

**AN OVERVIEW ON TRANSPARENCY AND ACCOUNTABILITY
IN THE PUBLIC SECTOR IN NAMIBIA**

by

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Definition of Corruption: (TI) the Berlin based NGO, an influential anti-corruption pioneer defined corruption as “ The misuse of entrusted power for private gain”

Daniel Kaufmann, the Director of Global Governance at the World Bank Institute (WBI) Defined corruption as “ the abuse of public office for private gain”

Corruption and fraud are crimes that affect all businesses and governments worldwide. It may not be blatantly obvious but it is always there.

Corruption knows no boundaries and no society, rich or poor, industrialized or underdeveloped, is immune from it. Its practice varies only in degrees and in subtlety, but its effects nonetheless are the same in every State, namely a varying combination of: Loss of image and prestige of the State, weakening of moral fiber of the citizens, lowering of ethical standards in governance, increased social instability and insecurity due to widening rifts between the "haves" and the "have-nots" and a particularly heavy economic burden on the poor and the weak.

Corruption generates economic distortions in the public sector by diverting public investment away from essential sectors such as education and public health into capital intensive projects where bribes and kickbacks are more plentiful. It is not uncommon for officials to increase the technical complexity of public sector projects to conceal such dealings, or to over-invoice for machinery and parts, thereby further distorting investment.

Nor is it unusual for corruption in the public sector to lower compliance with construction and environmental standards, or other regulations.

A particular school of thought is of the opinion that corruption should be classified as a crime against humanity, and its definition broadened to include nepotism, abuse of power, crimes of interference, influence peddling and insider trading

Transparency and Accountability in the Public Sector

Accountability and transparency are characteristic of good corporate citizenship by the commonwealth business council working Group on corporate citizenship

Definition: Transparency- being open in structure, process and disclosure. Communicating with key stakeholders and engaging with them. Being sincere; easily understood; free from affection or disguise.

Accountability – An employee’s responsibility for the exercise of certain duties and the requirement to report to his superiors on his performance.

Current position:

In recent years, government has attempted to strengthen lines of accountability so as to achieve improvements in the job performance of its employees. But to no avail.

If indeed the system of governance was transparent and accountable enough we wouldn’t have been seated here and discussing issues of corruption, and its concomitant evils.

This is a clear testimony that the current system in the public sector isn’t working as it should or as intended. Nowadays, rules and regulations that ensure that the country is governed in a way that is efficient, responsible, accountable, transparent and with probity are being totally ignored, without fear.

Transparency and Accountability in the three central arms of government are at a low ebb; in the Administrative domain corruption includes nepotism, cronyism, ghost workers on public payroll, purchase of public offices, collection of unauthorized fees, falsification or destruction of records, arbitrary administrative action and circumventing established procedures and regulations.

Corruption in the legislative branch includes issues of conflict of interest.

In the Judiciary corruption appears to be particularly pernicious and it is not uncommon for judges to extract bribes for particular verdicts, and for lawyers to flee their clients, or for the executive branch to pressure judges to give verdicts not based on justice but on political expediency.

Examples of reported cases of corruption due to lack of transparency and accountability

- NHE-Single quarters (Windhoek)
- Regional Council – Caprivi Region
- Social Security Commission
- Recruitment Procedures in the Public Service

- Government Garage
- Ministry of Works and Transport (Capital projects tendering system)
- G.I.P.F
- RCC
- NORED
- Boreholes
- TransNamib
- Municipality of Otjiwarongo
- Prisoners escaping from legal custody

Lack of Risk management in the public sector

The Permanent Secretaries and boards of parastatals are responsible for the total process of risk management, as well as for forming their own opinion on the effectiveness of the process. Management of the various parastatals and ministries are responsible for designing, implementing and monitoring the process of risk management and integrating it into the day to day activities of their entities. This has not been happening, hence the dilemma that we have today.

Lack of effective internal audit function

The public sector lacks an effective internal audit function that has the respect and cooperation of management. Due to the absence of an effective internal audit function there is no assurance of effective internal controls, processes and system in place. Hence lack of transparency and accountability in the public sector.

Lack of competent personnel in key positions of trust

Government has put in place mechanisms and strategies in place to deter and prevent corrupt practices;

- An anti-corruption Act, 2003 is in place
- Presidential Commissions are established on a frequent basis to account for corrupt issues
- Staff members especially those given training in financial management
- The office of the auditor-General has taken upon itself to offer specialized training to internal auditors of ministries;
- The office of the auditor-General also serves a supporting arm to the public accounts committee, on issues of accountability and transparency
- Recommendations are being provided to public bodies through the issuance of management letters and annual financial report at every year-end.

Remedial actions

There are various remedies but, I would consider the following as the most cardinal:

1. Establishment of Anti-corruption agency (have been successful in Chile, Hong Kong, New South Wales and Singapore)
2. Public opinion surveys (useful tool in articulating more precisely citizens concerns)
3. Raising public sector wages (several studies indicate insignificant effect. In corrupt societies, public positions are often purchased by borrowing money from families and friends)
4. Reducing public sector size (studies show that while reduction in public sector size leads to less corruption, this only holds when important variables such as judiciary, democratic institutions, colonial heritage, decentralization and bureaucratic culture are omitted)
5. Financial accountability (one study finds a negative yet insignificant association)
6. Media independence (Freedom of the press decreases the level of corruption)
7. Judicial independence (Judicial independence reduces corruption)
8. Citizen participation (Citizens participation leads to reduce corruption)
9. De-centralization (Several studies find a negative relationship between decentralization and corruption)
10. Bureaucratic culture (There is a positive relationship between command and control type civil service orientation and corruption)
11. Adherence to principles of good corporate governance (discipline, transparency, independence, accountability, responsible, fairness and social responsibility)

I thank you