



Policy Paper

On

CURBING CORRUPTION TO IMPROVE SERVICE DELIVERY

By

National Planning Authority



June 2013

List of Acronyms

DEI	Department of Ethics and Integrity
DPP	Directorate of Public Prosecutions
IAF	Inter-Agency Forum
IG	Inspectorate of Government
IGG	Inspector General of Government
NAADS	National Agricultural Advisory Development Services
NACS	National Anti-Corruption Strategy
PAC	Public Accounts Committee
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of public assets Authority
UBOS	Uganda Bureau of Statistics
WGI	Worldwide Governance Indicators

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1.0 Introduction

Corruption has been generally defined as the abuse of entrusted power for private gain (Transparency International). It hurts everyone who depends on the integrity of people in a position of authority. It has been argued by some that corruption has been a feature of human behavior since the beginning of time; that it has been part of the structure of human relationships and very much bound into the way people live with each other and distribute status and power (Graycar and Smith, 2011). Viewed in that light, corruption then becomes a function of society's complexity. This view suggests that what may seem like a normal way of doing things in a simple society, may be viewed as corruption in the more complex one.

According to Felson (2011), corruption is a product of the interplay between primary human imperatives and an economic and social system trying to control and channel those imperatives. The imperatives include things like seeking one's personal interest, and espousing social commitments to relatives and friends. It is therefore suggested here that a strong tension inherently exists between the primary individual drives and the larger economic and social system. The more successful the larger system is in taming the primitive drives of its members, the less likely it will be for the individuals to gravitate towards corrupt tendencies. Conversely, the less successful the larger society will be in this endeavor, the more likely it will be for corruption to flourish.

Most of Uganda's post-colonial history has been characterized by the tensions between people's (particularly those in positions of responsibility) individual or sectional interests and the larger national more universal interests. In 1986, when the NRM Government assumed power, one of the commitments that was pronounced under the ten-point programme was the transformation of Ugandan society from backwardness to modernity. One of the key principles of modern societies is the rule of law and the subjection of individual selfish interests to the interests of the common good. More recently the NRM Government has committed itself to fight corruption in the manifestoes of both 2006 and 2011 with the ultimate goal of zero tolerance to corruption.

Within this broad environment, the present paper examines the problem of corruption within the context of Government operations and all efforts to curb it.

2.0 The Problem

Corruption has been discussed in Uganda over a very long period. Many efforts have been made by government and other institutions to curb this ill but to no obvious avail. The problem seems to either remain constant or, in some instances, even to only get worse. The question is, with all the anti-corruption measures that have been put in place by different actors at different levels, why does it seem unresponsive? Some of the difficulties associated with the fight against corruption are inherent in the issue itself. It is also pertinent to ask: while zero tolerance for corruption is our ultimate goal, do we have the same definition of the concept?

Though universally abhorrent, there is no consensus on the actual parameters of corruption, making unanimous identification of the phenomenon difficult. In addition to the problem of lack of consensus, the hidden nature of corruption also makes its direct measurement virtually impossible. Whatever acts constitute corruption take place in complete secrecy, often proven only in courts of law and commonly, even then, not conclusively. Although people have been known to own up to some negative behavior such as drunkenness, drug abuse, even sexual violence, hardly anybody has owned up to perpetrating acts of corruption. A third source of the problem emanates from the multi-faceted nature of corruption. What is considered as corruption ranges from neglect of duty through taking of bribes to outright theft of public resources. So, it is important to establish, are these different acts, or simply points on a continuum of the same phenomenon?

3.0 Objectives of the Paper

The general objective of this paper is to examine the reasons for the persistence of a high level of corruption in Uganda and how it could be curbed. Specifically, the paper sets out to:

- i. highlight the different manifestations of corruption in the country;
- ii. examine the different efforts that the Government has embarked on in the fight against corruption;
- iii. trace critical drivers of corruption in the country;
- iv. review some of the consequences of corruption; and
- v. make some recommendations on how corruption can further be curbed to improve service delivery.

4.0 Manifestation of Corruption

If there is no consensus on the definition of corruption, it is hardly surprising that its manifestation is not straightforward either. A basic question is, how do we recognize corruption? Is it measurable? – Quantitatively (scale) or Qualitatively (yes/no). In Uganda, most acts of corruption are identified *ex post facto*. These revelations usually come from the Auditor General’s annual reports, and occasionally IGG reports, Parliament’s Committee proceedings, especially the Public Accounts Committee, media reports, etc. In more extreme situations, however, corrupt acts only come to light when there are appalling service delivery failure, such as a bridge washed away by rain, a school building that crumbles before it is handed over, or bicycles that were paid for but never received by the beneficiaries.

For the fight against corruption to be effective, two equally important conditions need to be in place. (i) there must be capacity within the country not only to reveal the acts of corruption that have been carried out, but also to effectively investigate them and punish the culprits; and (ii) there must be equal capacity to identify high-risk areas and institute effective preventive measures. These high risk areas are commonly associated with things like large account procurements, dealings involving large amounts of cash, etc.

A number of efforts have been put in place to identify situations and institutions associated with corruption and thereby make its estimate and deeper analysis a little easier. Some of these efforts are international, while others are locally based. They include:

- i) Inspectorate of Government report on corruption trends in Uganda, using the data tracking mechanism;
- ii) The World Bank's Worldwide Governance Indicators;
- iii) Global Corruption Barometer for bribery, and Corruption Perceptions Index of Transparency International;
- iv) The Mo. Ibrahim Index of African Governance; and
- v) The Afrobarometer reports.

The resources provided by these various initiatives range from a general review of governance institutions in the country, to actual acts of corruption such as giving or being asked for a bribe. The bulk of these instruments represent indirect assessments of the levels of corruption as seen by some dependable observers and would-be victims of this ill.

Commenting on the quality of data used in these assessments, the IGG report noted that it falls into two categories. The international data and the data from UBOS' Uganda National Panel Survey were reported to be of high quality which was reflected in the consistency, accuracy, and frequency of the data. However, data collected from the Anti-Corruption Agencies and service commissions were reported to be problematic displaying problems of inconsistency and inaccuracy. This problem was attributed to weak internal standards and processes related to data collection and management in these agencies. Poor quality data is a serious problem that can affect the whole process of tracking and tackling corruption.

A quick review of the results from assessments using the instruments cited above confirms that Uganda has a very big corruption problem. To start with, the Corruption Perceptions Index ranks countries/territories based on how corrupt a country's public sector is perceived to be. It is a composite index, drawing on corruption-related data from expert and business surveys carried out by a variety of "independent and reputable" institutions. The scores range from 0 (highly corrupt) to 10 (very clean).

In the 2010 round, this index ranked Uganda 143rd out of 183 countries with a score of only 24 out of a possible 100. This result meant that Uganda was perceived as a very corrupt country among its citizens and reputable organizations. It also meant that although there were many other countries with a worse perception, it was among the top 40 worst perceived countries in the world as far as corruption was concerned. Uganda's score climbed slightly to 29 in 2011, with an overall ranking of 130th out of 174 countries ranked. Although fewer countries were scored in 2011 it is still clear that Uganda's comparative standing improved slightly. In 2010, only 40 countries had worse perception than Uganda's while in 2011 there were 44.

On the other hand, the Ibrahim Index assesses national governance against 57 criteria. The criteria capture the quality of services provided to citizens by governments. The focus is on the results that the people of a country experience, rather than stated policies and intentions.

The criteria are divided into four overarching categories which the Index defines as the cornerstone of a government's obligations to its citizens:

- Safety and Rule of Law,
- Participation and Human Rights
- Sustainable Economic Opportunity
- Human Development.

Summarizing the Ibrahim index 2010 results for Uganda, the IGG's Report (Inspectorate of Government, 2011) stated:

Overall, the Mo Ibrahim results showed that the control of corruption in Uganda remained relatively unchanged. In particular,

a) No change was registered in the index for corruption among government and public officials – it remained at 40 between 2008/9 and 2010.

b) On transparency and corruption the index for Uganda improved from 43.8 in 2008/9 to 46.4 in 2010. This suggests that there was slightly more transparency in governance which led more people to understand corruption, its effects and its manifestations.

c) The index on prosecution for abuse of office remained the same at 71.4

d) On corruption and bureaucracy the indicator remained at the same level of 28.6 during the two periods (2008/9 and 2010).

e) Corruption in rural areas as part of accountability and transparency in governance deteriorated in Uganda. The index for this dimension fell from 72.6 in 2008/9 to 66.6 in 2010.

Similarly, the World Bank's Worldwide Governance Indicators (WGI) are a research dataset summarizing views on the quality of governance experienced in a country, as provided by a large number of enterprise, citizen and expert survey respondents in industrial and developing countries. These data are gathered from a number of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms.

The governance indicators proposed by the World Bank are:

- i) Voice and Accountability, which reflects perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media;
- ii) Political Stability and Absence of Violence, reflecting perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism;
- iii) Government Effectiveness, which brings out perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies;
- iv) Regulatory Quality, which reflects perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development;
- v) Rule of Law, reflecting perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence;
- vi) Control of Corruption which reflects perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.

A corruption trend assessment by IGG based on selected world governance indicators concluded thus:

The World Bank's corruption-related indicators showed that Uganda did not substantially change its rankings in fighting corruption between 2009 and 2010. Specifically,

a) On Voice of Accountability, Uganda improved slightly from 33rd in 2009 to 34th percentile position in 2010. This means 34 per cent of the countries of the world were worse off than Uganda, but also it means 66% were better.

b) Regarding government effectiveness, Uganda improved slightly from 32nd percentile position in 2009 to 34th position in 2010.

c) On control of corruption, Uganda remained at the 20th percentile position between 2009 and 2010.

The fact that the three indicators remained virtually stationary implies that, according to World Governance criteria, Uganda did not make substantial gains in the fight against corruption between 2009 and 2010.

From all the different approaches and estimates of corruption there are some points of agreement that stand out. From the analyses, the following conclusions can be made:

- i) Uganda still has a very big problem of corruption;
- ii) The problem has not improved at all over the years; and some indicators have shown that the situation actually got worse;
- iii) Corruption is not an event but rather a process which takes place within a particular system;
- iv) The problem of corruption cannot be seen in isolation, but rather in the institutional and politico-economic context of the country.

4.1 Common Manifestations of Corruption

Despite the lack of consensus on definition and measurement of corruption, the kinds of behavior most commonly associated with corruption are:

- i. *Accepting bribes after doing what an officer is employed to do;*
This is a tricky form of corruption because technically there is no wrong doing since the giver did so voluntarily without being coerced. It is commonly equated to “tips” for services in places like bars; restaurants etc. and often people believe there is no harm done. Consequently, it is one of the most difficult forms to track.

However, the practice must be seen in light of its likelihood to compromise the integrity of the receiving officer. The issues that have to be raised are: (i) what will happen in case a routinely tipping client comes and asks for something that is not exactly legal? Or (ii) will the receiving officer serve non-tipping clients with the same level of commitment and quality as the tipping ones? and (iii) what will happen if clients stop giving tips?

- ii. *Demanding a bribe before doing what an officer is employed to do (extortion);*
This is perhaps the Ugandan public’s biggest outcry. Most people report unhappiness with the Government due to being asked to pay incessant bribes. The recently released East African Bribery Index 2012 ranked Uganda as having the highest bribery levels in the region with a percentage value of 40.7 per cent. According to that report, the police remains the top most corrupt institution in the country, followed by the judiciary. Significant bribery levels were also reported in the registry and licensing services, city and local councils, the health and education sectors.

Due to the secretive environment in which a bribe is demanded and given, it is always difficult to independently verify these claims, but at the worst they can be taken as pointers to a big problem. There is also anecdotal evidence which points out that traffic and patrol police daily wait by the roadsides and routinely demand money from motorists before they can allow them to continue with their journeys. The worst affected are said to be trucks and taxis though on a bad day (for the police) all types of motorists are said to be likely to fall victim.

The anecdotal evidence further suggests that these police officers are sent by their “bosses” with quotas they have to take back. Failure for one to meet his or her quota, means being assigned desk duty thereafter and missing out on the “lucrative” road deployment. Besides traffic police, there are stories of police officers demanding money for issuing police bonds to suspects and others being paid to lose police files.

In the Judiciary, stories abound of judicial officers, especially magistrates, asking for bribes to decide cases one way or the other. Similarly, in the health sector, there have been many cases reported in the media of doctors asking relatives to raise certain amounts of money before a patient can be operated upon or receive some other specialized service.

In these cases, both the High Court judges and the doctors have warned that junior officers have a tendency to demand money from relatives of either suspects or patients in the names of judges and doctors who know nothing about the scam. In fact, in November 2012 in Masaka High Court, the father of a murder suspect was said to have been approached by one of the court clerks who told him that the judge had asked for a two-million shilling bribe to be lenient to his son. When the case came to trial the suspect was sentenced to 40 years in prison, suggesting that the trial judge knew nothing about the scam. The father in question cried out in exasperation that after his two million had been “eaten”; and that is how the scam came to light. This is a subtle type of corruption which these institutions must make a concerted effort to fight.

Bribery has also been cited in the procurement process. It may take the form of tampering with bids, at the bid evaluation stage or the contract awarding stage. At any of these stages, the persons concerned might, often through an agent, demand or accept a bribe to influence the course of the bidding process. In a recent bid for the construction of Karuma Hydro-electric power station, the evaluation was halted amid fears that the evaluation committee had been compromised.

iii. Neglect of duty

Neglect of duty falls under what the World Bank has referred to as “quiet corruption” and has defined it as the failure of public servants to deliver goods or services of the government. It is often observed in absenteeism or other forms of non- or under-performance when the officer is present. This form of corruption is said to be most serious in the health and education sectors though observable in some others as well that offer direct services to the public.

According to the Inspectorate of Government (2011) report, teacher absenteeism was 20 and 9 per cent in government-aided and non-aided primary schools respectively. In the health sector, quiet corruption was even worse. The same report put absenteeism among government-run health centre staff at one third while in non-government run health centres it was 21 per cent.

iv. *Kickbacks;*

Like other forms of corruption, kickbacks take place behind a shroud of secrecy. This is where people or firms awarded with contracts to supply commodities, services or works to a particular entity pay back some of the proceeds to the person or persons who awarded or caused award of the contract. The payment could be in cash or in kind.

v. *Misappropriation, theft of public funds and fraud by virtue of one's position;*

This is a form of corruption that is very common in Uganda. From the valley dams saga to the Global Fund and GAVI scandal, to the CHOGM fiasco, Uganda has been grappling with the evil of theft of public funds by public officers who abuse their positions. More recently, the media has been awash with stories of public funds thefts by various public officers at various levels in the Ministry of Public Service and Office of the Prime Minister with accusations and counter accusations of fraud and deceit.

vi. *Self-dealing;*

This is a form of corruption that is said to be rampant in local governments, although it may exist in some degree at central government level as well. The media has reported a number of instances where members of district contracts committees or the district councils award contracts to themselves or their companies.

vii. *Patronage*

In this form of corruption, people or firms have “god fathers” within the system who order for decisions to be made in their favour though in open competitive bidding they might not have. This may be seen in cases of employment, procurement, etc.

viii. *Misusing public property for personal gain;*

This is where public officers have no respect for public property and the fact that it is intended to deliver a public good. One minister in 2011 was accused of taking a radio transmitter belonging to the national radio and using it at her private radio station.

ix. *Abuse of discretion;*

This form of corruption tends to cut across all the other forms and involves decision makers, especially at the highest levels. It extends to vetoing decisions and controls made or placed at lower levels.

- x. *Creating or exploiting conflict of interest;*
Many times, our positions bestow upon us some clout which can deliver favours either to ourselves or those we like. In the absence of a high code of conduct for public officers, such clout is very often abused.
- xi. *Nepotism;*
Although one's relatives should not suffer a disadvantage simply because one of their own is in a high office, they should not be seen to flout every hiring and procuring rule in the same vein. Quite often highly placed public officers bring their children, siblings or other relatives into employment or public contracts without following the laid down procedures which means that the public may not be ensured of value for money in such process.
- xii. *Clientism and favoritism;*
People tend to create clienteles around themselves which develop and nurture unquestioning loyalty to the individual or group of persons. These clienteles are commonly built around ethnic, religious or political affiliations. They then tend to receive targeted but otherwise illegal favours from the decision-maker(s), either directly or through influence peddling.
- xiii. *Political manipulation*
Many civil servants and other public officers have cited cases of political interference in hiring, procurement and other public services delivery processes. Such manipulation is also a form of corruption.

5.0 Government Efforts to Combat Corruption

The Government of Uganda is on record as having committed itself to the fight against corruption. The *Sunday Vision* issue of 4th October 2009, quoted President Museveni as making the following policy pronouncement while addressing various audiences including a Cabinet retreat, Makerere University lecturers and students, and the 10th annual President's Export Award held at Imperial Royale Hotel on Friday 2nd October, 2009:

“We are fighting corruption and very soon you will hear about the casualties. If only you could see what we are spending on NAADS. This year shs.135 billion will be spend on NAADS. About 50% of that money is stolen on the way. But we will make those thieves vomit what they have stolen. We have sent a lot of money to all sectors, to the local governments, but the money is stolen

with the complicity of civil servants, including the accounting officers. Now I have time and I have come into the middle of these high-class thieves. Soon you will hear about the casualties. I have already set up systems here and there, traps to catch them.”

Announcing the setting up of a complaints desk at his office where investors can report in confidence those Government officials who demand bribes, the President is quoted as having said:

“You investors, if you hear of any corruption, I will put up an address and you send your message that so and so is a thief, you should not be blackmailed. You should not pay a bribe to anybody. [Somebody telling you:] Come again, come again, is just looking for a bribe.”

5.1 Legislative and Institutional Provisions

To back up this commitment, a legal and institutional framework has been established that would pave the way for concrete steps in the fight against corruption. Under this framework, a number of laws have been enacted and institutions created to strengthen the administration of justice and elimination of corruption. The challenge remains how these can be mobilized to deliver the expected results.

The anti-corruption laws in place include the following:

- i. The Budget Act, 2001. It provides for and regulates the budgetary procedure for a systematic and efficient budgetary process that is transparent for the benefit of all Ugandans.
- ii. The Leadership Code Act 2002. This Act provides for a minimum standard of behavior and conduct for leaders, requires leaders to declare their incomes, assets and liabilities, and to put in place an effective enforcement mechanism. This measure is designed to ensure transparency and accountability by the public officials holding public offices.
- iii. The Public Finance and Accountability Act 2003. This Act provides for development of an economic and fiscal policy framework for Uganda regulating the financial management of the Government. It also prescribes the responsibilities of persons entrusted with financial management in the Government and provides for the audit of Government, state enterprises and other authorities of the state, and other connected matters.
- iv. The Public Procurement and Disposal of public assets Act 2003. It regulates the procurement process to ensure transparency, accountability and value for money.
- v. The Access to Information Act 2005. This Act came as a means of opening up and accelerating access of the public to key information that may be held in Government and other offices so as to enhance transparency and accountability.
- vi. The Anti-Corruption Act, 2009. This Act replaced the Prevention of Corruption Act of 1970. The purpose of the revision was to bring the Act in line with existing international

- instruments and new and emerging issues in terms of both the proactive and reactive anti-corruption measures.
- vii. The Whistle Blowers Act 2010. The purpose of this Act was to provide protection to those who volunteer information in corruption cases. It was meant to supplement the indirect provisions of protection in the Leadership Code Act and the Access to Information Act. For example, it provides jail sentences for people who disclose whistleblowers' identities.

Other anti-corruption bills are on the way either in Parliament or in drafting offices to reinforce this already impressive outfit.

A number of institutions have also been put in place to operationalize these legal provisions. These include:

- i) Auditor General
- ii) Inspectorate of Government
- iii) Directorate of Ethics and Integrity (DEI)
- iv) Public Service Inspection Unit
- v) Directorate of Public Prosecutions (DPP)
- vi) Public Procurement and Disposal of public assets Authority (PPDA)
- vii) Anti-Corruption Court
- viii) Special Anti-Corruption Unit

5.2 Review of the Legal and Institutional Provisions

The President's pronouncement regarding people asking for bribes from investors and those stealing public funds suggests a political decision to fight corruption. This is especially so considering that the statements are reported to have been made both in a Cabinet retreat and to the investors themselves in a formal gathering.

The inventory of anti-corruption laws is quite comprehensive and tries to address a wide range of corruption. The list is also clearly intended to address the different scenarios that are found to be prevalent in Uganda. One consequently concludes that if corruption is not fought in the country, it will not be for a lack of laws.

The list of anti-corruption agencies created also brings out the institutional environment that the government has created for the operationalization of the anti-corruption efforts. This combination of legal, institutional and other strategic provisions are testimony to government's commitment to fighting corruption. The question that needs to be answered now is, in light of this impressive anti-corruption arsenal at the country's disposal why has corruption persisted in the country?

The first reason for these provisions' ineffectiveness is the serious under-funding of the various agencies. The under-funding has led to acute shortages of key staff and lack of operational funds.

The government needs to take a good look at this situation and a strategic investment in these agencies. The money stolen every year is more than what is needed to run all these agencies. It would make good investment sense to spend money to raise these agencies' effectiveness since a zero-tolerance situation would have a multiplier effect in the economy.

The second reason is likely to be the functional set-up of these agencies. It has been noted that corruption is a multi-faceted problem manifesting itself in a variety of ways. No single agency can claim ability to handle all the different facets of corruption. On the other hand, if they worked together they would be much more effective.

A related point is that corruption is not only a legal issue. While in the short run it is important to investigate, arrest, prosecute and punish the perpetrators of corruption, in the medium to long term, more political, sociological and structural solutions will have to be developed which will make the zero-tolerance target cheaper to attain and maintain.

The anti-corruption agencies are kept together in a loose coalition referred to as the Inter-Agency Forum (IAF). Institutions in this Forum are divisible into two categories, viz. the proactive (preventive) and the reactive (curative) agencies.

5.2.1 Proactive Agencies

The proactive agencies in the anti-corruption forum are expected to ensure the proper operation of systems and controls as well as a conducive environment that protects people from errant public and private officials. The successful and sustainable elimination of corruption from this country will in the final analysis depend on how effectively the proactive agencies assert themselves and their objectives on the national scene. These include:

i. Directorate for Ethics and Integrity (DEI)

The mandate of the DEI is derived from Article 99 (4) of the Constitution of the Republic of Uganda which empowers the President to designate responsibilities to any institution to help him/her perform functions prescribed in Article 94 (1). Realizing the need for a coordinated and synchronized approach to tackle corruption, the Directorate for Ethics and Integrity was established with a mission to coordinate national efforts to fight corruption and "empower the Ugandan society to uphold moral values and principles".

Its mandate is:

- To effectively coordinate Government efforts to fight corruption;
- To develop standards for the mainstreaming of ethics and integrity in public and core private institutions;
- To develop and promote an effective anti- corruption legal framework;
- To raise awareness and increase the level of participation of public and core state institutions in anti-corruption activities; and

- To enhance the technical and operational capacity of the DEI to implement its mandate.

In an effort to augment the fight against corruption, the Government established the Inter-Agency Forum against Corruption (IAF). The Forum brings together all those institutions which are at the frontline in the corruption fight and is coordinated by DEI. However, it is still a loose platform and has therefore not the expected impact in the fight against corruption due to weak coordination by the DEI. The DEI has not been provided the necessary facilitation to enable it harness the commitment of the IAF institutions especially for those that have independent mandates derived from the constitution. Although it is headed by a Minister, the DEI needs more functional powers such as ability to act as “chief negotiator” for the anti-corruption initiatives in the development agenda, advocate for adequate resources, and take the lead in initiating crosscutting roles in the fight against corruption. The lack of a formal mechanism to ensure commitment of all the agencies also poses a big challenge.

ii. Public Service Inspection Unit

The Establishment of the Department of Inspection was a result of a directive from H.E the President under cover of PO/23 of 01/06/1992 and the subsequent Circular Standing Instruction (CSI) No 2 of 1992.

As part of the initial reforms in the Public Service, it was found necessary to strengthen the function of Inspection in order to address the inefficiency, ineffectiveness and unresponsiveness in the Public Service. The Department was charged with the responsibility of inspecting the entire Public Service regarding attainment of set targets and to monitor closely the performance of Public Officers.

The scope of the Public Service Inspection Unit activities cover all Ministries, Departments and Agencies as well as Local Governments (147MDAs, 111 DLGs and their urban councils and the 22 Municipal councils) including service delivery facilities like hospitals and schools.

The Department is expected to inspect all MDA/LG after every 2 years to ensure compliance with the set standards such as Public Service Code of Conduct, Results-Oriented Management (ROM) and Client Charters. However, this has not been possible over the years due to the limited number of staff and inadequate financial resources and logistics. For instance, the Department was only able to undertake 13 joint inspections of the planned 25 in FY 2011/12 due to funding constraints.

iii. Public Procurement and Disposal of Public Assets Authority

The Public Procurement and Disposal of Public Assets Authority (PPDA) is established under the Public Procurement and Disposal of Public Assets Act 2003. The core mandate of the PPDA is to regulate all public procurement and disposal processes in Uganda, i.e. at MDA and LG levels. PPDA is critical in ensuring application of fair, competitive, transparent, non - discriminatory and value for money procurement and disposal standards and practice. Further, it sets standards for the

public procurement and disposal systems and monitors their compliance by the procuring and disposing entities.

The proliferation of districts has greatly complicated the problem of supervising procurement and disposal of government assets by local governments. The Public Procurement and Disposal of Assets Authority (PPDA) currently has a staff strength of 69 out of an approved staff establishment of 104. However, given the Authority's mandate to regulate all public procurement and disposal processes vis-à-vis the growing number of Procuring and Disposing Entities, even the approved number is too small to enable effective fulfillment of the Authority's mandate.

iv. Office of the Auditor General

The Office of the Auditor General is established under the provisions of Article 163 of the Constitution of Uganda and its mandate, functions and powers are enshrined in the National Audit Act, 2003. The core function of OAG is to audit and report on the public accounts of Uganda and of all public offices and/or organizations established by an Act of Parliament. This function is executed through undertaking financial audit of all public accounts, carrying out value for money audits, preparing and submitting to Parliament an annual report, controlling the release of funds from the consolidated fund, auditing classified expenditure, government investments & treasury memoranda, carrying out procurement audits and reporting fraud and corruption identified during audit to appropriate authorities.

v. Uganda Revenue Authority (URA)

The mandate of the URA is derived from Uganda Revenue Act, 1991 Cap 196. The Authority was established to administer and give effect to the Ugandan tax laws, assess, collect and account for the tax revenue collected.

In the instances where the proactive institutions fail to prevent an act of corruption, the reactive institutions are then expected to enter the scene.

5.2.2 Reactive/ Enforcement Agencies

The reactive agencies come into play post facto, i.e. after an act of corruption has taken place or is suspected to have occurred. They undertake investigation, prosecution and punishment. These include:

i) Uganda Police – CIID

The mandate of the Criminal Investigations Intelligence Directorate (CIID) is derived from the Constitution and the Uganda Police Force Act. The CIID is mandated to detect and prevent, and investigate crime in public places and society at large.

In 1998, a National Fraud Squad was formed to investigate fraud related cases country-wide. Due to complexity of investigation of fraud and corruption related cases, the

Departments of Anti-Corruption and Economic crimes were created under the Directorate of Criminal Investigations to handle corruption in both public and private sectors.

Considering the need to provide special attention to corruption cases, the Directorate has submitted a proposal to the Ministry of Public Service for the establishment of a National Fraud Division under CIID with 6 departments headed by a Deputy Director which is as yet to materialize. As a whole, anti-corruption units still have a considerable human resource challenge.

Strength (Human capacity):

Current CIID strength (Country wide)	4,597
Current strength Anti-Corruption Department	19
Current strength Economic crimes	18

Placements:

Parliamentary Accounts Committee	9
UTL	1
NSSF	1
URA	9
IGG	1
Bank of Baroda	2
UMEME	1

The dismal numbers seen here mean that a number of key specialized skills are not adequately provided. For example, the Directorate had only 2 handwriting experts who have since retired and are now hired on contract, while another two recently available ones are not yet gazetted. This human resource and skills shortage has led to increased case backlog of documents to be analyzed and has in turn delayed the completion of investigations, prosecution and final disposal of cases. The whole enforcement chain is affected by this slow process arising from various skills shortages at the investigation stage.

The Criminal Investigations and Intelligence Directorate also suffers from under-funding. Investigation of a single case is estimated to cost an average of shillings 2,000,000. On average, the CIID registers 204 cases annually yet it receives 90 million UGX a month as information fund. This fund is shared among various departments, specialized units, regions and districts throughout the country. Out of this fund the department of Anti-corruption gets only UGX 250,000 a month

to gather information about corruption in all government ministries and departments, local governments and urban authorities and parastatal bodies.

In addition, the Directorate also has a big challenge in area of logistics. Currently the CIID headquarters has at its disposal only 2 pickup trucks for use in field travels. This level of transport facility would not be sufficient to investigate cases even in one agency alone.

ii) Directorate of Public Prosecutions

The Office of the Director of Public Prosecutions (DPP) derives its mandate from Article 120 of the Constitution. The key functions of the DPP in the fight against corruption are: to provide legal advice to CIID during all criminal investigations and to institute and conduct criminal proceedings against any person or authority in any court with competent jurisdiction except the court martial. In addition, the office of the DPP handles miscellaneous applications, revisions, appeals and constitutional petitions arising out of criminal cases including corruption cases.

The DPP has set up two sections, viz. the Anti-Fraud Section based at the headquarters, and the Anti-Corruption Court Section based at the Anti-Corruption Court. The two specialized sections were set up owing to the “complexity of fraud and corruption cases, the high amount of efforts and time and resources required to manage the cases, and the seriousness and great public concern attached to the cases, and their effect on the economy and the development of the country”.

The DPP’s Anti-Fraud Section based at the headquarters has only 6 (six) lawyers who are mainly responsible for prosecution-led investigations. Similarly, the DPP in the financial year 2012/2013, due to a budgetary shortfall of shillings 2.25 billion, was forced to reduce the number of investigators for prosecution-led investigations from 24 to only 12 despite the existing and increasing workload. Budget cuts have also made it difficult for the investigative agencies to support witness preparation and pre-trial interviews, facilitate witnesses, assessors, as well as meeting costs for upcountry sessions.

iii) Inspectorate of Government

The Inspectorate of Government (IG) is a constitutionally established office. The mandate of the Inspectorate of Government as derived from the functions enshrined in chapter 13, Article 225 of the Constitution of Uganda (1995) is “to promote good governance in the Republic of Uganda” through four cardinal roles of:

- a. The Ombudsman Function Article 225(1) (a), (c) and (e) of the Constitution;
- b. Anti-corruption Function Article 225(1) (b) and Article 230(2) of the Constitution;

- c. Enforcement of Leadership Code of Conduct Article 225(1) (d) and Article 234 of the Constitution; and Section 3 of the Leadership Code Act, 2002 (Act 17); and
- d. Stimulation of Public awareness about the values of constitutionalism and activities of the Inspectorate of Government Article 225(1) (f) of the Constitution;

For purposes of implementing its functions and objectives, the IG is structured into six directorates and two divisions. To take its services closer to the people, the IG has so far established sixteen (16) Regional Offices. The technical staff at Head Office and the Regional Offices comprise of 186 officers.

In pursuit of its functions, the Inspectorate of Government takes a holistic approach and implements strategies comprising of both proactive/preventive measures and reactive/enforcement measures. The focus of enforcement is to increase the likelihood of corruption being detected and punished, while the focus of the preventive measures is to reduce opportunities for corruption.

The IG is allocated only shs.2,196,343,751 for its operational expenditure in a Financial year for handling various activities such as investigations, prosecutions, public awareness programmes, subsistence allowances, fuel etc. The funding for the IG Regional offices for investigations of the complaints is also limited. Each regional office is allocated shs.2,600,000/= for travel inland, fuel lubricants and oils and shs.100,000 as information fund per month to gather information on corruption. This allocation is not enough to cover the scope of 4 - 7 districts per region, as per IG structure.

Funding for activities related to studies into operations, policies, systems, procedures and legislations of various government departments (Ombudsman/inspection Function) with a view to identifying weak areas that may be vulnerable to corruption, verification of declarations and Data Tracking Mechanism are all drawn from donor funds which are not guaranteed, calling into question their sustainability.

In terms of personnel, the IG is severely handicapped with only 186 technical staff based at the Head office and the 16 Regional offices. The inadequate numbers of staff at the Regional Offices (3 per regional office) has caused case backlog since each regional office handles between 300 – 400 complaints from the 4 – 7 Districts. Each officer handles about 100 complaints at any given time rendering them ineffective.

An IG Regional Office with coverage of 4-7 Districts has only one vehicle for use while carrying out investigations. This greatly hinders mobility of the investigators and hence producing poor evidence leading to loss of potentially good cases. There is in addition a lack of computerized infrastructure for the storage, processing, and retrieval of documentary evidence.

The IG has had 2 particular handicaps in its operations. First, long periods of not being fully constituted means that the institution cannot function. Secondly, the absence of a Leadership Code Tribunal has undermined the enforcement of the Leadership Code of Conduct. This is because the

IG cannot implement decisions against leaders who are found in breach of the Leadership Code of Conduct.

iv) Anti-Corruption Court Division

The mandate of the judiciary and the Anti-Corruption Court Division is derived from Article 126 (1) of the Constitution and Legal Notice No. 9/2009. The Anti-Corruption Court Division was established as a special court to try and dispose of corruption and corruption related offences in a logical, expeditious and cost effective manner. Nevertheless, due to the principle of separation of powers and considerations of natural justice, the Agency cannot work more closely with the rest in ensuring effective investigation and prosecution of corruption cases.

The reactive agencies face considerable collective challenges in that corruption is becoming a more and more sophisticated crime that is fast evolving as a trans-national phenomenon. Dealing with it requires skills in special investigative and prosecution techniques such as forensic and cybercrimes investigative techniques, bank and tax fraud identification, handling of computer evidence and identification among others. Despite these developments in the corruption crime arena, the agencies have changed very little in form, structure or ways of doing business.

Although some of the staff in the DPP, IG, CIID, Inspection Departments have undertaken some training, a large number of the staff in these agencies still lack these specialized skills and therefore are not able or likely to effectively do their work. The need for placements in other jurisdictions for investigators and prosecutors to gain practical experience in handling corruption cases involving prosecution as well as asset- tracing and recovery cannot be overemphasized. This consideration is however very expensive and has thus to date not been undertaken.

In addition to skilling and increasing numbers, investigative agencies of the IAF such as the CIID, IG, DPP, Inspection departments need the necessary tools to undertake their task. Currently they lack specialized tools such as forensic investigative equipment, necessary anti-spy ware and tools to investigate cybercrimes and phishing. Presently, the CIID often times, flies exhibits to South Africa for forensic analysis which is costly and delays investigations since it does not have a modern laboratory to analyze complex chemicals, documents and the like.

It can therefore be easily appreciated that despite the impressive array of anti-corruption legislative provisions, the institutional loopholes recounted above makes effective operationalization of those provisions a near impossibility. In this connection, it is important to establish the key drivers of corruption in Uganda. If these can be isolated, the anti-corruption strategy could be crafted to particularly target those critical areas so as to realize some quick wins in the face of this otherwise gigantic and formidable phenomenon.

6.0 Drivers of Corruption

It is almost impossible to establish with certainty the causes of corruption. The decision to engage in an act of corruption is essentially an individual one. However, it takes at least two parties to seal it. The one party proposes it, while the other acquiesces. Even in cases where public funds are stolen, there is the party that decides to steal and the party that, by omission or commission, enables the theft to take place. It is practically impossible to establish in all the various cases of corruption, why the perpetrators engage in them, and in most cases finding the actual reasons would add little value to the general fight against the practice. It is however more revealing and eventually more useful to establish the risk factors most closely associated with corruption. Hence the use of the term “drivers” rather than “causes” of corruption.

The “drivers” of corruption are those factors that make it more likely, rather than not, for corruption to take place. It is important to examine these drivers because, similar to the governance indicators discussed above, they represent the environment within which individuals operate. Although there could be a multitude of drivers of corruption, the ones most commonly cited in Uganda are the following:

6.1 Weak Public Sector Management and Administration

The issue of weak public sector management and administration was already identified as a most binding constraint in the National Development Plan. The bulk of the anti-corruption policies and laws must be implemented through public sector institutions like ministries, departments and agencies. Various factors undermine these institutions’ ability to fully implement the stipulated measures to the expected standard. Some of the handicaps arise from understaffing, inadequate data and information; as well as inadequate operating standards and weak institutional infrastructure.

As highlighted in the previous section, the issues of policy and legal frameworks in this regard, as well as institutional structures have largely been addressed. What remains weak, however, is their functionality. From the manifestation of corruption it was clear that this problem is multi-faceted. It therefore calls for a multi-pronged approach. However, the current institutions are still stuck in the “silo” planning and implementation approach making them all individually ineffectual. For example, the Kazinda saga would not have gotten as bad as it did if, from the beginning, that is in the previous years, the Office of the Auditor General, the Inspectorate of Government, the Parliamentary Public Accounts Committee and the police were all working together.

6.2 Inadequate/Inappropriate Controls

Government of Uganda in a bid to reduce the business process and paper work, while improving on Government efficiency, opted for improved computer based systems and software. However, system controls to back-stop operations in case of any errors have not percolated through the entire public sector system. For example, new financial and human resources management systems such

as the IFMS and the IPPS have been established to curb corruption in public sector transactions. Regrettably, not all staff have been trained to effectively man the systems and, in case of those trained, virtually none of those in the traditional supervisory cadre are trained to monitor what the trained are inputting into the system or how they are operating it.

Furthermore, the controls already in place under the traditional system, have not been reviewed to match the new high technology systems rendering the new systems ineffective in curbing corruption. The integrity of the systems adopted is also a major challenge especially since it is continuously upgraded by the same people operating yet those responsible for checking it, such as the Internal Auditors and those responsible for enforcement against violators such as the CIID staff, are not conversant with how the systems operate. The fraud in the Pensions Department is a case in point.

6.3 Poor Remuneration of Public Servants

It is common knowledge that the immediately post-colonial public service was productive and could adhere to the established strict code of conduct. One of the major reasons for this adherence was that they were receiving meaningful salaries. Available evidence shows that all public servants could lead decent lives on their salaries up to the end of the month. In addition they had a number of worker-friendly credit schemes, such as hire purchase and housing finance, that enabled them acquire durable consumer assets on very reasonable terms.

On the other hand in today's Uganda, most public servants do not earn decent salaries. In fact, it would have been a miracle for these servants and their families to survive up to the end of the month on those salaries. It therefore becomes unrealistic to expect a person earning Ug.shs1,200,000 a month to be administering a project worth Ug.shs50,000,000,000 to do it faithfully and sincerely and be going back every evening to his starving family and children kicked out school due to non-payment of school fees.

A related problem is the discrepancy in public sector salaries. In some institutions, staff are paid very reasonable salaries while in others staff are forced to live on miserable pay. For example, the Executive Director of KCCA receives a salary that more than 30 times that of a Permanent Secretary, yet both are accounting officers of their public institutions. In other organizations, the gap between the Chief Executive and the other staff is too big to be justifiable. Such discrepancies not only demotivate the rest of the public servants, but are also likely to push them towards corruption.

Although it cannot be argued that insufficient remuneration is the sole reason for public officers to be corrupt, it is equally undeniable that the dehumanization caused by it erodes all traces of human decency from those who, having suffered from it for a considerable time, are exposed to large sums of money. Thereafter, human greed coupled with the ease with which it can be done, take over one's discretion.

6.4 Weak Anti-Corruption Agencies

Under the rule of law, once corruption is suspected, the investigative organs then take over the issue to establish the facts of the case and prepare it for prosecution. Similarly, in properly functioning systems, enforcement organs are usually strong enough to prevent the bulk of would-be acts of corruption even before they occur. This would release a significant portion of the pressure from the investigative agencies to handle those few that went through the cracks which would not overwhelm them.

An impressive array of institutions has been enumerated above which were put in place to fight corruption. The challenges that have also been highlighted alongside these institutions have made them virtually ineffective in fighting this ill. Unless the issues raised above are handled, it is difficult to see how the war on corruption will be meaningfully pushed forward.

6.5 Weak Judicial Institutions

Besides weak investigative organs, Uganda also has a problem of weak judicial institutions. Although there have been several attempts to beef up the Anti-Corruption Court, these cannot succeed when the rest of the “body” is ailing. The court system is plagued by perennial problems of under-payment, under-funding and poor facilitation. Currently, the top courts, viz. the Court of Appeal and the Supreme Court are under-constituted. The High Court is also seriously understaffed as are the Magistrates’ court systems all over the country. This fact not only undermines the administration of justice, but also seriously weakens the efforts to fight corruption.

Uganda follows a system of quasi-separation of powers, i.e. the Executive, Legislature and Judiciary. The principle here is to have complete independence of these three organs of government so that they can act as checks and balances on each other which would greatly enhance the war on corruption. To ensure this independence, the three organs should each be fully in charge of their budgets, staffing and operations.

The Legislature has largely achieved the financial independence because the terms and conditions of members of parliament are determined by the Parliamentary Commission. Its budget is not subject to approval by either of the other organs, i.e. either the Judiciary or the Executive. On the other hand, the Judicial Service Commission does not have the same kind of autonomy. It does not determine fully the terms and conditions of the Judicial officers, neither does it determine the Judiciary’s budget. Such a scenario weakens the operation of the Judiciary.

6.6 A Still Weak National Value System

It is undeniable that Uganda has gone through a very traumatic period virtually from the time of independence. These traumatic episodes have had their toll on national systems, values and institutions. Although the country at one time had one of the best civil services in the world, it

mostly crumbled under the weight of political and economic mismanagement. Through the various upheavals that the country has experienced, Ugandans lost the value systems they had learned over the years without any systematic effort to instill new ones. Dysfunctional societies created incongruous values, which in turn eroded the nation's moral fibre.

It is important to note that values are changed gradually over a period of time and not repealed like laws. People need to be consciously supported to unlearn what is considered obsolete or undesirable practices and then introduced to the desirable ones in equally systematic manner.

The building blocks for the value system exist in our midst. The ten-point programme which the NRM introduced in 1986 came up with the ingredients of a blue print for social, political and economic transformation. These points made reference to what had gone wrong in the past and laid out what path should be taken for the future. In addition to the ten-point programme, the 1995 Constitution has whole sections of national principles and citizens' responsibilities which spell out what is expected of a true Ugandan citizen. A third block is in the primary school curriculum which emphasizes the virtues of good manners, integrity and social responsibility. These blocks would form the cornerstone of a national value system.

Unfortunately, all these initiatives are not yet consolidated into a coherent system of values that can formally be inculcated into the citizens in the different fora and media. The NRM ten-point programme has remained in the domain of political activists, while knowledge of the constitution is still very rudimentary. The primary school curriculum would offer the best promise, particularly with the next generations. Sadly, in Uganda today, this is still a missed opportunity because, due to the materialistic tendencies of most parents, pupils are just taught to pass exams to be good workers rather than good citizens or good members of society.

6.7 A Culture of Impunity and General Moral Decadence

The valueless in the populace is creating an even more serious problem in the country. As has been recognized, the political, economic and social turbulence that the country has gone through from the sixties to the mid-eighties has taken a heavy toll on the social values and mores that traditionally held these societies together. As a result of the erosion of originally held core values in the Ugandan societies, there followed several generations of children born without proper guidance.

The school system, which would have been the most immediate remedy, is either indifferent or overtly hostile to the teaching of religion and culture. The result has been a general degeneration of morals among all people. So, stealing and all the other forms of corruption are not viewed with the kind of aversion that they once were. Today, people who steal are hailed as heroes and are held up to the younger generations for emulation.

More seriously, this degeneration has bred a new culture of impunity that is tending towards amoral behaviour among all Ugandans. These apparently small actions create a sense of lawlessness that forms the grounding for the bigger acts that we later call corruption.

The general moral breakdown inevitably manifests itself also in the caliber of staff that are recruited in the public service. Although ethical conduct is codified, it cannot be assessed in a short period of time. A person's character can only be determined after a long period of assessment. Unfortunately, the recruitment process into the service puts more emphasis on qualifications and skills and not integrity. Whereas qualification is important, the anti-corruption agenda requires a combination of undoubted commitment, qualification, and unquestionable character.

In this environment, it is little wonder that public participation in the fight against corruption is still inadequate. Although the Whistle Blower's Protection Act sets a platform for participation, many people including public officials are reluctant to directly participate in anti-corruption efforts especially in providing information at the level of investigations and prosecutions. There is often lack of cooperation from witnesses including public officials and very low cases of whistleblowers. Some turn up in court but end up becoming hostile commonly because the accused persons have lured them with hefty portions of the loot.

More seriously, this degeneration has bred a new culture of impunity that is tending towards amoral behavior among all Ugandans. These apparently small actions create a sense of lawlessness that forms the grounding for the bigger acts that we call corruption. A few examples are given below:

- Motorists, especially boda bodas, driving the wrong way on a street. Sometimes, this happens right in front of police officers;
- Motorists parking in the road and conversing or doing their own things, oblivious of the traffic problem they are causing;
- People building in swamps and other gazetted areas and demanding a right to do so;
- Police ignoring traffic lights and directing traffic to do the opposite of what the light says;
- Health unit staff leaving patients unattended for no obvious reason;
- People building along the Northern by-pass when it is supposed to be "restricted access".

These, and other small acts like them, look negligible but are symptomatic of a much bigger problem of a valueless society built on a culture of impunity. The products of such a society will not commit acts of corruption because they have criminal elements, but because they do not have a sense of right and wrong.

7.0 Consequences of Corruption

Corruption doesn't just line the pockets of political and business elites; it leaves ordinary people without essential services such as life saving medicines and deprives them of access to sanitation and housing. In short... Corruption costs life.....

Transparency Uganda Face book post: [August 5, 2010](#)

Although there are a number of points of contention like how corruption is recognized or measured or even who is more responsible for corruption in the country etc. one point is not in any doubt, corruption, whatever its manifestation, hurts the country and its people. The consequences of corruption are so closely inter-linked that it is almost impossible to deal with them separately. For purely presentation purposes, the list of consequences of corruption is presented below but with no intention of depicting them as independent points.

- i. Corruption undermines the Government's capacity to deliver services to citizens; The Government's most basic duty is to deliver services to its people. These range from the very basic such as education, health, livelihoods and security, to higher level ones such as recreation, brain enhancement and aesthetics. Governments usually realistically budget for these different services in corruption-free environments. In cases of developing countries like Uganda, even when there are budget shortfalls, development partners have commonly come in to offer a helping hand in financing the deficit, making Government more able to meet the service needs of its people. When corruption sets in, this delicate balance is tragically disrupted.

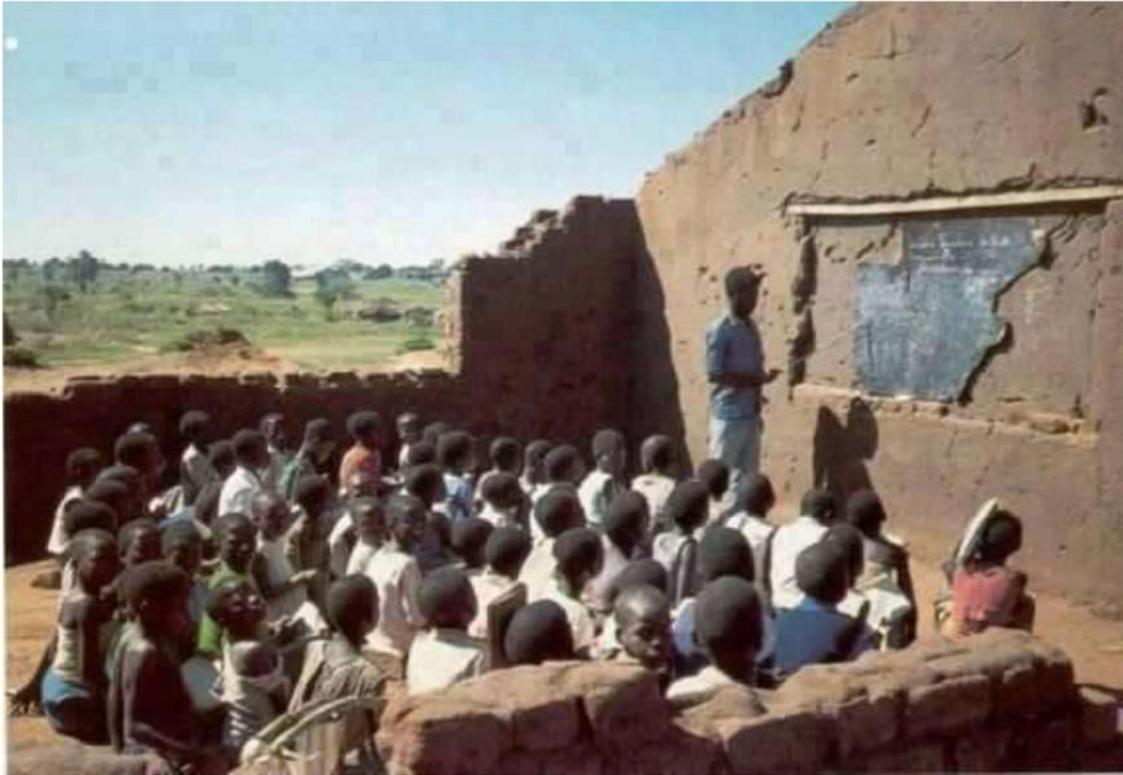
For example, Ugandans living in the cattle corridor stretching from North-Eastern to South-Western Uganda for a long time were suffering with water shortage for their use and their animals. This led to perennial movement cattle across communities during the dry seasons in search of water and pasture. This pattern was not only disruptive to livelihoods but also had a high risk of spreading cattle diseases.

In 1994, Government made a decision to build 100 valley dams across this corridor, stretching from Ntungamo in the South-West to Kotido in the North-East, under the then Livestock Services Project, in the Ministry of Agriculture, Animal Industry and Fisheries, which was funded by the World Bank. Five years later, there were virtually no dams constructed although the US\$2.1m of the project was almost all spent. Some of the corruption ills that were recounted were, inflation of construction costs from Shs.40m per dam to Shs.300, awarding contracts to incompetent firms with no previous experience, diversion of equipment to do private work using government fuel, staff and time, poor management and technical supervision, as well as crude embezzlement of funds. The end

result was that to this day the people living in this corridor have never got the reprieve that was virtually knocking on their door.

Similarly, in the current corruption saga shaking the Office of the Prime Minister, the Government has been unable to deliver the badly needed development services to people living in post-conflict northern Uganda districts because the money intended for this purpose was stolen. As if this was not bad enough, donors, unhappy with the stealing of the aid money they had contributed, decided to cut off their aid and freeze any funds that had already been release. This move has forced government to make some significant budget cuts in various sectors in order to cover the unexpected shortfall in funding. This development has seriously curtailed government's ability to continue delivering the expected services to the public.

Other sectors have also been affected. In the education sector, it is necessary to specify not only the width, length and height of classrooms, but also the material of their construction. In the decentralized system, it has been found that district officials award construction of schools tenders to their own companies or those of their friends. When the money is released for the work, a big portion of it is diverted for personal use by the said officials, in form of bribes or simply theft. The set of people who are supposed to supervise and verify delivery of the work are often compromised because they are part of the racket or are too cowed to voice anything because of ineffective legal and institutional protection. The result has been instances of delivery of sub-standard school blocks where, incredibly, the contractors have been fully paid.



A primary school classroom block in Wakiso

The same thing has happened in the health sector. In most cases the money released could actually deliver much better health facilities to communities. However, due to the “cancer” of corruption similar to the one mentioned in the case of education, citizens have ended up in over-crowded and sometimes unsanitary health facilities from which, it is feared, people will get disease rather than health service.

Although a number of people have argued that some of the corrupt behaviours are defensible, there is sufficient evidence to show that it is the poorest and most vulnerable in society who are hurt when this behavior is institutionalized. It is even more distressing when the behavior is unpredictable, irregular and random.



Hospital in Kumi District

- ii. **Contributes to a country's institutional and moral decay;**
Endemic corruption locks a country in a vicious circle of decadence. It starts appearing because there are weaknesses in the institutions. As the ill grows, the perpetrators do not want the institutions strengthened because it would curb their corruption enterprise. The institutions get weaker and create more avenues for corrupt officials. Rules and regulations stop being followed, and a new culture of bribery, embezzlement sets in as the only way that things get done. The country tasted a bit of this decadence during the early-to-mid-eighties and, unless something drastic is done today, risks sliding back.

Furthermore, corruption has great significance for society and its governance. When it is pervasive, corruption weakens economic growth and undermines the rule of law in the country, and invariably deters investment.

- iii. **Hikes the country's cost of doing business making it less competitive;**
As has been indicated, corruption has very many faces. When investors are asked for bribes or are made to walk many times to licensing centres to frustrate them into willingness to pay illegal charges, other investors will not be attracted to come to invest in the country. For those who persist and start businesses, the ill of neglecting duty and stealing company property will reduce the company's productivity. All these ills, and others connected with corruption, will make the cost of doing business in Uganda prohibitively high that the country is likely to experience capital flight. This is all the more crucial in light of the commencement of the East African Union with a common market where goods do not have to be produced in Uganda to be sold here. The country will end up a net loser from the union.

- iv. **Tarnishes Country's Image**

Corruption tarnishes a country's image. Corruption, in Shakespeare's words, "makes us taxed and traduced of other nations". Countries like Nigeria and Pakistan, rightly or wrongly, have had a long-running label of being the most corrupt countries in the world, making them a laughing stock and their citizens personification of corruption. Negative imagery of this nature makes the country an unattractive destination for foreign investors and even to tourists. The negative image also tends to undermine citizen's self-esteem and patriotism.

v. Weakens Country's Economy

As stated above, corruption retards the development of the country's human resource. In addition, it has also been observed that it makes the country less competitive in terms of attracting investors. This combination of factors will make the country less productive and consequently much weaker economically.

There was a school of thought which proposed that corruption may not be so bad if the people that steal the public money invest it within the country. This view is invalid for two reasons. The first is that, as already mentioned, corruption is multi-faceted. When one face of corruption sets in, there is nothing stopping the others from kicking in. The sum total of all the different facets of corruption is reduced productivity and institutional decay which are bad for the economy. The second reason is that when people steal money, they do not make rational investment decisions. Instead, they come into the market with "wind-fall" money which is likely to de-stabilize it. For example, they tend to over-invest in real estate which may create a property bubble. Kampala is currently awash with arcades and office space without corresponding investment in productive industries. It is the productive industries which create jobs which drive the economy. So, corruption or, put more crudely, stolen money, cannot be good for the economy, at least not in the long run.

Furthermore, information circulating in the press, though still anecdotal, suggests that the corrupt are no longer keeping their money in banks for fear of detection. They no longer invest it in buying property either for fear of raising suspicion. It is said that they keep it in strong rooms in their houses. If true, this is a dangerous trend that is developing because it means that some people are illegally withdrawing money from circulation which will seriously affect economic performance through financial market distortions.

vi. Hampers Private Sector Growth

Uganda's growth strategy is promotion of private sector growth through establishment of a conducive environment like infrastructure development, business-friendly policies and development of the necessary and appropriate human resource. With corruption clearly

government is unable to deliver on their part of the bargain. This failure will seriously hamper the growth of the private sector, especially for local entrepreneurs.

[Corruption] makes it hard for the young generation to be self-employed. You have to give out your small capital as bribe to get a contract which is never forthcoming.

Transparency Uganda Face book, post: [August 5, 2010](#)

Corruption is killing the business acumen and innovativeness. In the traditional model, the public sector invests in heavy infrastructure development and then depends on private sector money to run the rest of the services in the economy. In Uganda's model, the private sector now finds it more attractive to wait for money stolen from the public sector to finance private sector activities. Eventually, the private sector will fail to compete with entrepreneurs from elsewhere either in the region or globally.

8.0 Conclusions and Recommendations

This analysis has shown that the Government has done a lot in terms of the legal and institutional framework to fight corruption. Contrary to common belief, there has been expressed commitment to fight corruption from the highest political leadership. Equally, there has been noted bits of frustration from the highest political leadership with the established machinery not delivering the expected results. It has been noted that the problem of corruption is multi-faceted and therefore needs a multi-faceted approach. The responses must be at various levels, institutional, functional, operational, societal, etc. Since corruption is a process rather than an event, it calls for systemic responses to address it in the long run. The legal responses, which are event-based by nature, must be seen only as emergency interventions to arrest a situation.

In light of the above observations, the following recommendations are made on how the fight against corruption may be re-directed. They are divided into immediate-to-short term and long-term recommendations.

8.1 Immediate/Short-Term: Operational Reforms

A. Strengthen Proactive Agencies:

- i) The institutions directly engaged in fighting corruption need to all be established as autonomous and self-accounting institutions.
- ii) Expedite approval of the National Ethical Values Policy; disseminate it to all levels of society with focus on the youth and children who are the future leaders of Uganda.
- iii) Strengthen the ombudsman function to ensure the integrity system of Government is complaint.
- iv) Enforce ethical standards in both the private and public sector.

- v) Apply prompt and prohibitive administrative sanctions on unethical public officers and black list private sector institutions that are reported to be corrupt.

B. Strengthen System Controls:

- vi) Implement the recommendations of the review of the inspection function of Government.
- vii) Strengthen the controls in the newly established High- tech systems such as the IFMIS, IPPS and OBT among others.
- viii) Train all staff in all institutions on the high-tech systems to avoid monopoly of small cliques as has been the case in the recent past (MoPS & MoFPED) to curtail abuse.
- ix) Implement the high profile Case Management System.
- x) Train enforcement agents to be able to address cases of violation.
- xi) Elevate the Department of Inspection in MoPS to Directorate level.
- xii) Strengthen appraisal performance systems with: mentoring, regular inspection, follow up on the implementation of recommendations of the inspection and providing feedback.
- xiii) Strengthen e-governance to enhance skills and checks to ensure integrity of the system and personnel.
- xiv) Strengthen the internal audit function through ensuring functional independence and direct reporting to Auditor General as a means of preventing compromise.

C. Strengthen the Corruption cases Enforcement Chain:

i. Prosecution

- xv) Enhance prosecution-led investigation by training more specialized prosecutors so that there is credible evidence presented to court to obtain convictions taking into account the high standard of proof.
- xvi) Recruit more anti-fraud prosecutors and retain them by paying them competitively.

ii. Adjudication

- xvii) The Judicial Service Commission should independently determine the terms and conditions of service for all judges and judicial officers as the case with the Parliamentary Commission.
- xviii) To reduce the problem of under-staffing in the Judiciary, the President should appoint the Chief Justice and Deputy, and Justices of the Supreme Court. Other judges should be appointed by the Judicial Service Commission.
- xix) Decentralize the Anti- corruption division
- xx) Strengthen the enforcement of the Judicial Code of Conduct
- xxi) Corruption cases should bear very stiff sentences, with properties acquired through corrupt means impounded by the State.
- xxii) Undertake proactive mechanisms to make it difficult for the accused persons to beat the law.

iii. Public Awareness

- xxiii) Vigorously engage the public through dialogue and dissemination of all Government policies and plans to enable them understand their ‘watch dog’ role in the fight against corruption.

D. Strengthen human resources capacity

- xxiv) Ensure that all public service institutions, in both central and local governments, operate at functional staffing levels (at least 80 per cent).
- xxv) All professionals working in the public service must be certified members of their professional bodies.
- xxvi) Professional bodies must be mandated to be more involved in the oversight of operating standards of their members and eventually their disciplining.
- xxvii) The Public Service must consider paying harmonized and competitive salaries pegged to performance and outputs.

8.2 Medium-Term: Institutional Reforms

i) Re-orient public sector institutions

- xxviii) Government should adopt a business model with MDAs receiving performance targets and annually producing business plans to compete for funds from the Consolidated Fund.
- xxix) Consequently, they should have powers, within the general framework of Government oversight, over:
 - (i) Budget control
 - (ii) Staff recruitment, remuneration and deployment

- (iii) Procurement of equipment, works, supplies and services.
- xxx) The procurement law should be amended to create separate procurement categories for simple procurements like stationery and other supplies, and complex procurements like infrastructure and other projects.
- xxxii) The National identification project should be urgently revived and developed into a fully-fledged civil registration system.

ii) Strengthen IAF Institutions

a. Strengthen the coordination role of the DEI

- xxxiii) Promote commitment of IAF members, through the signing of a formal Declaration expressing what they are committed to achieve in the fight against corruption to ensure:
 - o joint conceptualization of the problem;
 - o joint planning and budgeting for outputs and outcomes;
 - o coordinated implementation; and
 - o joint monitoring and assessment.
- xxxiv) Strengthen the functional role of the DEI to identify IAF cross cutting priorities, to act as chief negotiator and advocate for the needs of the IAF.
- xxxv) Generate strategic Agenda for IAF meetings through operationalization of the IAF technical working groups and continuous assessment of the implementation of the NACS.
- xxxvi) Designate a specific manager responsible for coordination of the activities of IAF.
- xxxvii) Enhance facilitation of IAF activities and regular meetings.
- xxxviii) Return Accountability Sector to DEI to ensure more focus on political accountability and probity.

b. Rationalize the Investigative Institutions

- xxxix) The police force should be decentralized to districts with the Centre retaining only the investigative and intelligence gathering units.
- xl) The Criminal Investigations and Intelligence Department should be transformed into an independent and specialized national investigations bureau (along the lines of the FBI).

c. Review Staffing Strategy

- xl) There is need to review the method of recruitment of staff in all the Anti-Corruption institutions to provide for the recruitment of specialized and multi-disciplinary officers. This can be done by allowing flexibility for anti-corruption agencies to propose job specifications and a clear way to review and update these specifications to

- cater for new and emerging issues in fight against corruption such as oil and gas, and the ever changing nature of corruption.
- xli) The numbers of staff should be increased to be commensurate with the scope of work.
 - xlii) Remuneration of staff should be competitive to prevent attrition and thus enable development of experience through mentoring and coaching.
 - xliii) Integrity standard tests should be introduced to ensure that the persons recruited are ethical and have integrity.
 - xliv) In addition there is need to create a retention programme which includes continuous assessment, performance rewards and emphasis on contractual rather than pensionable terms.

d. Harmonize Terms and Conditions of Service

- xliv) Majority of IAF Institutions are constitutional bodies but with varying terms and conditions of service. There is need to harmonize within the provisions of enabling laws, the conditions of service of the anti-corruption actors. All the institutions should have remuneration for their Chief Executives and staff that is commensurate with their scope of work.

e. Training

- xlvi) Train staff in relevant specialized skills such as handwriting expertise, voice analysis, forensic engineering and audits, cyber investigations and control fraud detection, phishing among others.
- xlvii) Intensify Community outreach to encourage the public to join the anti-corruption crusade.

f. Equipment/Tooling

- xlviii) Equip the forensic laboratories so as to enable effective forensic investigations and to act as a training facility to equip more staff with practical skills, comparable to that at the Economic Crimes Commission in Nigeria.
- xliv) Address the transport needs of IAF Agencies such as CIID, ACD, DPP, and IG among others.
- l) Provide the necessary technological equipment such as computers, Phishing and cyber detectors, and surveillance equipment such CCTVs/cameras, among others.

g. Funding

- li) Review Government priorities in allocation of resources to provide adequate funding for operational budgets of anti-corruption agencies, to ensure effective implementation of the IAF mandate for improved service delivery.

8.3 Long-term Strategies

- e. The National Anti-Corruption Strategy urgently needs to be operationalized with public mobilization and school components fully developed, funded and implemented and monitored.
- f. The Directorates of Information and National Guidance and of Ethics and Integrity should be supported to produce both a national value system and a national rallying ideology which would be harnessing in the realization of the National Vision in the long run and in the fight against corruption in the short run.

9.0 References

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