 15 December.
- \_\_\_\_\_. 2012a. 'LMPS Launches "Roving Courts" in Crackdown on Corrupt Officers'. 15 February.
- \_\_\_\_\_. 2012b. 'Public Sector Corruption Just a Tip of the Iceberg'. 9 May.
- \_\_\_\_\_. 2013a. 'Moleleki Corruption Case Postponed Once Again'. 13 August.
- \_\_\_\_\_. 2013b. 'DCEO Initiates Corruption Awareness in Schools'. 12 September.
- \_\_\_\_\_. 2013c. 'Thahane's Dismissal Hailed'. 7 November.
- \_\_\_\_\_. 2014. 'Director Grilled over M170 000 Nikuv "Loan"'. 6 November.
- \_\_\_\_\_. 2015a. 'PM Forced to Testify in Thahane Trial'. 4 June.
- \_\_\_\_\_. 2015b. 'Metsing's Corruption Trial Set for 9 September'. 1 September.
- \_\_\_\_\_. 2015c. 'Agencies Launch Anti-corruption Campaign'. 10 September.
- \_\_\_\_\_. 2015d. 'Fighting Crime the FIU Way'. 12 November.
- Letete, E.M. and T. Mahloane. 2014. 'Corruption and Entrepreneurship in Lesotho: Does Corruption Reduce Incentives to Become Entrepreneur?' *Department of Economics Friday Working Paper Series*. Lesotho: National University of Lesotho.
- Letete, E.M. and R. Thamae. 2014. 'Corruption at Traffic Department: Why Do Drivers Pay for Immorality?' *Department of Economics Working Paper Series*. Lesotho: National University of Lesotho.
- Mahoaba Majoro. 2010. 'Top Cops Face Corruption Charges'. *Public Eye*, 12 October.
- Matope, T. 2014. 'I Am Concerned about Reports of Corruption in My Ministry'. *Lesotho Times*, 10 July.
- Molomo, N. 2010. 'Sisters use fake passport to defraud money lender'. *Sunday Express Newspaper*, Sunday 10, 2010.
- Ntaote, B. 2013. 'Thahane's Dismissal Hailed'. *Lesotho Times*, 7 November.
- \_\_\_\_\_. 2014. 'Nthane Brothers under Fire'. *Lesotho Times*, 28 March.
- Peete, S.N. 1996. *Report on Research on Corruption and Economic Crime in Lesotho*. Maseru: Danish Centre for Human Rights.
- Ralengau, M. 2013. 'Lesotho Water Minister Dismissed after Being Charged with Fraud'. Available at: <https://www.bloomberg.com/news/articles/2013-11-05/lesotho-water-minister-dismissed-after-being-charged-with-fraud>

- Reinikka, R. and S. Jakob 2005. 'Fighting Corruption to Improve Schooling: Evidence from a Newspaper's Campaign in Uganda.' *Journal of European Economic Association*, Vol. 3 (2-3), 259-267.
- Sarre, R., K.D. Dilip and H.J. Albrecht. 2005. '*Policing Corruption: International Perspectives*'. Lexington Books, Oxford, UK.
- Scott, R. and R.F. Weisfelder. 2013. *Historical Dictionary of Lesotho (Historical Dictionaries of Africa)*. Scarecrow Press.
- Tefo, T. 2015. 'Metsing Fails to Stop Corruption Probe'. *Sunday Express*, 8 November.
- Thetsane, L.L. 2001. *Prosecuting Bribery in Lesotho: R.V. Sole and Others*. Lesotho Legal Information Institute.
- Transparency International. 2014. 'Corruption Perception Index 2014'. Available at: [www.transparency.org/cpi2014](http://www.transparency.org/cpi2014).
- United Nations Department of Technical Cooperation in Development and United Nations Centre for Social Development and Humanitarian Affairs. 1990. *Corruption in Government: Report of an International Seminar*. New York: United Nations.
- United States Agency for International Development (USAID) Center for Democracy and Governance. 1999. *Handbook on Fighting Corruption*. Washington, DC: USAID.
- World Bank. 2014. *CPIA Transparency, Accountability and Corruption in the Public Sector Rating Database*. Washington, DC: World Bank.
- World Bank Institute. 2014. *World Governance Indicators Database*. Washington, DC: World Bank.

## Chapter 5

### Rwanda

---

*By Real Group Ltd*

#### Summary

Various sources consulted in this report indicate that Rwanda has made remarkable progress in controlling corruption since the 1994 genocide. The country went through a painful process of reconstruction, including rebuilding all governance systems, structures and institutions. Anti-corruption efforts have focused on strengthening the legal and institutional framework, improving government effectiveness, building a strong and competent public service, reforming public finance management systems and prosecuting corrupt officials at all levels of the public sector.

The government is reported to have conducted a robust fight against corruption and has put a number of measures and institutions in place such as the Rwanda Public Procurement Authority, Office of the Ombudsman, Rwanda National Police, National Prosecutor General Authority, Auditor General and Rwanda Revenue Authority. These efforts seem to have yielded results, with the country performing better than many other African countries in terms of control of corruption on most governance indicators.

In spite of these efforts, corruption remains prevalent in the country and there have been instances of embezzlement of tax and public funds, fraudulent procurement practices and judicial corruption as well as high-ranking officials involved in corrupt practices. Sectors most affected by corruption include the judiciary, public finance management, public administration and public procurements.

In seeking effective ways of reducing corruption, Rwanda has adopted a radical rather than incremental approach, focusing on simultaneously strengthening systems on several fronts rather than progressively introducing reforms in selected areas and sectors.

What stands out and probably contributes the most to the successful fight against corruption is the government's clear and public emphasis on zero tolerance of corruption. Sustaining the progress that has been made will depend on continued political will, public awareness and strengthening of public institutions to lead the fight against corruption.

#### 5.1 Introduction

Rwanda made international headlines in 1994 when the genocide – one of the worst tragedies since World War II – claimed an appalling number of victims, left the country shattered and exposed the international community's indifference. During the genocide, an estimated 800,000 people were killed in 100 days.

In spite of the sombre image associated with such a calamity, Rwanda has been able to change its reputation in recent years and, thanks to sustained high growth rates, has increasingly been seen as a development model. Improved governance and political stability are often quoted as key reasons for the country's economic success.

Rwanda was selected as a case study owing to its relatively strong score on Transparency International's Corruption Perceptions Index (CPI) in 2014, and also because it has registered a significant improvement in its score on this index over the past decade. The objective of the study is to provide a qualitative analysis of what works in the fight against corruption in the country by identifying the institutions that have taken the lead in reducing corruption and account for the factors – both technical and political – that have enabled these institutions to implement successful anti-corruption strategies.

### 5.1.1 Methodology

The selected research approach for this case study began with a rigorous literature review of recent publications on corruption in Rwanda, and in Africa in general. The literature included reports, research papers, policy documents and other such materials that are available in the public domain. This provided a great deal of information but it was not entirely current. It was therefore supplemented with key informant interviews to provide more recent and first-hand information from those directly or indirectly involved in the fight against corruption in the country.

A semistructured discussion guide was developed in English and translated into Kinyarwanda and French before being shared with the targeted respondents, who were key authority figures in their respective institutions. The paper also builds on the author's first-hand experience of living and working as a market research practitioner in Rwanda, on direct observation and on countless informal interactions and exchanges of views.

### 5.1.2 Political and socio-economic context

Rwanda is a small, landlocked country located in central East Africa. A former Belgian colony,<sup>1</sup> its population, according to the 2012 census, is estimated at around 11 million spread over 26,338 square kilometres, making it Africa's most densely populated country. Its gross domestic product (GDP) was estimated in 2016 at US\$8.36 billion (World Bank 2016a) while its GDP per capita was estimated at US\$702.8 (World Bank 2016b).

Despite progress, 44.9 per cent of the population still lives in poverty and 24 per cent in extreme poverty (see National Institute of Statistics 2013/2014), while the UNDP Human Development Index 2012 (UNDP 2013) ranks Rwanda 167th out of 187 countries.

Rwanda is a country at peace and often considered 'among the most stable on the continent' (World Bank 2008). Its GDP has registered an average annual growth rate

of 7–8 per cent since 2003, hitting 8 per cent in 2012, making it the world's 10th fastest-growing economy in the 2000–2010 decade. Extreme poverty is reported to have decreased dramatically.<sup>2</sup>

The World Bank Doing Business reports indicate that Rwanda improved its world ranking by almost 100 positions from 150th in 2008 to 46th in 2015. A number of socio-economic indicators – including school enrolment, life expectancy, child mortality and prevalence of HIV – have significantly improved (see the World Bank's 2009–2012 World Development Indicators) and the Human Development Index (HDI) has reflected such improvements.<sup>3</sup>

An important contribution to these achievements has been foreign aid, which has been injected in large quantities by donors since the aftermath of the genocide, making Rwanda a so-called 'aid darling'.<sup>4</sup> While a discussion on why donors invest so much in the country is well beyond the scope of this paper, the reasons are likely to include guilt for the international community's inaction during the genocide, genuine appreciation of its efficiency at managing aid and achieving poverty-reduction results, the government's ability to use 'donor-friendly language and positioning' and donors' 'desire for African success stories'. What is important to stress here is that overall, thanks to its performance in recent years in economic growth and socio-economic fields, many observers now consider Rwanda a clear success story and even a development model for other countries.<sup>5</sup>

## 5.2 Combating corruption

For the purposes of this case study, corruption is broadly defined as the abuse of entrusted power for private gain. It has many forms that include bribery, extortion, fraud and embezzlement and is one of the main challenges facing governance and economic development in the world. Corrupt institutions and systems prevent inclusive, fair, effective and efficient service delivery to people. In the same vein, corrupt economic systems can hardly offer a legal and political environment that is likely to boost fair and competitive economy.

In Rwanda the fight against corruption is a major part of a larger fight against economic crimes and financial malpractices. The government policy of 'zero tolerance' towards corruption coupled with immense political will has led to a number of anti-corruption measures over the past decade, and the impact of these is showing in various local and international ratings on corruption.

One of the key reasons behind the improvements of the last few years is considered to be governance.<sup>6</sup> The government is commended for its high degree of organisation, its capacity to manage resources efficiently and its focus on delivering results. The country has also achieved significant progress over the last years in terms of government effectiveness and transparency of the regulatory framework.

According to the 2015 edition of Transparency International's Corruption Perceptions Index, Rwanda improved its score from 49 in 2014 to 54 in 2015. This

score was estimated as the average score of the G20 countries. The fourth best performer on the continent and 44th worldwide, it has again emerged the least corrupt country in the East African Community, followed by Tanzania, Kenya, Uganda and Burundi.

Rwanda's commitment to improve governance has also been demonstrated by its participation in the New Partnership for Africa's Development's African Peer Review Mechanism (APRM). The APRM encourages participating states to ensure that their policies and practices conform to agreed political, economic and corporate governance values. Rwanda was among the first 16 countries to accede to the APRM and the second in which the review process was launched. The APRM's report for Rwanda was adopted in July 2006.

The government's political will to fight corruption has been translated into a number of new laws and institutions.

### 5.2.1 Legal framework

The legal anti-corruption framework is considered very strong in Rwanda. At its heart is Law No. 23/2003 on Prevention and Repression of Corruption and Related Offences, but a number of other laws include commitments to the fight against corruption (see below), particularly the Penal Code in Articles 220–227. Rwanda has also signed and ratified most international anti-corruption conventions, including:

- African Union Convention on Preventing and Combating Corruption (signed December 2003; ratified June 2004);
- United Nations Convention against Corruption (signed November 2004; ratified October 2006); and
- United Nations Convention against Transnational Organized Crime (signed December 2000; ratified September 2003).

In addition, the government adopted a code of conduct and rules of disclosure for public officials. Asset declaration for politicians and civil servants was included in the 2003 Constitution, requiring public officials to declare their wealth. The Office of the Ombudsman adopted a strong stance in this regard, declaring that those who do not comply would face prosecution. According to the Great Lakes Centre of Strategic Studies overview of corruption in Rwanda, the office reported in 2006 that 3,490 politicians and other civil servants were asked to declare their wealth. Among them, 72 per cent have declared their wealth while 28 per cent are still completing the process.

In 2010, the Ombudsman conducted further research (in Kinyarwanda) to identify the impact of declaring assets and property.<sup>7</sup> Results showed improvement in the management of public assets and private assets. Transparency in the management of public assets had also increased and the embezzlement of public assets had been reduced.

A whistleblower protection law was approved in September 2012.

### Laws containing commitments to anti-corruption

- The Constitution of Rwanda of 2003 as amended to date
- Law No. 12/2007 of 27/03/2007 on public procurement as modified and complemented to date
- Law No. 23/2003 of 07/08/2003, relating to prevention, repression and punishment of corruption and related offences
- Ministerial Order No. 001/14/10/TC of 19/02/2014 establishing regulations on public procurement, standard bidding documents and standard contracts
- Ministerial Order No. 001/08/10/MIN of 16/01/2008 establishing regulations on public procurement and standard bidding documents

### 5.2.2 Institutional framework

Major reforms have taken place with the establishment of a number of government institutions particularly focusing on corruption-related issues including the Office of the Ombudsman, the Rwanda Public Procurement Authority, the Office of the Auditor General, the Anti-Corruption Unit in the Rwanda Revenue Authority and the Public Procurement Appeals Commission. Moreover, the Public Accounts Committee (PAC) was established within Parliament in 2011 and the government approved a national policy to fight corruption in 2012 that formalises the so-called ‘zero tolerance’ approach.

Many public institutions now have codes of conduct. Furthermore, both politicians and civil servants have been prosecuted when allegations of corruption were brought against them, including several cases of high-ranking officials being forced to resign, dismissed or prosecuted when accused of involvement in corruption cases.<sup>8</sup> In addition, top politicians such as the President or the Minister for Local Government often include calls to embrace integrity and reject corruption in their public speeches as well as when they address local leaders. Overall, then, the formal political and institutional framework currently in place seems to be adequate and appropriate to fight against corruption.

A number of institutions identify corruption cases and the police and national prosecutor’s office prosecute the actual acts of corruption. The Office of the Ombudsman plays an oversight role in the other anti-corruption initiatives.

#### Office of the Ombudsman

The Office of the Ombudsman is an independent public institution that was established in 2003 by Article 182 of the Constitution. Its mission, powers, organisation and functioning are determined by Law No. 76/2013, and it monitors transparency and compliance with regulations in all governmental sectors. The office is located in the capital, Kigali, but it operates throughout the country and may set up branches

in other areas. The Ombudsman has taken a strong stand against corruption and regularly exposes cases of fraud, malpractice and corruption.

The office is headed by the Chief Ombudsman assisted by two deputies, one in charge of preventing and fighting injustice and the other in charge of preventing and fighting corruption and other related offences. Its work includes:

- acting as a link between the citizen and public and private institutions;
- preventing and fighting injustice, corruption and related offences in public and private entities;
- receiving and examining complaints and mobilising institutions to resolve them;
- co-ordinating the national council against corruption and injustice;
- receiving annual declaration of assets from persons determined by the law;
- receiving annual declarations of assets of political organisations and verifying their origin and use;
- advising Cabinet and institutions on strengthening and improving the policy of preventing, fighting and punishing corruption;
- following up implementation of the policy;
- following up the respect of the leadership code of conduct by senior officials;
- sensitising the population and training the employees of public and private institutions to refrain from corruption;
- sensitising the population to work together with public and private institutions to build the country and dare to denounce bad practices based on injustice, corruption and related offences;
- contributing to strengthening good governance;
- making public the names of persons definitively convicted of corruption;
- advising public and private institutions as to the improvement of the quality of services delivered to the population; and
- following up enforcement of the law relating to access to information.

Different local innovations that have been put in place include an anti-corruption week that has been observed annually, youth anti-corruption clubs, competitions and the creation of the National Anti-Corruption Advisory Council among others.

During anti-corruption week, special anti-corruption activities are performed in different parts of the country in order to enhance public awareness of corruption and encourage citizens to play an active role in the battle against corruption. Those activities include talk shows on different radio stations and on television, billboards with anti-corruption messages, press conferences, a youth anti-corruption day, cycling or football competitions debates on corruption by youth, etc.

Special attention is being paid to gender-based corruption. The office has designated a staff member to be responsible for media outreach. The emphasis is on radio spots and websites to raise public awareness of gender-based corruption and encourage people to resist and report it.

### Work with young people

The Office of the Ombudsman has encouraged the creation of anti-corruption clubs in high schools and higher learning institutions. So far, there are 47 clubs in high schools and 9 in higher learning institutions. The office assists the clubs in their activities and trains them to be trainers in their respective schools.

It has also organised a cartoon competition for students in primary school and the lower level of secondary school. The competition attracted 742 candidates in primary schools and 743 in secondary schools. It allowed the Office of the Ombudsman to assess their level of knowledge on corruption and its consequences, and also to raise their awareness of corruption.

### National Anti-Corruption Advisory Council

The national advisory council to fight against corruption is composed of:

- Ombudsman, Chairperson;
- Minister in charge of local government, Deputy Chairperson;
- Minister in charge of justice;
- Minister in charge of internal security;
- Vice-President of the Supreme Court;
- Prosecutor General;
- Deputy Ombudsmen;
- Inspector General of the Rwanda National Police
- Secretary General of National Intelligence and Security Service
- Executive Secretary of Rwanda Public Procurement Authority
- Auditor General
- Chief Executive Officer of Private Sector Federation
- Executive Secretary of Civil Society Platform.

The main responsibilities of the council are to establish strategies for fighting against corruption and to set up modalities for sharing information on corruption.

### Operational audits and declaration of assets

The Office of the Ombudsman conducts operational audits in public and private institutions in order to identify any existing loopholes related to corruption. The

audits mainly emphasise respect for the laws governing institutions, procurement procedures, human and financial resources management and service delivery. After an operational audit is conducted, a report containing a critical analysis and strong recommendations is produced and submitted to the institution(s) concerned for implementation.

The office receives annual declarations of assets from persons determined by law and verifies their accuracy and origin. This helps in identifying people with illegally obtained assets. It also receives annual declarations of assets from political organisations and verifies their origin and their use. Those who do not declare their assets face sanctions.

### Gathering information on corrupt behaviours

The Office of the Ombudsman sensitises people on the whistleblowers protection law and encourages them to report corruption. People may report through toll-free numbers, anonymous letters and emails. Corrupt acts may also be identified while conducting operational audits. Information on corruption is also publicised via newspapers and posts on different popular news websites (this is the result of good cooperation with the media). Popular talk shows are also used; citizens may call in and report corruption or unjust practices. In some remote districts, the office has established anti-corruption internet cafés that are used by anti-corruption clubs to help people report cases of corruption and injustice.

### Involving the public in preventing and combating corruption

The office transmits corruption prevention messages to citizens through its quarterly magazine, which is distributed all over the country free of charge. A list of corruption convictions is published on a quarterly basis in various newspapers, on the office's website and in its magazine. The office also uses billboards as a quick way of getting out anti-corruption messages to many people.

Sensitising people on the bad effects of corruption – and encouraging them to report and reject it – is also done through training sessions for different groups of people (youth, women, church leaders, journalists, NGO representatives, private institutions) to enable them to act as watchdogs.

In November 2013, the Office organised a national dialogue on corruption in public procurement. All the various institutions including ministries, district offices and other public bodies as well as representatives of the private sector and civil society took part in the dialogue. Its aim was to exchange ideas on strong and collective strategies and measures to prevent and fight against corruption in public procurement. After discussions, participants adopted recommendations to tackle this issue.

### Partnerships

The Office of the Ombudsman has signed memoranda of understanding with the police and with Transparency International Rwanda. It collaborates with religious organisations in raising public awareness of corruption and gives support to the

coalition of civil society and the public and private sectors to fight against corruption. It is a member of the Asset Recovery Inter-Agency Network for Eastern Africa.

### Office of the Auditor General for State Finances

The Office of the Auditor General (OAG) for State Finances (OAG) was created by Articles 183 and 184 of the Constitution. It is the Supreme Audit Institution of Rwanda and is independent of the government. It is vested with a legal status and has administrative and financial autonomy. According to the Constitution, the OAG is in charge of the audit of the central and local government, semi-public companies, publicly owned enterprises, national mixed capital enterprises and state projects. Its principal mission is to promote transparency, accountability and best practices of management in the operations of the government.

The OAG began its activities by carrying out conformity and financial audits. Its co-operation with private firms and other audit institutions will make it possible for the office to start performance audits. Audits of computerised systems will also be carried out as soon as the accounting systems of the audited institutions are sufficiently computerised.

The OAG is a member of the International Organization of Supreme Audit Institutions and is thus in contact with many similar institutions. Already, the OAG has co-operative relations in the field of training with the Office of the Auditor General of India, the Netherlands, South Africa and Sweden. In the near future, the OAG would like to reinforce these bonds by carrying out joint audit missions.

### 5.2.3 Collaboration with other groups

An anti-corruption strategy cannot succeed without collaboration between the public and private sectors. In this context, the National Anti-Corruption Policy emphasises the role of civil society, the public sector and public institutions in the fight against corruption. As noted above, the Office of the Ombudsman involves these different sectors in its activities.

#### The role of civil society

Civil society in Rwanda is an important stakeholder and a key player in the fight against corruption. Civil society organisations help in raising public awareness and reporting on corruption. However, while they assist in monitoring compliance with regulations and imposition of sanctions against corrupt officials, their role is still weak.

Media scrutiny and publicity are essential to raising public expectations and public awareness of corruption practices and to cause political pressure to take measures against corruption. It is imperative to disseminate through the media all information on how to investigate and report cases of corruption.

#### The role of the private sector

Since corruption involves members of both the public and private sectors who are engaged in illegal and unethical behaviour, combating it requires public-private

partnerships. Thus, the private sector also plays a vital role in sensitising its members against corruption.

Under the law preventing and suppressing corruption, both public and private institutions are required to set up mechanisms for preventing and fighting corruption. The Private Sector Federation has created a code of business ethics and excellence. However, the business community still needs to be sensitised to adhere to the code and to encourage best practices in a number of key business dealings such as transparency in financial matters, eliminating corruption, ensuring good product quality, proper treatment of workers and compliance with business laws.

### 5.3 Conclusion: lessons, challenges and recommendations

In seeking effective ways to reduce corruption, Rwanda has adopted a radical rather than incremental approach to anti-corruption, focusing on simultaneously strengthening systems on several fronts rather than progressively introducing reforms in selected areas and sectors.

Since 2003, a number of legislative and other measures have been introduced against corruption, notably the law preventing and suppressing corruption, the law establishing the Office of the Ombudsman and the public procurement law. Such measures have led to some progress, though corruption is still reported by the public in both high and low levels of administration.

The research for this case study suggests that the thing that probably contributes the most to the successful fight against corruption is the government's clear and public emphasis on zero tolerance on corruption. According to the interviewees, the top leadership has taken the position of not being beholden to any special interests, which 'denies corruption the oxygen it needs to thrive'; at a government retreat in February 2015, the President delivered 'a strong message on the dire consequences that will face those caught in the corruption trap'.

Sustaining the progress that has been made will depend on continued political will, public awareness and strengthening of public institutions leading the fight against corruption.

#### 5.3.1 Lessons

Various governance indicators show that Rwanda performs relatively well in terms of control of corruption compared with many other African countries. The country has also achieved significant progress over recent years in terms of government effectiveness and transparency of the regulatory framework.

This progress can be to a great extent attributed to the stringent National Anti-Corruption Policy, which represents Rwanda's commitment to achieving good governance through preventing and fighting corruption. It focuses on people, systems and organisations and on building a culture where integrity is valued and corruption rejected. It seeks to support national development that will be able to sustain a better quality of life for people, a strong competitive economy and effective and efficient public services.

This policy sets an ambitious agenda to achieve a public service that appreciates and embraces integrity, accepts the need for transparency and accountability, and ensures full compliance with regulatory and legal requirements. It seeks to achieve a well-informed public that demands high standards from public officials and a private sector that operates on a level playing field and acts as a partner in the fight against corruption.

The policy is set within the overall policy framework of zero tolerance and national planning and seeks to support the implementation of government policies in the area of good governance. The framework includes law enforcement and oversight institutions under the umbrella of the National Anti-Corruption Advisory Council, which provides a key co-ordination mechanism for all anti-corruption institutions.

The policy recommends a cross-cutting set of actions to be undertaken by the government in collaboration with the private sector, civil society and the public itself in strengthening the fight against corruption. A monitoring and evaluation framework is outlined to track progress and implementation, on which an annual report is expected to be submitted to Parliament. The legal framework is provided by a wide range of related laws.

In 2006, the Rwanda Ombudsman attributed the decline of corruption in the country to three major reasons: ‘we have removed corrupt leaders in the last few years, we have added additional training and supervision and the decentralisation process lowered corruption cases’ (Chêne 2008).

Political will was further stimulated by the government’s strong focus on building the business climate to attract foreign direct investment through measures aimed at streamlining licences and tax processes, and providing economic incentives to anti-corruption reforms. Anti-corruption efforts have been firmly rooted in Paul Kagame’s economic vision for Rwanda, formally articulated in a document called Rwanda Vision 2020, which promotes peace through economic and social progress.

This has translated into making investments that were driven by a long-term vision for the development of the economy rather than the pursuit of purely short-term personal gains. More specifically:

- Rent extraction has been rigorously centralised within the operations of a holding company fully controlled by the ruling Rwanda Patriotic Front (RPF), so that benefits do not flow to members of the political class except indirectly and corporately by this mechanism.
- The political leadership does not maintain itself in power by distributing privileges to its supporters.
- Policy-making is not driven by resource allocation to supporters or to finance the campaigns of the RPF but by the need to overcome ethnic divisions through economic and social development.

Anti-corruption campaigns targeting corrupt officials have been integrated into a more comprehensive approach to fighting corruption, with governance interventions

of a more preventative nature such as public sector reforms, streamlining government processes and public finance management-related reforms.

In addition, the relatively successful delivery of public services has helped restore the legitimacy of government and public confidence in state institutions. For example, Rwanda achieved gender parity in net primary enrolment rates as early as 2000/2001 and is well on track to achieve its medium-term development goals on universal primary education and eliminating gender disparities in the education sector (AFDB 2008).

### 5.3.2 Challenges

The government's 'political will to fight against corruption', so often mentioned in the country and abroad, seems to be mostly a will to fight this at low to middle levels. Consequently, there have indeed been achievements but mostly in controlling bribery, mismanagement and embezzlement, particularly at lower levels. While bribery is still present and petty corruption at the local level is far from eradicated, non-monetary forms of corruption are the main issue.

Thus a strong government will to fight corruption is a prerequisite but cannot on its own lead to sustained reduction in the vice. An important tool in the fight against corruption is co-operation between a country's key stakeholder groups, such as the public sector, the private sector and civil society, with the aim of creating a deep-rooted anti-corruption culture in a country or sector.

The workload of the Office of the Ombudsman reflects the nature of demands and complaints received. It is clear that cases of injustice brought to the attention of the Ombudsman (mainly administrative and employment issues, land disputes and legal cases) take up much more of the resources of the office than corruption cases.

### 5.3.3 Recommendations

The Ombudsman is not empowered to prosecute cases and must depend on the Prosecutor-General to bring cases to court. Information is not readily available on the outcome of these referrals. A stronger system to monitor prosecutions in cases brought by the Ombudsman would help to bridge this gap.

The anti-corruption focus of the Office of the Ombudsman should be strengthened, particularly in relation to investigating corruption and performing its policy co-ordination role in anti-corruption across government. Beyond the measures already taken to increase outreach (such as mobile staff teams and anti-corruption clubs in schools), it would also be worth considering decentralising the services of the Office of the Ombudsman in order to increase access outside of the capital city.

There are several other aspects of the institutional framework on anti-corruption that require strengthening, including legislation dealing with conflicts of interest and protecting whistleblowers, as well as codes of ethics/conduct covering all public agencies, institutions and organisations.

The institutional framework should be enhanced to ensure that corruption is more likely to be discovered and addressed, and to strengthen citizen awareness of

corruption and independent oversight of public bodies. Such long-term initiatives create the fundamental conditions for project-specific integrity pacts and industry-specific compliance pacts to be effective in the long term. In order to complement the efforts of governments, the private sector and civil society organisations, investors should also insist on having effective corporate control systems in place in order to make their investments more secure.

The role of independent civil society as a watchdog, advocate, monitor and contributor to policy development in the fight against corruption needs to be strengthened, for example by supporting investigative journalism and educating the public and training officials on the need to fight corruption.<sup>9</sup>

## Annex 5.1 List of interviewees

- Obadiah R Biraro, Auditor General of State Finances, Office of the Auditor General of State Finances
- Augustus Seminega, Director General, Rwandan Public Procurement Authority
- Theoneste Karenzi, Deputy Chairman of the Public Accounts Committee, Rwandan Parliament
- Emmanuel Itamwa Mahame, Judicial Spokesperson, Judiciary of Rwanda
- Jules Marius Ntete, Inspector General, National Public Prosecution Authority
- Albert Kavatiri Rwego, Programme Manager, Transparency Rwanda
- Arthur Asiimwe, Director General, Rwanda Broadcasting Agency (RBA) (public media)
- Shyaka Kanuma, Director/Chief Editor, *Rwanda Focus* newspaper (private media)
- Jeanne Pauline Gashumba, Director of Preventing and Fighting Corruption and Related Offences Unit, Office of the Ombudsman

## Notes

- 1 Rwanda was actually a Belgian-administered UN trusteeship; it gained independence in 1962.
- 2 According to government figures, in 2011 44.9 per cent of the population was under the poverty line and 24.1 per cent under the extreme poverty line (down from 56.9 per cent and 37 per cent in 2005/6 respectively) (see National Institute of Statistics 2012).
- 3 Rwanda's Human Development Index (HDI) score was 0.233 in 1990, 0.314 in 2000 and 0.434 in 2012. The 2013 Human Development Report ranks Rwanda among the top five HDI improvers since 2000 (UNDP 2013).
- 4 In 2011, official aid to Rwanda reached almost US\$1.3 billion, accounting for around half of the country's national budget, with top donors being the World Bank Group, the United States, the Global Fund, the United Kingdom and the European Union institutions.
- 5 It is not possible to list the multiple organisations and development experts who have praised Rwanda's 'success story'; suffice to say that they include the World Bank and experts such as Jeffrey Sachs and Paul Collier, as well as personalities such as Bill Clinton and Tony Blair.
- 6 The Institute of Governance notes that most definitions of governance 'rest on three dimensions: authority, decision-making and accountability'; observers who praise Rwanda's governance usually place more emphasis on the first two of these.

- 7 See: <http://www.ombudsman.gov.rw/Documents/RAPPORT%20ANNUEL2009-2010.pdf>
- 8 However, some analysts believe that such cases might also serve the purpose of 'removing personnel who are out of line politically' (Bertelsmann Transformation Index 2012).
- 9 The Office of the Ombudsman already provides training to journalists on anti-corruption every six months.

## References

- African Development Bank Group. 2008. *AfDB Group Annual Report 2008*, African Development Bank, Tunis, Tunisia.
- Chêne, M. 2008. 'Overview of Corruption in Rwanda'. Anti-Corruption Resource Centre. U4 Expert Answer, 16 April.
- Institute of Research and Dialogue for Peace (IRDP). 2013. 'Local Governance Barometer'. Kigali: IRDP.
- Mara, M. 2013. 'Overview of Corruption in the Media in Developing Countries'. U4 Expert Answer. Available at: <http://www.u4.no/publications/overview-of-corruption-in-the-media-in-developing-countries/>
- Media High Council. 2014. 'Media Business Growth with Capacity Needs Assessment'. Kigali: Media High Council.
- Ministry of Local Government. 2011. 'Decentralization Implementation Plan 2011–2015'. Available at: [www.minaloc.gov.rw](http://www.minaloc.gov.rw)
- Office of the Ombudsman. 'Annual Report 2010/2011'. Available at: [www.ombudsman.gov.rw](http://www.ombudsman.gov.rw)
- \_\_\_\_\_. 2015. 'Anti-Corruption Initiatives of the Office of the Ombudsman of Rwanda'. January.
- Rwanda: Joint Governance Assessment report 2008.
- Transparency International. 2012a. 'East Africa Bribery Index'. Available at: [www.tirwanda.org/images/stories/final%20eabi%202012.pdf](http://www.tirwanda.org/images/stories/final%20eabi%202012.pdf)
- \_\_\_\_\_. 2012b. 'Government Defence Anti-Corruption Index'. Available at: <http://government.defenceindex.org>
- \_\_\_\_\_. 2013. *Global Corruption Barometer 2013*. Available at: <https://www.transparency.org/gcb2013/report>
- \_\_\_\_\_. 2015. *People and Corruption: Africa Survey 2015 – Global Corruption Barometer*. Available at: [https://www.transparency.org/whatwedo/publication/people\\_and\\_corruption\\_africa\\_survey\\_2015](https://www.transparency.org/whatwedo/publication/people_and_corruption_africa_survey_2015)
- Transparency International Rwanda. 2011a. 'Analysis of the Auditor General Report'. Available at: <http://tirwanda.org/en/resources/researches-and-publications>
- \_\_\_\_\_. 2011b. 'Gender-based Corruption in Work Places'. Available at: <http://tirwanda.org/en/resources/researches-and-publications>
- \_\_\_\_\_. 2012. 'Rwanda Bribery Index'. Available at: <http://tirwanda.org/en/resources/researches-and-publications>
- \_\_\_\_\_. 2015. 'Survey on Corruption in Media in Rwanda: Perception and Experience of Media Practitioners and Stakeholders'. Kigali: Transparency International Rwanda.
- UNDP (United Nations Development Programme). 2013. *Human Development Report 2013: The Rise of the South – Human Progress in a Diverse World*. New York: UNDP.

World Bank. 2008. 'Country Assistance Strategy for the Republic of Rwanda for the Period FY09-FY12'. Available at: <http://documents.worldbank.org/curated/en/754501468336542352/pdf/449380CAS0P1001ONLY10IDA1R200810257.pdf>

\_\_\_\_\_. 2016a. 'Rwanda: GDP (current US\$)'. Available at: <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=RW>

\_\_\_\_\_. 2016b. 'GDP Per Capita (current US\$)'. Available at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD>

World Bank Working Group et al. 2010. 'Collective Action in the Fight against Corruption'. Available at: [https://www.globalcompact.de/wAssets/docs/Korruption\\_spraevention/Publikationen/collective\\_action\\_in\\_the\\_fight\\_against\\_corruption.pdf](https://www.globalcompact.de/wAssets/docs/Korruption_spraevention/Publikationen/collective_action_in_the_fight_against_corruption.pdf)

[file:///Users/air/Downloads/Rwanda\\_Poverty\\_Profile\\_Report\\_0\\_0.pdf](file:///Users/air/Downloads/Rwanda_Poverty_Profile_Report_0_0.pdf)

[https://www.researchgate.net/publication/285749892\\_Aid\\_dependence\\_and\\_policy\\_independence\\_Explaining\\_the\\_Rwandan\\_paradox](https://www.researchgate.net/publication/285749892_Aid_dependence_and_policy_independence_Explaining_the_Rwandan_paradox)

<https://www.u4.no/publications/overview-of-corruption-in-rwanda/pdf>: Overview of corruption in Rwanda



## Chapter 6

# Seychelles

---

*By Mukesh Arya*

### Summary

This case study on Seychelles finds noteworthy practices that have enabled the country to emerge from the mire of economic despondency to a stage where it has been recognised by the world community as an ‘innovation-based’ welfare state.

The research concludes that the political sagacity of its leadership, upholding best practices contained in the United Nations Convention against Corruption, establishing and nurturing the institutions of democracy, following the sound advice of carefully chosen advisors and development partners, and active participation of the people of Seychelles in the reform process have all contributed synergistically to reversing the perceptions of corruption held by the world community as reflected in the annual reports by Transparency International.

The case study traces the history of Seychelles following independence, the role of politicians, the role of the major powers in the Cold War era, the economic necessities of a small island nation dependent on the blue economy and the vulnerabilities of a small market. The study highlights replicable practices that positively impacted the Corruption Perceptions Index for Seychelles.

The overall findings of the research have recognised certain facilitating factors (institutional, technical, political) that have contributed to the relative success of anti-corruption efforts in the country. There have been certain militating factors as well that have worked to positively influence the anti-corruption efforts.

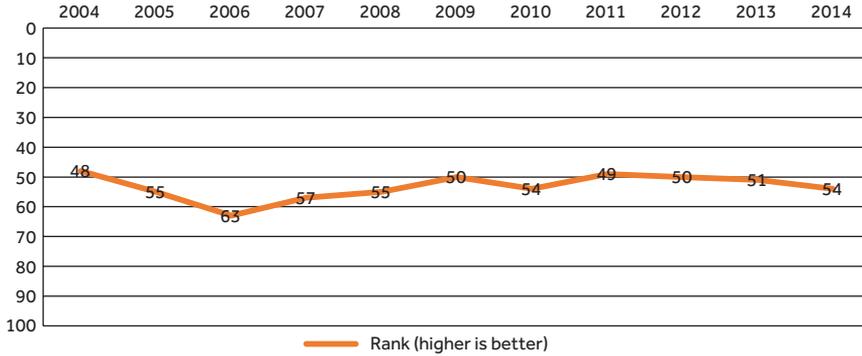
### 6.1 Introduction

This case study highlights best practices, items of legislation, benchmarks, institutions and factors that have contributed to the success of Seychelles in promoting anti-corruption.

The starting point for measuring corruption in a country is Transparency International’s Corruption Perceptions Index (CPI). Derived from reputable survey analysis, the CPI measures how corrupt the public sector is perceived to be through scores between 0 (very corrupt) and 100 (very clean). Figure 6.1, compiled from annual CPI reports, depicts an upward trend indicating overall improvement in tackling corruption by Seychelles since 2006.

#### 6.1.1 Methodology

The research involved a cross-sectional analysis of information obtained from existing literature, data sets and individual interviews with stakeholders. Qualitative data

**Figure 6.1 Seychelles CPI rank**

were gathered from the literature on corruption in relation to Seychelles and other African countries and validated through data validation techniques and in-depth interviews, observations and case studies as documented by various development partners and agencies such as the Commonwealth Secretariat, the United Nations and the World Bank.

The data collection procedures included both primary and secondary data. Since the research was heavily dependent on a review of existing literature on the subject of anti-corruption efforts of Seychelles, it relied on information contained in formal reports by development partners, stakeholders and community-based social media. There were several reports that were external to Seychelles in which aggregated data relating to the country were provided. While keeping the context of such data intact, the conclusions drawn appropriately reflect Seychelles' position.

To illustrate, the following sources of data and information were considered:

- definitions and tools used by Transparency International to measure corruption, research and gathering of data using open sources;
- desk review of existing literature on the subject such as think tank case studies, conference working papers and notes, government reports and development partners' reports;
- anti-corruption tools from the websites of the United Nations Office on Drugs and Crime (UNODC), Transparency International, the World Bank, the African Development Bank (AfDB), the Organisation for Economic Co-operation and Development (OECD) and U4 Anti-Corruption Resource Centre;
- identification of key government institutions with mandates for anti-corruption activities;
- identification of relevant civil society organisations (CSOs) and non-governmental organisations (NGOs);
- identification of political parties that have anti-corruption as part of their agenda;
- identification of eminent personalities in Seychelles with views on anti-corruption activities;

- identification of development partners supporting anti-corruption activities, such as the Commonwealth Secretariat, the United Nations, the OECD and UNODC;
- identification of private bodies (such as chambers of commerce) and associations with relevant mandates (such as political parties, the media).

Key sources of data and information included individual respondents and institutions who are invested in anti-corruption efforts or who can, directly or indirectly, influence the anti-corruption mood of the country. The research carefully selected suitable individuals for in-depth interviews. Out of 18 people contacted, 16 were interviewed, resulting in an 89 per cent positive response.

In the absence of a globally acceptable definition of 'corruption', the analysis uses the definition provided by Transparency International, which is 'the abuse of entrusted power for private gain'.

### 6.1.2 Political and socio-economic context

Seychelles is a small island nation comprising some 100 islands, and located 1,600 km off the eastern coast of Africa in the Indian Ocean. The country gained independence from the UK in 1976. Due to its strategic location, the Cold War period following independence led multiple nations to provide loans, grants and military equipment, as well as setting up bases for their own advantage. While this 'influence struggle' helped Seychelles with its trade, infrastructure and social service needs in the short term, it also gave rise to a number of elements trying to take advantage of its location for offshore financial transactions or use as a tax haven.

After the Cold War ended, countries that had seen Seychelles as an apt strategic location to further their own interests withdrew much of their funding. This left the country vulnerable and it was besieged by massive balance of payment issues. It was also during this time that the first instances of corruption – especially 'black money'<sup>1</sup> reserves – started to emerge. Needless to say, creditors also stopped lending to Seychelles. The country was now faced with the twin problem of managing its fiscal debt and continuing with the expansion of public sector development projects, such as tuna fishing, tourism, social security, land policy and infrastructure development, to sustain its economy.

In 1991, through a series of consultations with different stakeholders, the government initiated ambitious policy reforms and legislative framework changes that have been popularly termed the 'first generation of reforms'. These nationalising reforms were key to curbing the growing deficit and international debt conditions and targeted key industries through the tightening of fiscal policies and strict control over various aspects of the economy, including acts to tackle corruption, especially money laundering and piracy. The reforms also saw the country transforming into a multi-party democracy, with elections monitored by Commonwealth election observers.

However, the gains from the first generation of reforms seemed to slip away following the financial crisis of 2008. Seychelles once again had to face problems as major institutions, especially Lehman Brothers (its main creditor), went bankrupt

(IBID 2013). It thus reached out to other development partners – namely the International Monetary Fund (IMF), the AfDB and the World Bank – to embark on the second generation of liberalisation reforms. These were more market driven and less restrictive in terms of fiscal policies, structural reforms, trade and debt restructuring.

Leadership by the President's office, government ministries and the Central Bank of Seychelles ensured transparency during this change. These institutions effectively highlighted the major issues at big platforms hosted by the media to debate macro questions of future aid, development partners and rupee inflation. Question-and-answer sessions were organised for small platforms such as district and town hall meetings and were effective in providing much-needed support and backing to prevent massive protests (Rojid et al. 2013).

Seychelles can take pride in making significant headway in terms of per capita GDP (US\$343.88 in 1970 to US\$15,359.18 in 2014, per World Bank data), free health care, free education up to secondary levels and social security equal to at least a minimum wage for its citizens. Additionally, it has climbed up the ladder to achieve the distinction of being the second least corrupt country in Africa after Botswana.

### Political system

Almost immediately after gaining independence in 1976, Seychelles experienced its first coup d'état in 1977, when a single party headed by Albert René suspended constitutional guarantees and the National Assembly. Issues of corruption made repeated appearances over the years. However, two decades later, in 1991, it had learned its lessons from both the Cold War period and financial catastrophe. Realising the importance of political systems, the same Mr René had the sagacity to steer the country onto the democratic path. The process of this change commenced with constitutional amendments, legislative frameworks, setting up of key institutions and fresh elections. A multi-party democracy was ushered in with elections observed by neutral observers from the Commonwealth. These returned Mr René as the popularly elected President, both as Head of State and Head of the Government. Indeed, democracy seems to have flourished during the last 25 years, with an increase in the number of political parties (now five) taking part in the electoral process.

However, perceptions about corruption in Seychelles did not change with the advent of multi-party democracy. In fact, the CPI continued to plunge further. One reason could be the continuation of the old regime and another the less tolerant[?] worldview. Even when President René delegated his powers during his indisposition to Vice-President James Michel in 2004, the increase in perceived corruption did not stop. It was only in 2006, when Mr Michel was elected President, that the world registered a perceptible change in its opinion. Since then, presidential and parliamentary elections have taken place every five years. Mr Michel was elected for a second term in May 2011.

### The economy

Being a small island nation, Seychelles is heavily dependent on tourism and fisheries. These two sectors alone account for 70 per cent of hard earnings and employ 30

per cent of the workforce (CIA 2015). Therefore, sustainable development of the blue economy (fishing licences, oil exploration, etc.), is essential for its economy, employment, trade, growth and continuous income as a tourist destination. Conversely, this also becomes a key target for the manifestation of corruption in its various forms.

Seychelles possesses only 454 square kilometres of land but 1.3 million square kilometres of ocean territory. Realising its continued dependence on the blue economy, Seychelles also saw threats to its biodiversity, the effects of climate change on tourism and violation of its exclusive economic zone (EEZ). Illegal, unregulated and unreported fishing also had its roots in actual and potential corruption. It should be noted that African coastal states and other Indian Ocean island nations faced similar issues.

The shift in focus from extraction to sustainable development of the blue economy led Seychelles to reach out to international development partners. The Commonwealth helped it with the development of marine spatial planning and the United Kingdom helped establish the Regional Fusion and Law Enforcement Centre for Safety and Security at Sea. The country adopted the African Union's Integrated Maritime Strategy to boost its capacity for EEZ management. It partnered with Somalia through the Food and Agricultural Organization to promote community-level fisheries and entered into an agreement with Mauritius to jointly manage extended continental shelves. Several radar stations were established to set up a vessel monitoring system, soon to be used for a separate taxation regime for the region.

Another important GDP contributor to the Seychelles economy is its financial sector. Although on a global level the country is not seen as a major financial market, historically it has promoted itself as an offshore financial service sector in order to diversify its economy and foreign exchange earnings (Risk and Compliance Report 2014). This has inevitably attracted organisations involved with money laundering and the financing of terrorism. In terms of global competitiveness, the country must depend on the financial inflows from other countries and development partners.

The Africa Competitiveness Report 2015 notes that Seychelles has very little agriculture and yet defies the usual development models for developing countries. Its tourism-centric economy has moved it into the middle-income country category, surpassing some OECD countries. The key to this success lies in Seychelles leveraging its global partnerships over the period to emerge as the country with the highest backward integration – surpassing Africa's average. Its global competitiveness index, at 3.9, was equal to the North African average and better than the sub-Saharan average of 3.6. It ranked 92 among 144 countries worldwide (WEF 2015).

The report concludes that this has been possible because the country is considered stable and mature in terms of its institutions and is using efficiency enhancers. Institutions of accountability, integrity and justice greatly determine the competitiveness of a country in the global value chain.

## 6.2 Combating corruption

### 6.2.1 The legal framework

Seychelles has developed legislation against corruption and acts enabling the establishment of integrity institutions to comply with best practices worldwide. Some of these are listed below.

- The Government ratified the United Nations Convention against Corruption (UNCAC) in 2006 and the African Union Convention on Preventing and Combating Corruption in 2008.
- The Penal Code (1955), Article 45, criminalises certain corrupt acts, including domestic active and passive bribery (Art. 91), extortion (Art. 92), abuse of office (Art. 96) and private corruption (Art. 373).
- The Anti-Money Laundering (Criminal) Act (2006), Article 46, criminalises the laundering of the proceeds of crime, including the corruption offences specified in the Penal Code. The Proceeds of Crime (Civil) Act (2008) supports anti-money laundering (AML) efforts by providing for the freezing and civil confiscation of criminal assets.
- The Public Procurement Act (2014) established the Procurement Oversight Unit and the National Tender Board, which together promote integrity, fair competition and good governance in the public procurement system.
- The Public Officers Ethics Act (2008) provides a code of conduct and ethics for civil servants, including employees of state-owned enterprises (SOEs). It requires financial declarations and prohibits conflicts of interest. The Act is enforced by the Public Officers Ethics Commission, which developed a code of conduct and ethics handbook in 2009 for Seychellois public officials.

### 6.2.2 The institutional framework

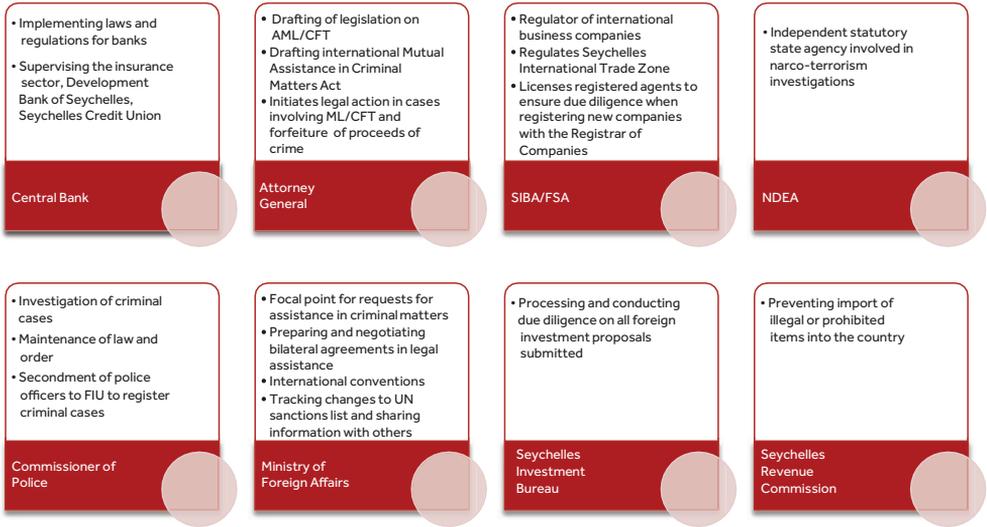
The legislation described above is supported by independent institutions including the Financial Intelligence Unit, the Public Ethics Commission, the National Tender Board and the Procurement Oversight Evaluation Board. There is also an the Office of the Ombudsman, the Electoral Commission, the Finance and Public Accounts Committee, the Office of the Auditor General and the Seychelles Revenue Commission. The functions of these are detailed below.

#### The Financial Intelligence Unit

Setting up the Financial Intelligence Unit (FIU) as an independent statutory body responsible for compliance with AML/combating the financing of terrorism (CFT) legislation was particularly important. The foundation legislation is the Anti-Money Laundering (AML) Act 2006 (amended in 2008), developed with assistance from the IMF, and the Prevention of Terrorism Act 2004.

The AML Act creates an appropriate framework for the application of 'know your customer' principles and the conduct of due diligence checks on prospective clients

**Figure 6.2 Seychelles strategies for AML/CFT**



and transactions and fixes responsibility on reporting entities (such as banks and financial institutions) for the reporting of suspicious transactions. The amendment in 2008 enhanced the role of the FIU, giving it the powers to investigate suspicious transactions, liaise with equivalent international agencies and bring cases of AML/CFT to court. In addition, a new Proceeds of Crime (Civil Confiscation) Act 2008 was passed by the legislature, which introduced a lawful regime for the freezing and civil confiscation of criminal assets even in cases where the predicate offence takes place outside the jurisdiction (ESAAMLG 2008).

The National Strategy for AML/CFT is summarised in Figure 6.2.

As is evident from the figure, tackling AML relies on the collaboration and teamwork of all stakeholders: public, private, departments, independent bodies, etc.

**The Public Officers Ethics Commission**

Created in 2008 with five members, this institution currently focuses on the sensitisation of public officers in SOEs and government departments. Its main role is to implement and administer the annual declaration of assets by public servants including the President. According to Mina Crea, CEO of the commission, the declaration of assets is obtained in a sealed envelope and kept for five years, at which point it is handed back to the person. It is only opened then ‘in front of the declarant if required under the ongoing investigation against him/her following a written complaint’. No envelope has been opened in the last two years.

The commission is perceived as independent because, although the President appoints its CEO and Executive Secretary, the three other members are there in their own right as the Chairman of the Constitution Appointments Committee, the

Ombudsman and the Attorney General. This institution is available to the people and its structure is supported by a strong national policy and Act.

### The National Tender and Procurement Oversight Evaluation Boards

The National Tender Board, established in 2009, comprises seven members, of whom five are drawn from the private sector (NGOs, the Accounting Association, chambers of commerce). It is responsible for floating tenders valued at over SRs750,000 for goods and SRs150,000 for consultancy services on behalf of ministries, government departments and bodies, and SOEs. Its value lies in streamlined processes for high-value public procurement, in keeping with the requirements of the Public Procurement Act.

The Procurement Oversight Evaluation Board, which provides an oversight function over the National Tender Board, also comprises seven members; it has the powers to evaluate processes followed in any tenders and ensures that the best-evaluated bidder gets the contract. Potential bidders also have the option to seek information about tenders from the board to ensure transparency. It also affords debriefing of unsuccessful bidders, who have the option to appeal to an independent review panel for investigation of any irregularity alleged.

With whistleblowing encouraged, these mechanisms are in alignment with the Public Procurement Act and seek to ensure transparency, accountability and fairness in public procurement. The transparency of the process takes away the potential for corruption.

### The Ombudsman

While Seychelles does not have a dedicated anti-corruption agency, the onus for investigating corruption-related matters lies with the Office of the Ombudsman, established in 1993 under Articles 143 and 144 of the Constitution. The Ombudsman, although appointed by the President, functions independently and the Constitution allows him or her to investigate any case of fraud and corruption involving public authorities up to the President. In addition, the office presents avenues for dispute resolution and information dissemination for the general public (IAACA 2015).

The Ombudsman's report, opinions and recommendations are submitted to the president, minister or chief executive officer of the public authority together with a time limit for action. If the report is not adequately acted on within the time limit, the Ombudsman may submit the report and recommendations, together with any further observations, to the President and the National Assembly.

The office operates with three persons and also deals with human rights violations. Typically, reported 'human rights violations' are complaints against the police for not registering their first information reports, which the state does not recognise as violations of human rights. There is also a Human Rights Commission.

Within the socio-political environment of Seychelles, the Office of the Ombudsman and the Human Rights Commission are formal structures of good governance but

currently have a limited role in the absence of real issues. Nevertheless, they exist as constitutional institutions to be approached in case of need and are ready to be scaled up should the contingency arise.

### The Electoral Commission

The Electoral Commission, established under Article 115 of the Constitution, has the responsibility to register political parties, register voters, oversee political party financing, ensure vote counts and monitor fair election campaigns.

Given the political history of Seychelles, the Electoral Commission assumes greater relevance, particularly since Parti Lepep (the People's Party) has governed the country since the coup of 1977 and has won every election since the introduction of multi-party democracy in 1993 (Risk and Compliance Report 2014).

The Constitution provides citizens with the right to change their government peacefully, and citizens exercise this right in practice through periodic, free and fair elections based on universal suffrage. Seychelles has not experienced large-scale political violence since the late 1970s (Risk and Compliance Report 2014).

Reforms in 2012 not only addressed the fairness of elections but also dealt with issues such as campaign financing, audit of the accounts of political parties, equal air space for broadcasting and sanctions for breach of election-related rules and regulations (SCR 2013). According to Handrick Gappy, Chairman of the Commission, these reforms were based on 'extensive public and CSO consultations, consensus of all political parties, detailed deliberations by the Commission and technical support of the Attorney General and the Commonwealth, [and] 85 per cent of the reform recommendations were readily approved by the Government'.

### The Finance and Public Accounts Committee

Reporting to the National Assembly under Article 104 of the Constitution, the Finance and Public Accounts Committee (FPAC) has the responsibility for ensuring the transparency and accountability of financial management by government institutions utilising public funds. The FPAC, in effect, is an extension of Parliament and exercises parliamentary oversight over the executive.

Synergies between the FPAC and the Auditor General are of strategic importance in promoting the effectiveness of these accountability institutions. In a significant departure from past practice, the leader of the opposition, Hon. David Pierre, has been the Chairman of the FPAC since 2012. The Vice Chairman, Hon. Charles de Commarmond, notes that the committee is seen to be above party politics, that Parliament defends its policies and procedures, and that there is greater acceptance of its reports by the public at large.

The FPAC has a permanent secretariat adequately staffed and supported by advisers and consultants to guide it in producing good-quality reports on curbing corruption and misappropriation and misuse of public assets and offices. Being up to date with its work plan, the FPAC is now looking to review major procurement contracts,

especially high-value fishing agreements. It is also empowered to investigate serious cases through the Office of the Attorney General.

### The Office of the Auditor General

Seychelles established an Office of the Auditor General immediately after independence, with the Auditor General appointed by the President for a term and the audit reports placed before the National Assembly. The National Assembly relies on the Auditor General to provide accurate and independent audit overviews of the public spending initiated by various government activities supported by Article 158 of the constitution (FPAC 2014, 5). Bilateral co-operation with India has continuously provided technical support to the office; officers of the Auditor General of India have been deputed to Seychelles since 1992.

Although the independence of the Auditor General is enshrined in the Constitution, the Audit Act needed some changes to enable the office to undertake performance audits of the functions of government ministries, SOEs, and bodies and authorities. With the encouragement of the World Bank, international development partners and donors, Seychelles passed a very strong Audit Act in 2010. With increased responsibilities and greater independence, the Auditor General's Office increased its staff to 40 professionals from a mere 9 in 1992, exposed them to International Standards for Supreme Audit Institutions, participated in international training and workshops, and adopted audit manuals prepared by the African Organisation of English-speaking Supreme Audit Institution.

Financial assistance from the European Union enabled the preparation of a local performance audit manual. The new Audit Act and the Public Enterprises Monitoring Act have put in place strict timeframes for the Auditor General to meet. The Strategic Plan of the Auditor General reflects the country's development agenda as well as acting as a self-regulated accountability mechanism to ensure that functions are performed in a time-bound programme (Office of the Auditor General 2014), a practice that can be replicated in other countries.

### Seychelles Revenue Commission

Customs revenue is particularly important for Seychelles as the country imports almost everything. With an insignificant local market, business tax has been generally frowned upon. This was shown by strong resistance to the newly introduced corporate social responsibility tax and tourism marketing tax, paving the way for the presumptive tax alternative.

As part of national reforms, the Seychelles Revenue Commission (SRC) was set up in 2010 and has been guided by an Integrity Action Plan and code of conduct developed with the help of the World Customs Organization (WCO). The commission joined the Commonwealth Association of Tax Administrations and the African Tax Administration Forum in 2011 to draw on best practices and fight against corruption. It immediately began upgrading the customs IT system and providing for online filing of business tax returns and customs forms, thereby reducing direct physical contact with taxpayers.

The commission also hired resident tax advisers, partnered with the World Bank, the IMF, the Southern African Development Community (SADC) and the WCO to provide training opportunities to its staff, and formed an Integrity Advisory Committee to deal with complaints of corruption. All these efforts had tangible results. The commission collected SRs4.6 billion in 2013, with 88 per cent of revenue coming from just 9 tax lines, and reported a 6 per cent drop in disciplinary cases compared with 2012 (SRC 2013).

Seychelles also entered into Double Taxation Avoidance Agreements with many countries. This has greatly reduced the ad hoc nature of the earlier tax regime.

### 6.2.3 Other key stakeholders

#### The judiciary

After independence, Seychelles initially depended on judges recruited from other Commonwealth countries and appointed by the President. There were perceptions as to the existence of grand corruption and that the judiciary was ‘told what to do’. Although there were many non-partisan judges, there was also criticism that foreign judges did not understand the intricacies of the country’s legal system (Palmer et al. 2015). Seychelles needed to establish an independent, professional and credible judiciary that was perceived as such by its people and world at large.

The shift has been slow but steady. The President now appoints judges from nominees recommended by the Constitutional Appointments Authority. Those who are Seychellois serve until the age of 70 whereas foreign judges only serve for 7 years except in ‘exceptional’ circumstances. Moreover, 40 per cent of the judges have risen from the Bar. Speaking about transparency, the first woman Chief Justice, Mathilda Twomey, noted that her appointment in 2011 had surprised many as she ‘had fervently opposed the ruling party not only before Seychelles became a multi-party democracy but thereafter too’.

#### The police

The Department of Police is responsible for the maintenance of law and order, the preservation of peace, and the prevention and detection of crime. Armed with adequate legal provisions criminalising corruption, it undertakes investigation while the prosecution function rests with the Attorney General. The police help other integrity institutions in the fulfilment of their mandates in a number of ways, such as seizing illegally obtained assets, registering criminal cases for the FIU, assisting the Ministry of Foreign Affairs through Interpol in tracing criminals and others. Police reforms have enabled deputations of police advisers from other countries, decentralisation of senior officers at the district levels, and monitoring of law and order.

#### The private sector

Private sector development for a small island nation entails providing structures that aid in enhancing GDP contribution, which for Seychelles points to the areas of hotels, housing construction, connectivity through roads, ports and ferries, and

energy (water, sewerage and electricity management). These demands have not been fully met. Although Seychelles enjoys a very high literacy rate (95 per cent), the skills required for private sector undertakings, such as specialised knowledge, project management experience and the ability to meet expectations from investors on work ethic, are somewhat lacking. In fact, according to a survey, poor work ethic has been reported to be the second biggest problem for doing business in the private sector (AfDB 2013).

The Global Competitiveness Report (2012–13) identified three other constraints on private sector development and competitiveness in Seychelles: access to credit for businesses, business regulations and internal competition (Schwab 2012). These obstacles provided an environment for corruption and in turn inhibited private sector-led inclusive growth to ensure resilience to external vulnerabilities.

In order to attract foreign investment in infrastructure, business ventures, economic development, global trade, and transfer and dissemination of ICT, Seychelles needed to develop investor confidence through transparency and predictability of its rules and regulations. In this age of fierce competition, it also needed to safeguard intellectual property rights and prevent design theft, stealing of ideas, infiltration of data, etc., for unlawful purposes. Recognising the challenge, the country strengthened the economic competitiveness of its private sector by creating two ‘one-stop shop’ entities: the Seychelles Licensing Authority and the Seychelles International Business Authority (SIBA), now renamed the Financial Services Authority (FSA). It required the Development Bank of Seychelles to focus on the small and medium-sized enterprises sector; part privatised the Seychelles Savings Bank; enhanced the regulatory powers of the Central Bank; and set up a stock exchange.

Seychelles also joined the World Intellectual Property Organization in March 2000 and became a party to the Paris Convention for the Protection of Industrial Property and the Patent Cooperation Treaty in November 2002, to send positive messages to investors about its commitment to protection of their business interests. Moreover, in order to reduce external vulnerabilities, it issued new money laundering rules and mandated the FSA to perform due diligence on all offshore private sector entities registered in the country

### The banking sector

The banking sector provided a myriad of avenues for corruption as Seychelles created and self-promoted itself as an offshore banking jurisdiction. In the 1990s, the jurisdiction was apparently being used for money laundering and/or the financing of narco-terrorism. Aware of this, the government introduced and implemented a robust legislative framework for AML/CFT to combat attempts to launder money through its jurisdiction (ESAAMLG 2010).

According to the Governor of the Central Bank, Caroline Abel, ‘a strong culture supporting the AML matters gained momentum with the reforms of 2008. The reforms were owned by the people as the President conducted personal meetings at district levels to effectively explain setbacks and the plan of action and thereby obtain their buy-in. There was no coercion to implement the reforms’.

## The media

Lately, investigative journalism has uncovered corruption and identified and linked parties to corruption schemes and trails of illicit gains in many countries. However, only 10 countries in Africa have freedom of information acts and Seychelles is not one of them (Pesek 2014).

Seychelles has faced criticism in several international reports that emphasised lack of freedom of the press. For example, its constitutional guarantee of freedom of speech is often curbed through the invoking of other articles of the Constitution such as protecting reputation, rights and privacy of citizens, interest of defence, public safety, public order, public morality and public health. The Minister of Information is vested with powers to prohibit the broadcast of any material deemed contrary to the national interest. The Seychelles Broadcasting Corporation, under the Ministry of Broadcasting, runs the nation's only television and radio stations and effectively regulates international channels. High licensing fees and exorbitant fines have historically discouraged the establishment and sound functioning of independent media outlets (Commonwealth Network 2015).

Nevertheless, since 2008, the government has recognised the value of free speech and the media for a small island developing country and has been proactive in this domain (Ferrari 2014). There are now nine newspapers, eight magazines, thirteen newsletters, eleven publishers, three broadcasters and two news agencies (SMC 2015). A collaboration on courses for journalism training in universities, a diploma course, study exchange programmes and certification courses were set up in 2009 with the International Programme for Development of Communication (IPDC) of the United Nations Educational, Scientific and Cultural Organization (UNESCO). The Seychelles Broadcasting Corporation has also signed an MoU with the IPDC to continue to provide support in this field (UNESCO 2009).

The Seychelles Media Commission (SMC), an independent regulatory body, was set up to help strike a balance between libel laws, freedom of speech and journalistic media. It has tabled a draft bill on freedom of information and access to information guaranteed under the Constitution. Another platform for journalists, the Seychelles Media Association, was re-established recently.

## Non-governmental and civil society organisations

Realising that the CSOs must function independently of the government, the Citizens Engagement Platform for Seychelles was established in 2014. CSOs are now represented on national boards and are often consulted by development partners such as the IMF, the United Nations, the World Bank and the AfDB. Several CSOs work with underprivileged, disabled, elderly, poor and vulnerable populations (Ferrari 2014).

The government has also encouraged CSOs to partner in social welfare systems, particularly after the financial crisis of 2008 increased the number of people requiring welfare assistance to about 8 per cent of the population (AfDB 2013). CSOs offer support to people and mitigate corruption in social welfare programmes.

## 6.3 Conclusion: lessons, challenges and recommendations

### 6.3.1 Lessons

Although each country is different and hence the solutions have to be unique to address anti-corruption efforts, the key lesson from Seychelles is about how it recognised problematic situations, analysed them and worked towards a more transparent and open environment.

Having plunged to some depths on the CPI up to 2006, Seychelles not only arrested the fall but showed remarkable improvement to emerge as the second best nation in Africa on the index. The most important driver of change was the leadership of the President. Positive efforts included setting the tone at the top, formulating the reform agenda and establishing statutory bodies to deal with corruption in the public and private sectors, banking, the NGO sector and civil society that galvanised everyone into improving society.

Analysis of the country's status in 2006 shows its unpromising small-island economy grappling with the legacy of political wavering after independence and later the Cold War. It had limited financial markets without much forward integration and over-reliance on the blue economy and had to win the confidence of investors. It therefore embarked on drafting new laws and revising old ones to strengthen public sector integrity. The Public Sector Officers Code of Conduct, Audit Amendment Act, Penal Code and Anti-Money Laundering Act are some examples.

The pillars of democracy – namely the judiciary, Parliament and the executive – were systematically reinforced with greater independence, transparency and accountability. Active accountability-seeking institutions such as the Finance and Public Accounts Committee and Auditor General were empowered. Simultaneously, accountability institutions such as the Ombudsman, Electoral Commission, Public Officers Ethics Commission, National Tender Board, Financial Intelligence Unit and Central Bank were systematically strengthened to evoke confidence in their integrity and independence. At the same time, the government transparently promoted CSOs, NGOs, state-owned enterprises, the media and independent bodies.

Seychelles recognised the role of private sector and state-owned enterprises in nation building and the importance of keeping them within the ambit of ethical behaviour through regulatory bodies that required them to have regular auditing, file tax returns and carry out due diligence. Conscious of the need to strengthen the culture of integrity, it leveraged its position by ratifying UNCAC and aligning with international organisations such as the OECD, UNODC, the World Economic Forum, the IMF, the World Bank, the AfDB, the SADC and others. These development partners helped Seychelles build its important institutions.

While becoming financially stronger, the country engaged in systems improvement through technology such as IT systems for revenue, education and health sufficiency. Some of these measures directly tackled sector-specific corruption, particularly in the revenue and procurement domains.

As the world community started recognising its efforts, Seychelles could make significant progress in improving its GDP, access foreign inputs for exports (backward integration) and achieve free education, social security and free health services for its citizens. Thus it could achieve the distinction of being a high-income country akin to some OECD countries.

### 6.3.2 Challenges

The SRC still faces challenges of capacity, tax expertise and the banking environment. For example, only one bank has a payment gateway for online filing of tax returns.

According to the Minister for Foreign Affairs, the biggest challenge to developing the blue economy is that developing countries often make decisions regarding their marine resources without possessing all the available information (Adam 2014). Illegal, unregulated and unreported fishing has its roots in actual and potential corruption.

Although the Office of the Ombudsman has been in operation since 1993, it has not dealt with a single formal case of corruption. According to Dora Zatte, Ombudsman and Chairperson of the National Human Rights Commission, this is because the country is so small, ‘everyone knows everyone [and] most issues, therefore, are resolved through informal channels’.

The Chairman of the SMC noted that, although this institution has filled the vacuum between the media and the government and is a good beginning, the three-member advisory body is grappling with a ‘lack of powers to implement its decisions on complaints brought before it’.

### 6.3.3 Recommendations

In general, Seychelles offers a positive example to other countries in the process of nation building, demonstrating that independent accountability institutions, development partners, and a transparent public and private sector are important ingredients in tackling corruption and bringing about integrity and accountability to establish a modern, innovation-based welfare state.

However, there is still an opportunity to do more to improve its ranking on the CPI. For example:

- The Office of the Ombudsman should be more proactive in investigating allegations of corruption.
- There are good practices in the evolution of the FPAC that can positively influence anti-corruption activities if replicated elsewhere.
- Private companies, particularly those involved in financial services, should be required to establish internal codes of conduct that include reference to corruption.
- As offshore banking is a pillar of the economy, AML rules should be strictly enforced.

## Legislation and organisational rules

African Union Convention on Preventing and Combating Corruption 2003

Anti-Money Laundering Act 2006

Auditor Generals Act 2010

New Financial Institutions Act 2004

Police Force Act 2014

Public Officers Ethics Act 2008

Public Procurement Act 2014

Seychelles Penal Code 1955

United Nations Convention against Corruption 2004

### Annex 6.1 Personal interviews

The analysis in this case study was supplemented by personal interviews with representatives of key institutions. A note of appreciation is extended to all those who took the time to provide input into the analysis of the anti-corruption efforts of Seychelles.

Dora Zatte, Ombudsman and Chairperson of the National Human Rights Commission

Hendrick Gappy, Electoral Commissioner

Patrick Payette, Principle Secretary, Finance and Trade

Reginald Elizabeth, Assistant Commissioner, Police Department of Seychelles/Interpol

Jan Celliers, Assistant Superintendent, Police Department of Seychelles/Interpol

Marc Benstrong, Auditor General of Seychelles

Mina Crea, Public Ethics Commissioner

Caroline Abel, Governor of the Central Bank

Mathilda Twomey, Chief Justice

Hon. David Pierre, Chairman, Public Accounts Committee

Hon. Charles De Commarmond, Vice Chairman, Public Accounts Committee

Ibrahim Affif, CEO, Seychelles Media Commission

Annie Dugasse, Director of Procurement Oversight Unit, Ministry of Trade and the Blue Economy

Marie-Nella Nancy, CEO, National Tender Board

Georgette Capricieuse, Revenue Commissioner

Gervais Henri, Chairperson, Media Practitioners Association

## Note

- 1 Black money is money earned through illegal or underground economic activities, usually received in cash and hence not taxed.

## References

- Adam, J.P. 2014. 'The Blue Economy: Seychelles' Vision for Sustainable Development in the Indian Ocean'. Presentation at a meeting held at Chatham House, London, 11 June.
- AfDB (African Development Bank). 2011. 'Seychelles: Country Strategy Paper 2011–2015'. Available at: <https://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Seychelles%20-%20CSP%20%202011-2015.pdf>
- \_\_\_\_\_. 2013. 'Inclusive Private Sector Development and Competitiveness Programme (IPSDCP) – Appraisal Report'. Abidjan: AfDB.
- Anti-Money Laundering Forum. 2015. 'Seychelles'. Available at: <http://www.anti-moneylaundering.org/africa/Seychelles.aspx>
- ARIPO (African Regional Intellectual Property Organization). Undated. 'Membership/Member States'. Available at: <http://www.aripo.org/about-aripo/membership-member-states>
- CIA (Central Intelligence Agency). 2015. 'World Factbook: Seychelles'. Available at: <https://www.cia.gov/library/publications/the-world-factbook/geos/se.html>
- Commonwealth Network: Seychelles. 2015. 'Find Media and Broadcasting Expertise in Seychelles'. Available at: [http://www.commonwealthofnations.org/sectors-seychelles/business/media\\_and\\_broadcasting/](http://www.commonwealthofnations.org/sectors-seychelles/business/media_and_broadcasting/)
- Electoral Commission. 2013. 'Report and Recommendations on Electoral Reform in Seychelles'. Available at: <http://www.ecs.sc/downloads/report/ElectoralReformReport2013.pdf>
- ESAAMLG (East and Southern Africa Anti-Money Laundering Group). 2008. *Mutual Evaluation Report: Anti-Money Laundering and Combating the Financing of Terrorism – The Republic of Seychelles*. Dares Salaam: ESAAMLG.
- \_\_\_\_\_. 2010. *Seychelles National Strategy for Anti-Money Laundering and Combating the Financing of Terrorism*. Dares Salaam: ESAAMLG.
- Ferrari, P. 2014. 'Report on the State of Media and Communication (Media on the Threshold)'. Available at: [http://www.statehouse.gov.sc/uploads/downloads/filepath\\_70.pdf](http://www.statehouse.gov.sc/uploads/downloads/filepath_70.pdf)
- FPAC (Finance and Public Accounts Committee). 2014. 'Examination of the 2011 Report of the Auditor General of Seychelles'. Fourth Report of FPAC. Available at: <http://www.nationalassembly.sc/NAS/images/fpac/report4.pdf>
- FSA (Financial Services Authority). 2014. 'Annual Report 2014'. Victoria: FSA.
- Government of Seychelles. 2012. 'Seychelles: National Preparations for the United Nations Conference on Sustainable Development, UNCSD, Rio 2012'. Available at: <https://sustainabledevelopment.un.org/content/documents/1019Seychelles%20National%20Report.pdf>
- Know Your Country. Undated. 'Seychelles'. Available at: <https://www.knowyourcountry.com/seychelles1111>

- Mathisen, H. 2011. 'How to Monitor and Evaluate Anticorruption Agencies'. U4 Anti-Corruption Resource Centre. Available at: <http://www.u4.no/themes/evaluation-and-measurement/>
- OAG (Office of the Auditor General). 2014. *Report of the Auditor General 2013*. Available at: <http://www.oag.sc/downloads/annualreport>
- OECD (Organisation for Economic Co-operation and Development). 2015. 'Stocktaking of Anticorruption and Business Integrity Measures for Southern African SOEs'. Background material for the 5th meeting of the SOE Network for Southern Africa, Lusaka, Zambia, 26-27 November 2014.
- Office of the Ombudsman. 2015. International Association of Anti-Corruption Authorities (IAACA). Seychelles country information. Available at: [http://www.iaaca.org/AntiCorruptionAuthorities/ByCountriesandRegions/S/Seychelles1/201202/t2012\\_0213\\_803779.shtm](http://www.iaaca.org/AntiCorruptionAuthorities/ByCountriesandRegions/S/Seychelles1/201202/t2012_0213_803779.shtm)
- Palmer, V.V., M.Y. Mattar and A. Koppel (eds.) 2015. *Mixed Legal Systems, East and West*. London and New York: Routledge.
- Pesek, S. 2014. *Combating Impunity: Transnational Justice and Anti-Corruption – Conclusions from Practitioners' Dialogues on Transitional Justice*. Washington, DC: Freedom House.
- REFLECS3 (Regional Fusion & Law Enforcement Centre For Safety & Security at Sea). Undated. 'About Us'. Available at: <http://www.rappicc.sc/aboutus.html>
- Rojid, S., A. Afif and E. Sacerdoti, 2013. *Seychelles: How Classic Policies Restored Sustainability*. Washington, DC: World Bank.
- Schwab, K. 2012. *The Global Competitiveness Report 2012–2013*. Geneva: World Economic Forum.
- SMC (Seychelles Media Commission). 2015. Information compiled from: <http://www.seymediacom.org/media-directory.html>
- SRC (Seychelles Revenue Commission). 2013. 'Annual Report 2013'. Available at: <http://www.src.gov.sc/resources/AnnualReport2013.pdf>
- Transparency International. 2015. 'Corruption Perception Index'. Available at: <https://www.transparency.org/research/cpi>
- \_\_\_\_\_. 2015. 'National Integrity Systems Assessments'. Available at: <http://www.transparency.org/whatwedo/nis>
- UNESCO (United Nations Educational, Scientific and Cultural Organization). 2009. 'Building the Institutional Capacity of Seychelles Institute of Management to Offer Media Training in Seychelles'. IPDC Projects Database. Available at: <http://www.unesco-ci.org/ipdcprojects/content/building-institutional-capacity-seychelles-institute-management-offer-media-training>
- United Nations Department for Public Administration and Development Management (DPADM) and Department of Economic and Social Affairs (DESA). 2004. 'Republic of Seychelles: Public Administration Country Profile'. Available at: <http://unpan1.un.org/intradoc/groups/public/documents/un/unpan023285.pdf>
- World Bank. 2014. *Doing Business 2015: Going Beyond Efficiency*. Washington, DC: World Bank.
- \_\_\_\_\_. 2015. *Doing Business 2016: Measuring Regulatory Quality and Efficiency*. Washington, DC: World Bank.

- \_\_\_\_\_. 2016. 'Data: Seychelles – GDP per capita'. Available at: <https://data.worldbank.org/country/seychelles>
- WEF (World Economic Forum). 2015. *The Africa Competitiveness Report 2015*. Geneva: WEF.
- \_\_\_\_\_. 2015. *Building Foundations against Corruption: Recommendations on Anti-corruption in the Infrastructure and Urban Development Industries*. Geneva: WEF.
- \_\_\_\_\_. 2015. *Global Risks 2015*. 10th Edition. Geneva: WEF.
- \_\_\_\_\_. 2016. *Partnering Against Corruption Initiative: Global Principles for Countering Corruption*. Geneva: WEF.
- WIPO (World Intellectual Property Organization). Undated. 'Seychelles'. Available at: [http://www.wipo.int/members/en/details.jsp?country\\_id=151](http://www.wipo.int/members/en/details.jsp?country_id=151)
- World Justice Project. 2015. *World Justice Project Rule of Law index 2015*. Washington, DC: World Justice Project.

