

# Time to Rebalance Preventive and Response Actions

## Executive Summary

The government has an obligation to provide goods and services that will make life meaningful and worth living for its citizens. Since it came to power, the National Resistance Movement has underscored the centrality of public service delivery to its citizens. Colossal sums of money have been spent both at national and local levels to deliver improved health, education, agriculture, safe water, road network among others. Yet the quality of social services continues to be dauntingly wanting in terms of quality and quantity. According to the National Services Delivery Survey, (2015), only 34 percent of primary schools in Uganda has adequate classrooms while less than half (46%) of households ranked overall quality of services at Government health facilities as good. A study by Actionaid (2012) showed that access to extension services in Uganda had dropped from 32 percent in 2000 to 12 percent in 2012. Deficiencies in quality and quantity of service delivery have been attributed to a large extent, on institutionalised corruption. It is estimated that Uganda is losing Ugx 875 bn (\$250m) of public resources 'at least 3%' of her GDP per annum to corruption. In spite of extensive legal and institutional apparatus in place, corruption has not subsided but continues to escalate. This paradox begs for explanations.

This issue has been written from ActionAid's experience working with communities, other civil society organisations, private institutions and the government at different levels in monitoring the quality of service delivery and championing the campaign against theft of public resources in Uganda and in Africa. Corruption in Uganda and in Africa is widespread and seen as one of the greatest obstacles to the country's economic development and the provision of quality public services. The -weak law enforcement, money laundering, illicit financial flows, weak institutions and poor enforcement of laws exacerbate related challenges. The policy brief argues the escalating level of corruption in Uganda is virtually a consequence of lack of political will to deal with the problem; and is just part of poor political accountability that haunts the Country. The policy brief therefore recommends that undoing corruption predicament in Uganda must be discussed within the context of broader governance question of Uganda and not in isolation. There is need to build strong institutions grounded in true ethos of democratic governance. Strong and independent institutions coupled with political will are critical if the country is to deal with this cancer.

## Introduction

According to the Mbeki Panel Report on Illicit Financial Flows, Africa is losing at least \$50 billion annually to illegal transactions. Some reports suggest that the continent may have lost up to \$1 trillion in the past 50 years yet more than 400 million Africans live on less than \$1.25 a day. It is estimated that Uganda may be losing more funds through corruption than what the country receives as aid per year essentially meaning that Uganda is capable of funding its own budget. This is confirmed by the 2015 report of Parliament of Uganda which estimates that Uganda has lost more than UGX 24 Trillion to corruption in the last ten years.

To confirm the gravity further, according to Transparency International's Survey of 2015, Uganda is the 29th most corrupt among the world's 167 countries (after attaining a 139th position on the corruption perception index among 167 countries in the world). In another related report (National Service Delivery Survey of 2015) by UBOS dubbed "People and corruption" based on 10,101 Ugandan respondents the police was put at 63% per cent as far as bribery, fraud and extortion are concerned followed by tax officials and government officials at 48% each. Judges and magistrates follow closely at 45%, the public sector at 44% and business executives at 40%. This has kept Uganda among the 50

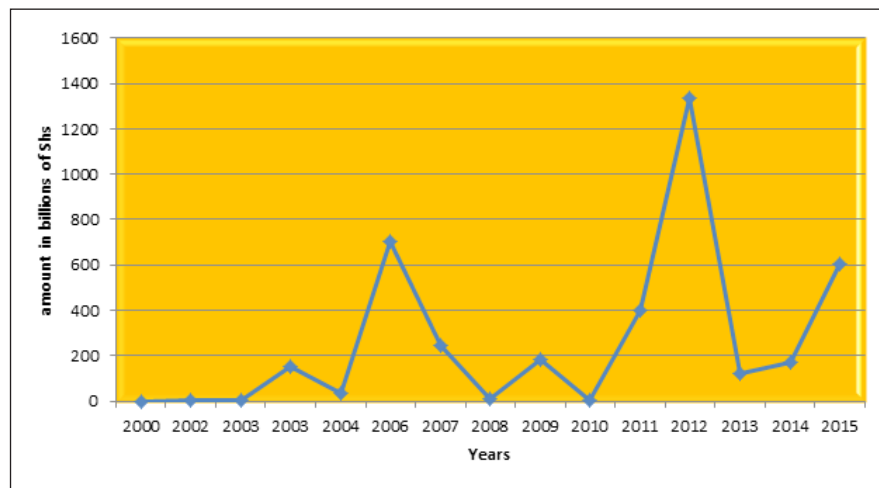
poorest countries on the planet (National Population Census, 2012) hence fueling high income inequality and significant disparity among regions.

The Government of Uganda has however acknowledged that corruption is one of the main challenges the country is facing but the will is not manifested in response against the vice. Recent developments that include condoning of the corrupt, open bribery of legislators and voters raises questions on the Government's political will to address corruption. Several reforms, laws and new Institutions to fight corruption have been established but they remain ill-facilitated and in some instances with

no personnel to run the institutions. This has led to “normalisation” of corruption, unchecked institutional practices in handling and investigating corruption. It is important to also note that over time the face of corruption changed from individualistic based malpractices to highly organised syndicate corruption involving many players hence complicating the execution of corruption cases. These and other practices have fuelled the culture of impunity among the citizenry and particularly with regards to high-ranking officials involved in corruption scandals which has become endemic and systemic practice.

As an aid-dependent country, Uganda needs a sound public financial management system to ensure quality and gender responsive service delivery through minimising financial leakages. Ironically, whereas there as many legal and institutional reforms that have been undertaken since 2000, the trend of incidence and severity of corruption

**Graph showing Corruption trends in Uganda (Billion shillings) from 2000-2015**



Source, Parliament of Uganda, 2015: The above chart shows upward trend of corruption in Uganda.

is spiralling. This state affairs call for greater imagination and fine tuning and

resourcing the strategies to counter the cancer of growth and development.

## Efforts of State and Non-State Actors to Curb Corruption in Uganda

### a) Legal and Institutional Framework on Corruption

Uganda has a strong legal and institutional framework to combat corruption right from the colonial days. The Penal Code Act of Uganda was the first law in Uganda for combating corruption which criminalizes bribery, abuse of office, embezzlement, forgery, false accounting, and fraud. It was imported from India in 1951 under the Order in Council of 1920. Through the order of Council in which all laws in Britain were automatically imported into Uganda.

The Anti-Corruption Act of 2009 and amended in 2015: This was enacted to close loopholes in the Prevention of Corruption Act, the Penal Code Act and the Leadership Code Act. The value addition of this Act was the creation of a specialized Court comprising of Magistrates’ Court and the High Court to ensure speedy trial and disposal of corruption cases. The Act made corruption a risky venture by imposing a punitive punishment of imprisonment for 10 years, a fine of 240 currency points and provide for the repayment of gratification received at a value assessed by the Court and also imposing the burden on an accused person whose property or resources is disproportionate to his earnings to justify these properties less he be presumed corrupt. The Act also provided for the admission

of evidence of an accused and for the recovery of stolen funds and other illicitly acquired wealth through the attachment and sale of property of a convicted person.

The Inspectorate of Governments Act, 2002 established the office of the Inspector General of Government and vested it with powers to investigate or cause investigation of illicitly acquired wealth and prefer charges against any such persons. It is the Office of the IGG and particularly the Directorate of Leadership Code that is charged with the responsibility of implementing the Leadership Code Act. Under this Act, all civil and public servants at the rank of principal officers and above are obliged to declare their wealth and the IGG verifies the authenticity of the content of the Declaration Forms and breach of the Leadership Code Act is punishable with a ban on holding any public office for ten years.

The introduction of the Integrated Financial Management System (IFMS): Government of Uganda initiated the implementation of the IFMS in the FY 2003/04. The IFMS is part of a broader Public Finance Management reforms intended to improve budget preparation, accounting, reporting and auditing processes. It aimed at promoting of efficiency, effectiveness, accountability, transparency and comprehensive financial reporting.

In the 2015 government funded study of the effectiveness of the IFMS covering 59 Ministries, Departments and Local Governments (12 Ministries, 20 Departments and Agencies, 4 Hospitals and 23 Local Governments) that were using the IFMS, findings showed that the functionality of the IFMS varied between ministries, agencies, departments, and local governments. The report showed that there was some improvement in timeliness and accuracy of financial management and in addition there was a 3% increase in the institutions that had unqualified audit opinion from Office of the Auditor General from 47 to 50%.

Other government legal and institutional reforms: Uganda like most African countries has undertaken many anti-corruption related legal and institutional reform however the trajectory of volume of resources that go to waste does not reflect positively on the institutions so far established. In addition to the above listed institutional and legal reforms the following are worth mention: 1) The Budget Act 2001 2) The Public Finance and Accountability Act (PFAA), 2003 3) The Petroleum Exploration, Development and Production) Act, 2013; 4) Inspectorate of Government Act 2002 5) Leadership Code Act 2002; 6) The Public Procurement and Disposal of Public Assets (PPDA) Act, 2003 as amended; 7) Access to Information Act, 2005; 8) National Audit Act, 2008; 9) Anti-Corruption Act, 2009; 10)

Whistleblower's Protection Act, 2010  
 11) The Electronic Transaction Act, 2011; 12) Computer Misuse Act, 2011; 13) Anti Money Laundering Act 2013 14) Public Finance Bill, 2012; 15) Integrated Personnel and Payroll System (IPPS); 16) the establishment and roll out of the Output Oriented Budgeting (OOB) 17) Budget Monitoring and Accountability Unit (BMAU) among others. It suffices to say that the problem lies not in the insufficiency of legal nor institutional framework by government.

## b). Civil Society Efforts

Over the years, Civil Society/ Organizations have joined the anti-corruption fight. These include the Anti-Corruption Coalition, Transparency International Uganda, the African Parliamentarians Network against Corruption, ActionAid Uganda, the Uganda Debt Network, and the National NGO Forum (Martini, 2013). Notable among these initiatives have been the growth of networks, social movements like Black Monday Movement which has been instrumental on denouncing corruption and seeks to build a critical mass of citizens to turn around the status quo. These efforts may be reflected in modest improvements in the public's perception of corruption in the Office of the Presidency and of the Government's performance in fighting corruption, according to Afro-barometer's 2015 survey in Uganda.

Through community monitors, dialogues, cross country caravan campaigns for citizen mobilization, information, education and communication materials, individual activists CSOs have reawakened citizens on their role in holding government offices and structures accountable i.e. Power in people challenging people in power. These spaces have led to mass action against theft of public resources and increased vigilance among the citizens to protect public resources. These actions have enabled demystifying corruption as an anti-government fight but a core citizen right to seek for accountability of public resources.

Promotion of Icons of integrity for role modelling and mobilization of anticorruption crusaders. CSOs have led the initiative on naming and shaming of corrupt institutions and individuals. This has acted as a deterrent to further occurrence but also provided space for citizens to confidently report incidences of theft of public resources and monitor the delivery of quality services in the community as per set standards

Research and evidence building on corruption to aid factual advocacy and campaigns: CSOs have been instrumental in generating data and information on the state of corruption in Uganda through surveys and research at different levels. Among these is information collected through the annual corruption index by Transparency international, on line reporting on platforms on social media like IpaidAbribe- <http://www.ipaidabribe.or.ug/> run by ActionAid among others.

Nonetheless, more than two-thirds of Ugandans say that corruption increased in 2015. Perhaps most importantly, less than half of Ugandans believe that ordinary citizens can make a difference in the fight against corruption. What accounts for high level of corruption despite enormous State and Non-State Actors effort to curb the vice? With such state and non-state effort to fight corruption one would expect a decline in the vice. It is a paradox that in spite of the wide range of effort directed towards it, corruption remains on the increase.

This can be attributed to a number of reasons including:

- Lack of real political will to fight corruption. Despite the well-established legal and institutional framework, Government enforces these laws selectively, sparing highly politically connected corrupt personalities. This has resulted into patronage and impunity which makes some individuals in Government untouchable and thus at liberty to misuse public funds without being held responsible. This kind of selective prosecution of culprits has set bad precedent and leaves the anti-corruption institutions powerless to act on the big shots.
- Concentration on the public sector and against the private sector: The involvement of the private sector is critical in the fight against corruption especially in the highly liberalized and privatized economy like Ugandan economy.
- High degree of citizen apathy coupled with low civic competence: This has led to low or lack of citizen demand for quality service delivery and lack of accountability on the part of government to act decisively on those implicated in mismanagement of public funds. Instead many citizens take those who have stolen public resources as heroes rather than social outcasts hence perpetuating impunity
- Weak oversight Institutions in the fight against corruption: This has been instrumental in building the confidence of the corrupt officials to steal without remorse as these believe they can bribe their way through the institutions mandated to fight corruption hence making the mythical feeling grow that corruption is our way of life .
- Misuse of discretionary powers by Judicial Officials: Often than not sentences meted out on corruption convict have not been deterrent enough to act as a disincentive to corruption. Such examples include light imprisonment sentences, caution, and refund of stolen monies amongst others. As a result many officers and citizens are willing to take the risk given the lucrative nature of corruption.
- Political patronage and commercialization of politics: It is evident in the recent elections/actions by leaders that many politicians bought votes and thereafter recoup their investment through corruption. to get money for buying future elections. With that kind of scenario, some politicians justify their actions of stealing public funds. This malpractice has thwarted accountability efforts as politicians do not feel accountable to voters.
- Corruption has become transnational making it difficult to address. Cross-border corruption, tax evasion, illicit financial flows(IFFs) and money laundering are becoming common, yet are rarely curtailed because of jurisdictional and sovereignty issues
- Poor remuneration of the public service: It is no secret that accounting officers within the mainstream civil service are poorly remunerated compared to their counterparts in the private sector. A graduate officer earns about 570,000 compare to a counterpart in a civil society organization of private sector earning three folds or more. There is a tendency to impute that once public servants are paid less, they temptation is high to pay themselves or engage in contracts themselves instead of outsourcing.

## Turning the Tide! Time for the State to Take Action

- Government of Uganda should urgently build resilience to fight against the vice of corruption the same way it does to other emergencies like climate change, drought, landslides or floods; Practice accountability as a value and repeal non-progressive and mythical beliefs around corruption;
- State institutions should respect citizen's liberty and right to express their displeasure about corruption through demonstration, citizen agency/activism to speak out and demand for accountability from leaders. any thing less that this will tantamount to protection of criminals and punishment of the victims
- Government should strengthen, monitoring, appointment of skilled human resource, allocation of requisite resources and coordination amongst anti-corruption agencies/, institutions and for collective action against theft of public resources;
- Government should strictly enforce to the letter laws, policies and procedures signed under its mandate to eradicate impunity and bring the corrupt to Justice. These include the Anti-Corruption Act amended 2015, Whistleblowing act among others;
- Government should significantly invest in timely prosecution, capacity enhancement, sensitization, and rigorous partnerships with the media, CSOs, cultural and religious leaders to fight against corruption as a means to achieve corruption free work places.
- Government should assess and address capacity of staff in the ministries, departments and agencies for effectiveness. This will require retooling and providing guidelines to local governments on purchase of compatible systems software and hardware.

## Conclusion

As martin Luther King said, "The tragedy is not the brutality of the evil but the silence of the good people", the battle against corruption requires deliberate purposeful action by each of us because it is only through our collective efforts that corruption shall be history in this country. Corruption threatens the very existence of humanity as it kills more people across the globe than terrorism and should be dealt with as such. The battle against evil starts with an individual. It's the will of the citizens that will deliver political will against corruption and not the vice versa.

Inspirational quote: When you find darkness, don't curse it...instead light a candle and encourage others to do the same. Mother Thereza of Calcutta .Before we realise, Uganda and Africa will be so brightly lit that there will be no place for thieves to hide. Together we can make a difference

## Complimentary Actions by CSOs

- Invest in collaborative action research and evidence building on corruption to aid factual advocacy, campaigns and citizen mobilisation for public action; This should include naming and shaming of corrupt institutions and individuals that acts as a deterrent to further occurrence
- Promote and publicise individuals and institutions that are model icons of integrity for role for inspiration , learning and mobilisation of progressive anticorruption crusaders;
- Invest in mass mobilisation, building citizens agency against corruption; and dissemination of simplified factual information on the causes, effects, manifestations, legal frameworks and ways of fighting corruption;
- Institute parallel processes and mechanisms to follow up legal processes for prosecuted persons, and cases reported for speedy justice;

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### Published corruption links

- <http://www.monitor.co.ug/News/National/Gulu-accountant--Shs67-million--youth-fund/688334-3435682-hiog4gz/index.html>  
[http://www.newvision.co.ug/new\\_vision/news/1438952/museveni-calls-documentation-owc-beneficiaries](http://www.newvision.co.ug/new_vision/news/1438952/museveni-calls-documentation-owc-beneficiaries)  
<http://observer.ug/news-headlines/47328-museveni-anti-poverty-tour-draws-criticism>  
<http://www.monitor.co.ug/News/National/Hospital-accountant-held-over-failure-to-account-for-Shs100m/688334-3436448-s4mb1j/index.html>  
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