

UNDP CASE STUDIES IN ANTI-CORRUPTION

TANZANIA

This paper discusses the challenges of combating corruption in the Tanzanian context and the actions that have been taken by the Government of Tanzania with support from UNDP, other international partners and other Tanzanian actors, notably the civil society, media and the Parliament. The paper is written by UNDP.

The Challenge of Tackling Corruption in Tanzania

Corruption has been a problem even before Tanzania gained her independence in 1961. The colonial administration explicitly defined the soliciting, receipt and giving of bribes as a criminal offence in the 1930s. In 1958 corruption was more comprehensively defined to include receipt of gifts and commissions through the Law on Prevention of Corruption (Cap. 400). In the campaigns for independence, corruption appeared as one of the grievances by the nationalist activists. In the first years of independence in the early 1960s, corruption was primarily seen to be a problem at the lower administrative levels in the delivery of social services.

The independent Government adopted radical social and economic policies such as the policy of socialism and self-reliance represented by the Arusha Declaration in 1967. This was followed by nationalization of all commanding heights of the economy. A strict Leadership Code had been enacted with the Arusha Declaration, proscribing leaders from engaging in any capitalist activity, such as setting up commercial ventures or owning properties for rent. Other measures that followed to ensure attainment of ideals of socialism include village settlement campaign in 1971-75, the abolition of the independent cooperative movement in 1975, and the emasculation of civil society. While such policy measures were introduced with good intentions, opportunities for abuse arose and public officials pursued their private interests at the expense of the public goals (designated for their specific role). Public officials were entrusted considerable discretionary while receiving meager salaries. Mechanisms of accountability were ineffective and this led to numerous opportunities for corruption.

Over a long period of time, unpredictable economic policies, questionable and ineffective accounting practices, inadequate government regulations and undeveloped legal practices led to the escalation of corruption thereby causing damage to the country's economy, erosion of public trust, ultimately undermining the credibility of public institutions.

Economic recovery programmes of the 1980s specifically Structural Adjustment Programmes (SAP) heralded a gradual liberalization of the market and lifting of foreign exchange controls. Implementation of SAPs measures specifically cost sharing in accessing social services led to economic hardships and desperation thus creating a room for functionaries to take advantage of the situation forcing desperate people to pay bribes

as a coping/survival strategy. During this transitional period where Tanzania was moving from controlled to liberal economy after almost 30 years, well-intentioned policies were wrongly implemented for personal benefit of those entrusted with that role e.g. tax exemption facility introduced to promote foreign investment was abused by both middle cadre staff as well as executives within relevant public institutions.

Democratisation process that followed in the 1990s presented opportunities for minimizing corruption by introducing greater accountability and transparency into governance. In 1992, the Government opened up the political arena with a constitutional amendment that spelt the end of the one-party system. At the same time, a substantial private press was allowed to develop. These developments, together with a proliferation of NGOs, provide a much-needed impetus for a more critical political dialogue in the country.

Achieving good governance entails adopting socialization measures such as public announcements explaining the procedures and the criteria for granting permits, licenses, bank loans, and building plots, and for assessing taxes. These have in a way helped to create awareness of governance standards, enhancing citizen participation in policing the bureaucracy, which in the long run may reduce corruption. These matters were for a long time not very transparent thereby forcing applicants to resort to pay offs in order to maximize their chances of success and protect the guilty civil servant.

Specific Measures adopted by the Government to fight corruption

- **Promoting Transparency and accountability**

The introduction of the Leadership Code of Ethics Act No. 13 of 1995 was intended to ensure that present and future leaders are held to the highest standards of conduct. This legislation however has proved to be ineffective due to a number of shortcomings. This law differentiates between declarable assets and non-declarable assets giving choice as to what to declare and what not to; the law does not give powers to Ethics Commissioner to take steps for violations; it also does not impose penalties for breach of the code.

- **Anti-Corruption laws**

Another significant initiative was the amendment of the Prevention of Corruption Act to transform the Anti-Corruption Squad to the Prevention of Corruption Bureau, with a more comprehensive mandate including investigation, prevention and public education.

- **The Presidential Commission on Corruption (The Warioba Commission)**

In 1998 the President appointed a commission led by the former Prime Minister Joseph Warioba. This Commission catalogued a large number of public grievances on corruption and revealed that the public had lost confidence in the Government's ability and will to control the problem. The Warioba Report was remarkable for the detail of its analysis and a large number of documented cases were presented. The report concluded that corruption

had penetrated to the core of Tanzanian society and had become endemic. The Report distinguished between petty corruption caused by need and grand corruption caused by greed, although it made it clear that both these forms of corruption were result of a fundamental failure of the administrative and political system to impose controls and enforce discipline.

The report elucidated the following as some of the causes for the state of affairs:

- The erosion of integrity in the public service due to abuse of power by some individuals holding public office;
- Lack of political will to tackle the scourge
- Administrative laxity and lack of transparency and accountability in the oversight of public affairs;
- The existence of excessive red-tape ineffective regulatory framework
- Unfettered economic liberalisation and the emergence of competitive conspicuous consumption

The Report also provided a large number of recommendations, ranging from detailed proposals for amendments in regulations to more major recommendations for policy action. The following justify mention:

- It was strongly stated that the fight against corruption had to start at the top by cleansing the leadership;
- A requirement for leaders and employees of public institutions to declare presents and gifts;
- People found guilty of corruption to have their property confiscated;
- The need to define clearly the responsibilities of public leaders to enable accountability;
- An urgent need for comprehensive public awareness campaigns to ensure that the people know their rights and are able to demand them. Recognition was given the important role the media has to play in this area.

The National Anti-Corruption Strategy And Action Plan (NACSAP)

Following the publication of the Warioba Report, the Government of the United Republic of Tanzania made the fight against corruption its top priority with a zero tolerance to corruption. The aims have been more at prevention of corruption through administrative, institutional and legislative mechanisms. In this direction the cabinet adopted a comprehensive, National Anti-Corruption Strategy And Action Plan (NACSAP) that was prepared through a participatory approach and which took into consideration interests of various stakeholders in 1999. The NACSAP defined seven priority areas:

1. The Rule of Law and Legal Framework.
2. Financial Discipline and Management
3. Procurement.
4. Public Education, Awareness and Sensitization of their Rights
5. Public Service Reform

6. Whistle Blowers and Witness Protection

7. Media

In order to oversee this process, an Inter Ministerial Committee was created with membership from key institutions.¹ The accounting officers in the MDAs (Permanent Secretaries, in the case of the Ministries) were directed to appoint an anti-corruption focal point, who would assist the accounting officer in the formulation and implementation of the Anti-Corruption Action Plans. The implementation of the anti-corruption strategy has started to bear fruits through implementation of legislative and administrative reforms that aim at achieving greater transparency and accountability in Ministries, and Independent Departments and Agencies (MDAs). The MDAs have developed and are implementing sectoral anti-corruption action plans. MDAs focal points have been trained to widen their scope on how to address corruption related issues.

A variety of other measures and institutions have also been introduced to facilitate corrective action, including special investigative and audit commissions, codes of conduct that seek to prevent a casual blending of public duties and private business, and mandatory disclosures of officials' assets, to make it harder to use public positions for self-enrichment.

Establishment of Good Governance Coordination Unit

The Office of the President has already established a Good Governance Coordination Unit (GGCU) under the Minister of State responsible for Good Governance as a mechanism to ensure that the anti-corruption strategies are successfully implemented. The GGCU has a wide mandate on advising the Chief Secretary on coordination of governance initiatives, with anti-corruption and NACSAP as their main focus. A strategic reporting system has been established to facilitate close monitoring of the implementation of NACSAP.

The reporting system was designed to enable the Executive to closely monitor the progress of the various MDAs in the implementation of NACSAP. It consists of one-page reports that are filed every quarter by each MDA, giving data on the following:

- Number of registered complaints/reports on corruption
- Statistics on administrative or legal action taken against officials as punitive measures for engaging in corruption;
- Self assessment on performance in the last quarter, against the targets set at the beginning of the quarter; and
- Five targets to be achieved (these are taken from the MDAs' Action Plans under NACSAP).

¹ These included the Prevention of Corruption Bureau, whose representative chaired the IMC, the Ministry of Finance, the Civil Service Department, the Planning Commission and the President's Office, Regional Administration and Local Government.

These reports are summarised by the GGCU and the data compiled in Quarterly Monitoring Reports that are disseminated to the public. The institutionalisation of routine sharing of strategic data on the Government's progress in the implementation of NACSAP is an important dimension of the strategy. The strengthening of the Government's capacity to act against corruption and reinforce internal checks against corruption is to strengthen the *supply* of accountability, transparency and integrity (ATI). On the other side, the sharing of information on the process with the public at large, especially civil society and private sector organisations and media, is to strengthen the *demand* for Government action to improve ATI. This clearly shows the commitment that the government has put on the anti-corruption drive.

Strengthening the Prevention of Corruption Bureau

The Government has strengthened the Prevention of Corruption Bureau (PCB) to prevent and combat corruption in the country. PCB command posts have been moved from zones to regional and District offices. This is aimed at getting closer to the people. Manpower has also been increased from 185 in 1995 to 572 in the year 2002 and budget from Tanzanian shillings 191,656,800 in 1995 to 3,650,276,800 in 2002. Other governance institutions including the Police Force, the Office of the Attorney General, the Office of the Controller and Auditor General, the Ethics Secretariat and the Human Rights and Good Governance Commission are expected to cooperate well with PCB in the fight against corruption.

Improving public service delivery

One of the main causes of corruption in Tanzania is inefficiency in public service delivery. Hence, to increase efficiency, efforts are directed at improving services and do away with loopholes that encourage corrupt practices. The reforms in the education, health, public service, finance, local government and legal sectors are all aiming at improving public service delivery through increased transparency and accountability and thus help to improve national development.

UNDP support

UNDP has been supporting the Government of Tanzania in its efforts to raise the standards of good governance by supporting the implementation of the anti-corruption strategy, which presents a holistic approach for combating corruption, encompassing issues pertaining to prevention, prosecution and awareness raising.

UNDP worked closely with the President's Office, the Prevention of Corruption Bureau, other donor representatives and stakeholders in civil society and media to design the project *Strengthening Capacities to Combat Corruption in Tanzania*. The Government expressed a strong preference for UNDP to be the development partner to manage the support to Government, due to its position as a trusted and neutral partner to Government. This illustrates UNDP's comparative advantage in working in this politically sensitive area.

The “Strengthening Capacities to Combat Corruption in Tanzania” Project

This project, which is still under implementation, has four main components:

a) Coordination and monitoring of the NACSAP Action Plans.

Support to the establishment of the Good Governance Coordination Unit, and the design and operationalisation of a strategic monitoring system for NACSAP. This component also includes training of key Government officials in issues pertaining to corruption and study trips and conferences abroad (e.g. the International Anti-Corruption Conferences).

b) Assistance for the implementation of strategic areas of the sectoral action plans.

On the recommendation of the NACSAP Inter Ministerial Committee, provide financial support to strategic components of the sectoral action plans. Activities supported have included workshops for awareness raising, publication of citizens’ charters and radio civic education programmes. This component also encompasses training of prosecutors and investigators of the PCB.

c) Assisting the PCB to raise awareness of its work and to build broader coalitions.

This includes the publication of a quarterly PCB Newsletter, establishment of media partnerships, including regular press briefings and provision by media to PCB of free print and airtime. A first batch of Strategic Studies have been finalized, though not yet released, providing case studies of corruption in the judiciary, the land administration and the health sector. Support was also provided to PCB to enable the Bureau to commission a coalition of civil society organizations to prepare an independent report on the State of Corruption in Tanzania (more on which below).

d) Support to Civil Society Organizations (CSOs)

This Component targets coalition building among NGOs and public awareness raising. It has facilitated the formation of two media organisations, the Media Owner’s Association of Tanzania (MOAT) and the Editors Forum of Tanzania (EFOTA), that have as their core purpose to fight corruption in media and to strengthen media’s capacity to participate actively in the fight against corruption. Support has been provided to the Tanzanian branch of the African Parliamentary Network Against Corruption (APNAC – Tanzania). Specifically this component has done the following:

- *Support to NGOs*

Support to civil society has included the establishment of an artists’ task force that has used music and theatre to raise public awareness on the ills of corruption. More support is being extended to civil society and the private sector to join forces in the combat.

UNDP has rendered support to the establishment of a partnership between the NACSAP Inter Ministerial Committee and the NGO Policy Forum. The NGO Policy Forum is a coalition of NGOs that have been increasingly active in upstream policy processes,

particularly as they relate to the PRSP, a process that UNDP facilitated in the early stages, through a separate initiative. On the last two occasions, the NGO Policy Forum has presented civil society statements for all major sectors at the annual CG meetings.

In the past, UNDP has sought to focus its collaboration with NGOs in the field of corruption on organisations that have anti-corruption as its explicit mandate. The experience with this has not been entirely positive, as the organisations in question often have limited capacities and have little systemic interaction with the ongoing reform processes outside the narrowest confines of anti-corruption. The TI Tanzania, for example, has been virtually inactive for the last five years. Therefore the emergence of the NGO Policy Forum as a representative forum for the most active NGOs in the country provides a welcome opportunity to foster stronger civil society participation in the implementation and monitoring of NACSAP. The first step in this partnership is the sponsorship of the Government, through the UNDP project, of two representatives of the NGO Policy Forum to attend the 11th International Anti-Corruption Conference in May 2003. The next step has been for the IMC to convene a meeting with civil society representatives nominated by the NGO Policy Forum in order to assist them in preparing a civil society action plan to be implemented along with NACSAP. Two such forums have been organised and NGOs have since developed proposals to implement activities ranging from lobbying and advocacy to capacity building with the aim of combating corruption. These pilot initiatives are being funded under the UNDP project and the also future initiatives will be supported by the Government's own National Integrity Fund. Regular civil society feedback to and on the NACSAP monitoring process outlined above will be an important part of the civil society – Government partnership.

- *Media*

As for media involvement, the collaboration with media organisation has come off to a quicker start. This is in large part due to an early initiative from media representatives and the formation of organisations to spearhead media contribution to the implementation of NACSAP. Thus far this has produced a commitment by the leading media houses to address corruption in a systematic manner and to prioritise reporting on corruption and training of senior journalists in investigative journalism. An initiative to develop an advanced training curriculum in investigative journalism is presently being finalised. It will draw on regional capacities in investigative journalism and will consist of both a theoretical component and practical work, including placements in Government oversight institutions, including the police, the auditor general, the judiciary and the Prevention of Corruption Bureau. The latter is seen as central to provide the journalists with insights into the Government's follow up on suspected corruption cases and will be instrumental in enabling journalists to establish strategically positioned contacts.

- *Private sector*

Cooperation with private sector organizations has yet to be established. A similar strategy as the one relating to civil society is envisaged. The NACSAP IMC will call a meeting with

key private sector organisations to facilitate their participation in the implementation of NACSAP.

Private sector activities in the area of anti-corruption are often seen to be a process of instilling capacities and practices of good corporate governance. Important as this may be, in the Tanzanian context it is envisaged that a key role of private sector participation will be their contribution of identifying loopholes for corruption in the regulatory and taxation frameworks, recommending changes and monitoring the Government's efforts to put in place a regulatory framework that is transparent, predictable and conducive to a positive interaction between the Government and the private sector. Apart from contributing to better governance this is expected to foster stronger economic growth.

The formalization of the informal sector is one of the key challenges in this respect. UNDP has already been active in this area in the development of an Informal Sector Roadmap, in a collaborative effort with ILO and UNIDO. The Informal Sector Roadmap clearly documents the prohibitive layer of administrative red tape that hinders small and micro enterprises from registering.

- *Parliament.*

Parliament is a key institution in any effort at coalition building that addresses sensitive political issues. Corruption is obviously such an area, and one in which Parliament has multiple roles to play. Firstly, Parliament has a key role to play in the ensuring accountability through its scrutiny of the annual reports from the Auditor General. In Tanzania, like in many other comparable countries, the Public Accounts Committee (PAC) is seen to be lacking teeth, as its recommendations are rarely headed. There is therefore an urgent need to strengthen the capacity and the bite of the PAC. It ought to be acknowledged, however, that the PAC already plays a vital role merely by examining the Government's audits and bringing adverse findings to the attention of the public. During the annual sittings of the PAC, shocking audit findings are front-page news nearly on a daily basis. The impact this has on the public and the pressures it may exert on the executive to be seen to be doing something should not be underestimated.

Secondly, Parliament has a key role to play in ensuring that the legal and institutional framework is conducive to fighting corruption. Similar observations as above apply also here. Meetings and conferences convened by APNAC Tanzania invariably produce discussion on the shortcomings in the legal and institutional framework, particularly as these pertain to the concentration of powers in the executive. Such high profile debates give the public dialogue on these issues a much welcome boost.

UNDP has supported APNAC Tanzania to convene a number of high profile meetings and conferences, the last of which also produced an APNAC action plan that will be implemented under NACSAP. The action plan seeks to strengthen the capacities of MPs to hold the Government accountable through providing resources for consultants to assist committees in their work, the revision of standing orders to boost the independence of the

MPs (vis-à-vis their parties), and a review of the legal and institutional framework as it pertains to corruption. The support to an issues-based, cross-partisan Parliamentary group like APNAC provides substantial leverage to any effort of coalition building.

Apart from direct support to the above institutions, there have been efforts to support other strategic activities that are key in information sharing and capacity building.

Some notable achievements have been registered in the course of implementing this project thus in a way, contributing to minimizing the vice through information sharing directed at preventing corrupt practices. When Tanzania appeared for the first time in Transparent International's corruption Index in 1998, her score was 1.9. In the year 2002, Tanzania registered an increase in the score from 2.2 of the previous year to 2.7. Although year-to-year changes in the index may not necessarily be significant, this marks a distinct improvement over the long term. It is also worth noting that Tanzania is one of very few countries that have registered a marked improvement in this period. This would suggest that the Government's strategy and commitment against corruption is gaining momentum and recording impact since the publication of the Warioba Report in 1998.

Lessons learned

Free-market reforms and multi-party democracy have the potential to enhance competition and accountability, and thereby reducing corruption. But democracy and freer markets are certainly not sufficient. Change of behavior and mindset is important in the fight against corruption.

Fighting corruption is an extraordinarily complex venture that relies on a large number of actors and institutions, and trying to rush short term objectives will always carry a substantial danger in disillusionment or worse, the loss of political will and commitment to reform.

Tanzania has taken a more organic approach, which has relied on parallel initiatives by several groups of actors. This has enabled a higher element of local ownership of the processes, which is very important to address such a complex and sensitive issue.

Recommendations for action oriented follow-up

A number of actions planned for the near future have been outlined in the light of the above detailed description of the implementation of the project. Other actions that could be considered in the near future include the following.

- The Government should consolidate its commitment to transparency in the implementation of NACSAP by making all the MDAs' sectoral action plans available on the Internet. The Quarterly Monitoring Reports should also be placed on the

Internet and other channels of communication that could be accessed by the general public.

- Efforts are underway to develop cross-cutting indicators on financial accountability, the judicial process relating to corruption, procurement and human resources. The full development and operationalisation of these should also be made a priority and the indicators be incorporated in the Monitoring Reports (the commitment for this is already in place).
- In addition to the above, there is a need to develop a fuller and more scientific baseline of service delivery and corruption. The World Bank Institute has developed an excellent tool for this in their National Integrity Surveys. These have already been conducted in a number of countries, including Uganda (twice), Ghana, Nigeria and Ecuador. All that is required for this to be done is for the President to request the World Bank to conduct the study. The donor community could usefully lobby for this to be done.
- The pilot on capacity building at village level for public monitoring on expenditure and service delivery should be accorded priority. There is a need for mechanisms to be put in place to have this linked with the Public Expenditure Review process at the national level, which led by the Ministry of Finance with participation by the donor community and civil society. Linkages will also need to be established with the ongoing Local Government Reform Programme (who have been involved in the development of the concept) and the regional offices of the Prevention of Corruption Bureau (ditto).
- The NACSAP IMC and the GGCU should capitalise on the potential partnership with the NGO Policy Forum. This has a promise of assisting the anti-corruption champions within Government with invaluable assistance from local and national NGOs.
- Support to APNAC should be maintained, and the organisation be supported to strengthen its capacities through the establishment of a permanent secretariat. Efforts to link effectively with other APNAC branches in the region should be supported.
- The development of a curriculum for investigative journalism should be given the go ahead and support provided to conduct the training. Additional incentives may be put in place by offering a prize for the best reports to emerge from the training.
- A partnership with private sector organisations, comprising representatives of both the formal and the informal sectors. Efforts to periodically develop Investors Roadmaps and Informal Sector Roadmaps to gauge progress should be given priority.
- Finally, the Dutch Embassy in Dar es Salaam has signalled that it is planning to conduct a critical study on the impact of foreign aid on corruption. This is much needed initiative that can provide a welcome balance to some of the more overbearing contributions of donor agencies in this sensitive area. This study should

be accorded the attention it deserves and full participation from civil society and the Tanzanian Government be encouraged.

Some milestones in Government Action to address the problem of corruption

- In 1966, the Government established the Permanent Commission of Inquiry to function as an ombudsman to address the problem of corrupt practices and administrative malpractices.
- 1967 a strict Leadership Code had been enacted with the Arusha Declaration, proscribing leaders from engaging in any capitalist activity, such as setting up commercial ventures or owning properties for rent this in a way was meant to promote integrity of leaders.
- In 1971, Tanzania pioneered the enactment of a Prevention of Corruption Act, which was amended in 1975 to establish an Anti-Corruption Squad within the police force. It is a little known fact that the establishment of the now famous Hong Kong Independent Commission Against Corruption drew inspiration from the Tanzanian case.²
- The amendment of the Prevention of Corruption Act to transform the Anti-Corruption Squad to the Prevention of Corruption Bureau, with a more comprehensive mandate including investigation, prevention and public education.
- 1998, the Warioba Commission, which was given full mandate to extensively inquire into the problem of corruption in the country and come up with recommendations on the way forward. This report has been the blue print on corruption in Tanzania.
- 1999 The NACSAP, which consisted of a strategy statement and an action plan captured in a logframe, was formally approved by the Cabinet and approved in Parliament.
- 2000 Corruption was a high agenda in the parties election manifest during the election campaigns and the subsequent general multiparty elections that were held in October 2000.

² This information was availed to a UNDP staff (Geir Sundet) by Roger Batty, who was involved in the set-up of the Hong Kong ICAC, and who subsequently moved on to be the Deputy Director to another successful anti—corruption institution, the Botswana Directorate of Corruption and Economic Crime.