



GAUTENG

Working together to fight corruption
and build an ethical society

**THE GAUTENG
ANTI-CORRUPTION
CAMPAIGN**

WORKING TOGETHER TO FIGHT FRAUD AND CORRUPTION

INTRODUCTION

Corruption is a universal problem that undermines growth and development by diverting resources away from development programmes.

Its effects are particularly harmful to developing countries and achieving good governance and fighting corruption is amongst the most important challenges facing new democracies such as South Africa. Gauteng, therefore, as the economic hub of South Africa and the African continent as a whole, is particularly vulnerable to both fraud and corruption.

Compared with international practice, good anti-corruption strategies exist in South Africa and in particular in the public service. In addition to a strong political commitment, South Africa has a solid legislative, regulatory and institutional framework, largely put in place since 1994.

In recent years, government has stepped up its anticorruption activities. Its efforts have become more systemic, with greater emphasis on instituting appropriate policy measures to prevent corruption. The fight against corruption has been a priority in the programme of government (national, provincial and local) for many years.

The campaign against corruption in the public service has increasingly gained institutional recognition in South Africa. At a national level, this has found expression through a variety of legal and policy instruments and reports, including reports of bodies such as the Public Service Commission (PSC).

What is corruption?

Corruption is an abuse of public power for private gain that hampers the public interest.

How corruption manifests itself?

Corruption manifests itself in various forms as indicated below:

Fraud: This can be described as a misrepresentation of fact or an act or behaviour by a public servant or any other person or a corporate body to another of providing a benefit that would not normally accrue to such a public servant, other person or a corporate body.

Extortion: This is an act involving coercion by the employee of a person or an entity to provide a benefit to such employee in exchange for acting or refraining to act in a particular manner by such employee.

Bribery: The act of bribery involves the promise, offering, or giving of a benefit that is made by a person to an employee in order that the latter must not carry out his or her decision. This act may vary in its manifestation from an employee, entity, political party or government where a benefit is offered, promised or given which benefit improperly affects the decisions of such political party, entity, government or person.

Other specific types of bribery

Influence-peddling: This is where public officials or other political or government insiders offer to exert influence not available to the outsider. This is distinct from political advocacy or lobbying in that the corrupt individual sells access to or influences government decision making that he/she only has as a result of public office.

Offering or receiving improper gifts, gratuities, favours or commissions: In some countries it is common for public officials to accept tips or gratuities in exchange for their services. Such payments become difficult to distinguish from bribery or extortion as

links between payments and results will always develop. In South Africa, government officials receiving any gratuities, favours or commissions are obliged to declare such if the value thereof is more than R350.

Avoiding liability for taxes and other costs: Officials who work for or supervise revenue collecting agencies, such as tax or customs authorities, may be bribed to reduce or eliminate tax amounts or other revenues to be collected or to ignore illegal imports and exports or to conceal, ignore or facilitate illicit transactions for purposes such as money laundering.

Bribery in support of fraud: Payroll officials may be bribed to participate in abuses such as paying non-existent workers or “ghost workers.”

Bribery to avoid criminal liability: Law enforcement officers, prosecutors, or other officials may be bribed to ensure that other criminal activities are not investigated or prosecuted or if prosecuted that a favourable outcome will result.



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Bribery in support of unfair competition for benefits or resources: Employees responsible for awarding contracts for goods or services may be bribed to ensure that the contracts are awarded to the party paying the bribe and on favorable terms. Where the bribe is paid out of the proceeds of the contract this is commonly known as a “kick back” or secret commission.

Private sector bribery: This is the bribery of banking or finance officials which has an adverse impact on the economy far exceeding the bribes themselves because of corrupt officials who approve loans which do not meet the basic criteria for security and cannot later be collected.

Bribery to obtain confidential or “inside” information: Employees who are privy to valuable information are often targets of bribery to induce them to disclose the same.

Embezzlement: This act involves theft or misappropriation of resources by a person entrusted with the authority and control over such resources.

Nepotism: This involves an employee who ensures that his/her family member is appointed to a position in the Gauteng government or that service level agreements from the Gauteng government are awarded to his/her family member.

Abuse of Power: This act involves the use of vested authority by the employee to improperly benefit or discriminate against another person or entity.

Favouritism: This act involves the provision of services or resources according to the personal affiliations (e.g. ethnic, political or religious) of the employee.

Insider trading/Abuse of privileged information: This involves the use of privileged information and knowledge that the employee possesses emanating from his/her office and thus having an unfair advantage over any other person to obtain or accrue a benefit for him/herself from such information.

Conflict of interest: The employee acts or fails to act in a matter where he/she has an interest as a result of a relationship with the organization, entity or another person having the same interest.

Why is corruption a problem?

Corruption in the public service affects the entire country – it causes problems for individuals, for groups of people, for communities and for the country as a whole. For example:

- Corruption undermines human rights such as the right to equality and to freedom of trade and occupation.
- When people pay bribes to get things that they are not entitled to (like old age pensions or other forms of social grants), there is less money available for people who really need it.
- Corruption increases the cost of public service, resulting in less money for housing, health care, education or other basic services.
- Business costs, and costs to consumers, increase.
- Corruption can lead to people being promoted who do not deserve to be.
- Countries with reputations for corruption scare off foreign investors, losing valuable foreign currency that could be used for economic development.
- Corruption stops economic development in the country because people from outside will not put their money into such countries.
- Because corruption is a crime, corrupt officials have to be prosecuted and perhaps kept in prison, which is expensive and puts an additional burden on the criminal justice system.
- Loss of confidence in public institutions: In any country the public entrusts confidence in its political order and institutions. However, if corruption sets in such trust and confidence in the system is

lost. This leads to the undermining of the rule of law, contractual and property security, civil order and safety and even the legitimacy of the state or organization.

What is the Gauteng government doing about corruption?

The fight against corruption has been a priority in the programme of government (national, provincial and local) for many years. Anti-corruption activities have been increased, and government's efforts have become more systemic, with greater emphasis on instituting appropriate policy measures to prevent corruption.

Whilst there has been some improvement in dealing with corruption cases in Gauteng, the pace and level of implementation of the anti-corruption strategy across the provincial government departments has been uneven.

Effective implementation may have been adversely affected by insufficient levels of commitment displayed by top management in implementing the existing anti-corruption strategies. There has also been a lack of integration of provincial anti-fraud initiatives with broader anti-corruption and ethics management initiatives.

However, the wheel is turning to the positive, with departments recording improvements with regard to responding to cases referred from the National Anti-Corruption Hotline (NACH). To date all cases referred from the NACH in the Office of the Public Service Commission (OPSC) have been dealt with accordingly.

Through the revised 2009 Gauteng Anti-Corruption Strategic Framework, the provincial government seeks:

- To fight fraud and corruption in Gauteng in all its forms, through the prevention and combating of corruption.

- To identify common strategic priorities in combating corruption in Gauteng.
- To promote good governance and best practice in all of Gauteng's public institutions.
- To promote professional ethics within the public service through a total ethics management programme (TEMP) in all Gauteng departments and municipalities.
- To magnify government's efforts to create awareness, training and education about corruption in Gauteng including how and where to report corruption and/or any ethical misdemeanors.
- To create a culture of zero-tolerance towards corruption and a culture of whistle-blowing in all Gauteng communities and sectors.
- To strengthen compliance and enforcement of regulatory mechanisms and accountability of public servants at all levels of the public service and for all political office bearers.

What must you do?

Do not tolerate any forms of corruption by accepting any bribe or concealing any acts of corruption. Report all forms of corruption by calling the National Anti-Corruption Hotline.

Are partnerships crucial in the fight against corruption?

Yes. The provincial government is aware that corruption not only affects government, hence it calls on all sectors of society to become involved in this initiative. The Provincial Anti-Corruption Forum is to be strengthened to include more effective participation by both government and civil society representatives. Unions are being encouraged and supported in mobilizing against corruption and in advocating professional ethics among its members.

The development and implementation of sectoral anti-corruption strategies are crucial. These sectoral strategies and plans should take into account the specific risks, conditions and forms that corrupt and fraudulent acts take within the sector and the tactics and measures required to prevent and combat these and to promote ethical practices within the sector.

Further attention should also be given to the manner in which corruption interacts with and compounds other forms of the abuse of power by public officials, including unfair discrimination and the abuse of women.

Is blowing the whistle on corruption safe?

The government would like to assure the public and public servants who blow the whistle on corruption that they will be protected. Information provided to government on possible incidents of corruption will be followed up and investigated thoroughly and confidentially.

All reported cases of corruption will be investigated and dealt with accordingly.

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Anti-corruption Hotline: 0800 701 701

