

***UGANDA***

---

## **IDA'S NATIONAL INTEGRITY STRATEGY**

### **EXECUTIVE SUMMARY**

---

#### **LAW:**

Weak law enforcement system--weak investigation, prosecution and adjudication.

*Measures* to tackle these problems:

Government is to conduct a diagnostic study into weaknesses of judicial system; obtain benchmarks and best practice among countries of comparable level; further strengthening of law enforcement agencies through training, payment of adequate salaries, etc.

Civil society plans to conduct awareness raising campaigns; work with and strengthen NGOs individually and through coordination; continue to expose corruption in the media and/or through various bodies, cultural leaders and institutions.

Country Team strategy is to continue to put pressure on the government to implement what it has not yet done as well as strengthening the activities of civil society.

#### **FINANCIAL MANAGEMENT:**

Lack of integrated accountability and auditing of government and donor funds; lack of public awareness of the importance of a sound financial management system; and lack of transparent and prioritized budgetary processes.

*Measures* to tackle the problems:

Government is to integrate all internal audit units within government; ensure budgetary processes obey rules of public

expenditure management; and institute clear grant remuneration procedures as well as introduce work ethics.

- *Civil Society* is to lobby Government to allocate funds transparently; and collaborate with professional accountants to improve work and professional ethics.
- *Country Team* plans to monitor the progress of IFMs. This issue is included in national strategy; work with Government to improve prioritization process; and finalize framework for dialogue with national professional association.

#### **PUBLIC PROCUREMENT**

*Problem:* Weak procurement systems--weak laws and regulations as well as lack of trained personnel to conduct competent procurement evaluations.

*Suggestions* to tackle the problems:

- *Government* to support the procurement process with training and equipment; Minister of Finance to consult with all stakeholders to ensure transparency and accountability in program; corruption agencies to agree on recommendations to create an evaluation committee to be managed by professionals of various backgrounds.
- *Civil Society* to publicize the laws and regulations in the area; nominate and vet the Evaluation Committee members; and publicize the experience and qualifications of individuals in their respective fields.
- *Country Team* to ensure that the anti-corruption agency is operational and make recommendations; seek technical and financial assistance from donors to implement programs, and urge government to solve the problem in the procurement regulations.

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

S

Lack of adequate collaboration between Uganda Authorities, the Ministry of Finance and policy makers rates and restrictions, as well as lack of public ion when setting up trade policies.

ms to tackle the problems:

ment to form consultative committee between Ministry of ce and Uganda Revenue Authority to discuss tax proposals e budget.

- *Civil Society* to launch a broad-based campaign to raise awareness on taxes; encourage government to include stakeholders in the Consultative Committee--importers and exporters; and the public should be made aware of the tribunal and it should be decentralized.
- *Country Team* to coordinate the activities of civil society to monitor the actions taken by Government; and identify operational and administrative bottlenecks in action plans to ensure effective implementation.

## 4'S NATIONAL INTEGRITY STRATEGY

### UGANDA: CIVIL SERVICE REFORM

Issues	Anticipated Benefits	Anticipated Risks	Anti-Corruption Contribution	Steps leading to Action: Government, Civil Society, Core Group	Where the Bank Can Assist
of basic reg'l	<ul style="list-style-type: none"> <li>• People are closer to decision makers &amp; therefore informed &amp; quicker service delivery</li> <li>• More attention is paid to local issues in discussion making</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of adequate resources to attract experts</li> <li>• Capacity in terms of personnel, facilities, increased costs of supervision</li> <li>• Corruption is easier to detect in terms of investigation</li> <li>• Civil society reg'l imbalances</li> <li>• Corruption spreads increased costs for anti-corruption agencies</li> <li>• Reduction of nationalism</li> </ul>	<ul style="list-style-type: none"> <li>• People know the purpose for funds &amp; they monitor &amp; demand accountability</li> <li>• Being smaller units they are easier to supervise &amp; follow up</li> <li>• Could be used to find out whether leaders' declared wealth is correct</li> </ul>	<ul style="list-style-type: none"> <li>• Decentralization already in place</li> <li>• Civil society to raise public awareness plus gov't.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop appropriate info material on decentralization basic services in our local languages</li> <li>• Develop a national outlook &amp; standards</li> </ul>
ment ranging to uses	<ul style="list-style-type: none"> <li>• Promotion of home ownership in the spirit of shelter</li> <li>• Equity in home ownership since more people are likely to benefit from say a revolving fund</li> <li>• Prevention of culture that values property</li> </ul>	<ul style="list-style-type: none"> <li>• Little capacity by individuals to build home</li> <li>• Private builders who may lose income</li> <li>• Construction of substandard houses</li> <li>• Corruption resulting from the use of build &amp; finish quickly</li> <li>• Peer pressure</li> </ul>	<ul style="list-style-type: none"> <li>• No corruption in allocation of houses</li> <li>• No costs in inflated construction &amp; rents</li> </ul>	<ul style="list-style-type: none"> <li>• Government has already divested itself from provision of houses</li> <li>• Establish a revolving fund to government servants to borrow &amp; build houses</li> <li>• Groups should pull together resources for the construction of low &amp; middle for relatively low income groups</li> </ul>	<ul style="list-style-type: none"> <li>• If possible, WB should give a soft loan to go the housing industry whereby government would guarantee the payment, payments for civil servants</li> </ul>
Senior	<ul style="list-style-type: none"> <li>• Increased transparency</li> </ul>	<ul style="list-style-type: none"> <li>• Loss corruption since</li> </ul>	<ul style="list-style-type: none"> <li>• No corruption since</li> </ul>	<ul style="list-style-type: none"> <li>• Government has</li> </ul>	

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

UGANDA: CIVIL SERVICE REFORM

Issues	Anticipated Benefits	Anticipated Risks	Anti-Corruption Contribution	Steps leading to Action: Government, Civil Society, Core Group	Where the Bank Can Assist
	<ul style="list-style-type: none"> <li>Management of the budget easier &amp; definite</li> </ul>	<ul style="list-style-type: none"> <li>what was being provided physically is now part of the salary</li> </ul>	<ul style="list-style-type: none"> <li>what was being provided physically is now part of the salary</li> </ul>	<ul style="list-style-type: none"> <li>already monetized all the entitlement due directors &amp; above</li> </ul>	
Service delivery	<ul style="list-style-type: none"> <li>Increase efficiency &amp; morale</li> <li>Curb petty corruption</li> <li>Increase tax base</li> <li>Improve standards of living for employees &amp; their dependants</li> </ul>	<ul style="list-style-type: none"> <li>Having a pay being related to cost of living for the minimum wage</li> </ul>	<ul style="list-style-type: none"> <li>Reduce petty corruption</li> <li>Increased transparency</li> </ul>		<ul style="list-style-type: none"> <li>Provide basic office facilities &amp; equipment</li> <li>Provide funds for mortgage &amp; hire purchase for personal basic needs</li> </ul>
Complaints quality	<ul style="list-style-type: none"> <li>Improved social economic well-being</li> <li>Good service delivery</li> <li>Increased delivery of value for money</li> </ul>	<ul style="list-style-type: none"> <li>Increased costs</li> <li>Increased complaints</li> <li>Establish standards for service delivery</li> <li>Benchmarks for performance assessment</li> </ul>	<ul style="list-style-type: none"> <li>Increases fear of exposure</li> <li>Increased efficiency &amp; effectiveness</li> <li>Improved economy</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of a mechanism to handle complaints</li> <li>Continue service delivery services</li> <li>Monitor performance of service Core Group</li> <li>Ensure the enforcement &amp; implementation of the proposals &amp; make follow-up through meetings, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Fund the surveys</li> <li>Service delivery surveys</li> <li>Monitoring surveys</li> <li>Awareness raising the surveys &amp; remediation</li> </ul>
Corruption	<ul style="list-style-type: none"> <li>Exposure of corruption cases</li> <li>Improved service</li> <li>Increased government revenue</li> </ul>	<ul style="list-style-type: none"> <li>Malicious reporting causing a lot of work to investigators plus increased costs</li> <li>Victimization of innocent people who end up leaving the public service</li> <li>Delays in service delivery</li> </ul>	<ul style="list-style-type: none"> <li>Increase transparency</li> <li>Increase the fear of being caught</li> </ul>	<ul style="list-style-type: none"> <li>Develop ways of protecting whistle-blowers</li> <li>Increase preventive transparency regulations</li> <li>Media to take the lead in exposure &amp; education</li> <li>Criminalize exposure of informants</li> </ul>	

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
<p>Corrupt public officials (rent seekers) Criminals in society</p>	<ul style="list-style-type: none"> <li>The public</li> <li>Individuals who are forced to pay bribes</li> <li>Victims of Corruption</li> <li>Government</li> <li>Donors &amp; investors</li> </ul>	<ul style="list-style-type: none"> <li>Law reform through amendment of some laws, e.g. Prevention of Corruption Act, Penal Code, Leadership Code</li> <li>Creation &amp; strengthening of institutions, e.g. IGG, Department of Ethics &amp; Integrity, DPP, etc.</li> <li>Legal Sector Capacity building</li> <li>Increased salaries for law enforcers, e.g. Magistrates, Judges, State Attorneys</li> <li>Strengthening of Parliament</li> <li>Media Training, freedom of press</li> <li>Local council involvement in monitoring the expenditure of public funds through legislation</li> <li>Prosecution of high profile cases, Commission of Inquiry into the police</li> </ul>	<ul style="list-style-type: none"> <li>Further strengthening of law enforcement agencies through training, payment of adequate salaries, provision of facilities, e.g. vehicles, computers</li> <li>Bringing high profile cases to successful conclusions through prosecution</li> <li>Review by Parliament &amp; the execution of some of the laws that have not yet been reformed, e.g. Leadership Code, Auditor General, IGG, Procurement system</li> <li>Awareness raising by Judicial Service Commission, IGG, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Awareness raising</li> <li>Strengthening of NGOs individually &amp; through coordination with each other</li> <li>Repressing corruption by the media, religious &amp; cultural leaders &amp; institutions</li> </ul>	<ul style="list-style-type: none"> <li>Put pressure on Gov't to implement what has not yet been done</li> <li>Individual team members to implement their respective assignments</li> <li>Co-ordinate more with civil society</li> </ul>	<ul style="list-style-type: none"> <li>One year: <ul style="list-style-type: none"> <li>A more sui system of law: fight corruption place</li> </ul> </li> <li>On-going: <ul style="list-style-type: none"> <li>Improved efficiency of the enforcement institutions</li> <li>Public Confidence in law enforcement systems</li> <li>Increased investment in support</li> <li>Increased awareness through education</li> </ul> </li> </ul>

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
<ul style="list-style-type: none"> <li>Government officials</li> <li>Criminals</li> <li>Corrupt people</li> <li>Other delinquent people</li> </ul>	<ul style="list-style-type: none"> <li>Government &amp; other leaders</li> </ul>	<ul style="list-style-type: none"> <li>Constitution in place has put conducive atmosphere in place</li> <li>More NGOs are being formed</li> <li>Special interest groups in parliament</li> <li>Formation of Local councils</li> </ul>	<ul style="list-style-type: none"> <li>Build better working relations with media: lunch with agencies, discuss issues &amp; information</li> <li>IGG: Civil society should take over the agenda (tell them we want to know)</li> <li>Build better relationship with the civil society in general</li> <li>Use media &amp; local councils to deliver government programs.</li> </ul>	<ul style="list-style-type: none"> <li>Build better working relations with Anti-corruption agencies</li> <li>Lunch with agencies &amp; discuss issues &amp; information</li> <li>Education: ethics component in elementary schools, assist youth organizations in getting organized (focused), computers in schools with access to internet</li> <li>NGO: Civic Education</li> </ul>	<ul style="list-style-type: none"> <li>Encourage gov't to get more involved in creating civil society &amp; work with it</li> </ul>	<ul style="list-style-type: none"> <li>Well informed society will experience less corruption &amp; financial mismanagement</li> </ul>



9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
Police Criminals Wrong-doers	<ul style="list-style-type: none"> <li>• Citizens</li> <li>• Government</li> <li>• Business</li> </ul>	<ul style="list-style-type: none"> <li>• Results from national integrity survey</li> <li>• On-going commission of inquiry in police</li> <li>• Prosecution of the Police officers caught in corrupt acts</li> </ul>	<ul style="list-style-type: none"> <li>• Pay Police well &amp; train them</li> <li>• Equip Police with necessary tools &amp; logistics</li> <li>• Educate them especially in regard to human rights</li> <li>• Build adequate barracks for the Police force</li> </ul>	<ul style="list-style-type: none"> <li>• Media highlight news of police misconduct; raise awareness about public expectations of police, follow progress &amp; report; broadcast specific TV &amp; radio (in partnership with Government); Civil Society Community policing involvement, campaign to publicize success; Individuals &amp; business' encourage them to come forward and report abuses</li> </ul>	<ul style="list-style-type: none"> <li>• Speed implementation of government recommendations</li> <li>• Implement recommendations commission of inquiry</li> <li>• Seek technical &amp; financial assistance from donors</li> </ul>	<ul style="list-style-type: none"> <li>• Less crime bribery</li> </ul>

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
<ul style="list-style-type: none"> <li>Corrupt businessmen</li> <li>Corrupt government officials</li> <li>Minister of Finance (holder)</li> </ul>	<ul style="list-style-type: none"> <li>Tax payer/donors</li> <li>Ugandan people (poor people do not get services)</li> <li>Government</li> </ul>	<ul style="list-style-type: none"> <li>Procurement review</li> <li>Draft bill</li> <li>Study ITC (released data broadly)</li> <li>Prosecution high-ranking officials</li> <li>Cancelled tender awards</li> <li>Procurement company being reviewed</li> <li>Business Plan developed</li> </ul>	<ul style="list-style-type: none"> <li>Minister of Finance must consult with stakeholders, business people, civil service, anti-corruption agencies</li> <li>Ensure implementation of procurement process</li> <li>Parliament must pass the bill</li> <li>Ensure transparency &amp; accountability in programs (share accountability)</li> <li>Support the procurement process with training &amp; equipment</li> </ul>	<ul style="list-style-type: none"> <li>Media: Create demand for action</li> </ul>	<ul style="list-style-type: none"> <li>Speed up implementation</li> <li>Prompt government</li> <li>Talk to Minister of Finance</li> <li>Write a judgement to present to relevant authorities</li> <li>Seek technical &amp; financial assistance from donors to implement program</li> </ul>	1 year: <ul style="list-style-type: none"> <li>Procurement from corruption</li> </ul>

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
		<ul style="list-style-type: none"> <li>Task force recommendations for review of procurement laws, regulations &amp; systems have been presented to Ministry of Finance</li> </ul>	<ul style="list-style-type: none"> <li>Anti-corruption agencies to agree on recommendations to cabinet</li> </ul>	<ul style="list-style-type: none"> <li>Publicize the laws &amp; regulations in media</li> <li>Raise &amp; stimulate debate</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that anti-corruption agencies meet &amp; make recommendations</li> </ul>	<i>Within One Year</i> Reformed public procurement sys
			<ul style="list-style-type: none"> <li>Total value of the contract for the same goods &amp; services to be audited as the same contract to avoid audit scrutiny</li> <li>Evaluation committee to be manned by professionals of integrity who have been vested by respective professional organizations</li> <li>Publicize evaluation results</li> </ul>	<ul style="list-style-type: none"> <li>To nominate &amp; vet Evaluation Members</li> </ul>	<ul style="list-style-type: none"> <li>Make proposal to government No. 1 above</li> </ul>	Transparent & fe evaluation proce

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
			<ul style="list-style-type: none"> <li>More weight should be given to individual professional experience than the firm in the evaluation criteria</li> </ul>	<ul style="list-style-type: none"> <li>Identify &amp; publicize the experience &amp; qualifications of individuals &amp; firms in their respective fields</li> </ul>	<ul style="list-style-type: none"> <li>Recommend this to be incorporated in the procurement regulations</li> </ul>	<i>Within One Year</i> Good consultant services
			<ul style="list-style-type: none"> <li>Encourage lump sum contracts</li> <li>Costs not revealed in the financial proposal to be done by the bidder</li> </ul>	<ul style="list-style-type: none"> <li>Highlight problem in the hidden costs in the contracts &amp; tenders in media</li> </ul>	<ul style="list-style-type: none"> <li>Pressure Government to solve problem in the Procurement regulations</li> </ul>	Clear & transparent tenders & contracts
Corrupt officials running donor funded projects Corrupt officials in government who know the donor funds may be used when accounting for government funds especially when it comes to value for money audits. The	<ul style="list-style-type: none"> <li>The public</li> <li>The government</li> <li>Those who are to receive services</li> <li>The donors</li> <li>Economy</li> </ul>	<ul style="list-style-type: none"> <li>Good political will to change the system</li> <li>Auditor General's bill is to be tabled in Parliament to make the institution more independent</li> <li>Training of value for money audits is on-going with the Auditor General staff</li> <li>Commitment system of accounting for gov't funds is already being implemented so that no domestic arrears emerge at the end of the year (cash &amp; internal debt management).</li> </ul>	<ul style="list-style-type: none"> <li>Integrate both donor &amp; Gov't funds for an entity/ agency at least for the purposes of accountability</li> <li>Auditors to look at both accountabilities documents from donors &amp; gov't when carrying out the audit</li> <li>Support efforts for external audit</li> <li>Strengthen the internal audit in every entity/agency instead of centralizing internal audit at the treasury</li> </ul>	<ul style="list-style-type: none"> <li>Lobby gov't to improve system</li> <li>Encourage promotion of professional associations, such as district internal auditors to pressure &amp; advise gov'ts to change system.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor the progress of integrated Financial management system &amp; ensure that this is within the national strategy</li> </ul>	<i>One year:</i> <ul style="list-style-type: none"> <li>reformed integrated internal accounting system</li> </ul> <i>By June 2000</i> <ul style="list-style-type: none"> <li>improved internal &amp; external audits &amp; transparency accountability</li> </ul>

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

UGANDA: Prioritizing Problem Areas

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
Corrupt officials in the private sector who may benefit from this.			dept only <ul style="list-style-type: none"> <li>Make the internal audit &amp; external audit completely independent of the activities they are to audit</li> </ul>			
<b>Government</b>						
Corrupt individuals Politically favoured groups in regions of the country	<ul style="list-style-type: none"> <li>Disadvantage d regions</li> <li>The economy</li> <li>Lack of service delivery to the population</li> </ul>	<ul style="list-style-type: none"> <li>Gov't has introduced cash budget management system as a method of prioritizing resource allocation</li> <li>This is also monitored through the commitment system of payment already introduced</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that budgetary process &amp; monitoring obey rules of public expenditure management</li> <li>Integrated financial arrangement is put in place so that transactions are recorded once &amp; can thereafter be followed up in the system</li> </ul>	<ul style="list-style-type: none"> <li>Lobby government to allocate resources transparently &amp; in prioritized areas</li> </ul>	<ul style="list-style-type: none"> <li>Work with gov't to improve prioritization process in the budgeting</li> </ul>	<i>One year:</i> <ul style="list-style-type: none"> <li>By June 2000 improved accountable &amp; prioritized budgetary pro</li> </ul>

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
The corrupt The private sector counterparts The suppliers	<ul style="list-style-type: none"> <li>The Gov't</li> <li>The service receivers</li> <li>The economy</li> </ul>	<ul style="list-style-type: none"> <li>Training programs in financial mgmt for local leaders in progress</li> <li>Continuing professional training for the few accountants in the country is on under capacity building project &amp; Institute of Certified Public Accountants of Uganda (ICPAU)</li> <li>A statute in place to regulate the accountancy profession in the country &amp; adhere to professional ethics</li> </ul>	<ul style="list-style-type: none"> <li>ICPA(U) to be strengthened</li> <li>Dispute resolution between certified public accountants &amp; chartered secretaries</li> <li>Train accountants &amp; auditors</li> <li>Encourage districts to share the services of professional accountants &amp; auditors</li> </ul>	<ul style="list-style-type: none"> <li>Press for more quality work from accountants</li> </ul>	<ul style="list-style-type: none"> <li>Urge ministry of finance to resolve the disputes in the accountancy profession</li> </ul>	<ul style="list-style-type: none"> <li>Proper accounting regulations, et standards &amp; qualified staff</li> </ul>
Corrupt officials who are not easily monitored through audits because of their inadequacy	<ul style="list-style-type: none"> <li>The public</li> <li>Individuals who are forced to pay bribes</li> <li>Victims of corruption</li> <li>Gov't</li> <li>Donors &amp; investors</li> </ul>	<ul style="list-style-type: none"> <li>Internal audit department has been set up in Treasury with some skeleton staff to look at the whole government as an entity</li> </ul>	<ul style="list-style-type: none"> <li>Establish &amp; strengthen internal audit depts in all ministries &amp; local gov't authorities</li> <li>Update public financial regulations &amp; laws</li> <li>Hire private audit firms to audit for gov't over short term as external auditors</li> </ul>	<ul style="list-style-type: none"> <li>Lobby Gov't to improve the system of auditing &amp; monitoring controls</li> <li>NGOs to be mobilised to monitor more of the gov't programs &amp; report to gov't</li> </ul>	<ul style="list-style-type: none"> <li>To monitor the progress of the IFMs &amp; ensure entities are clearly defined with clear missions for IFMs to be properly implemented</li> </ul>	<i>One year:</i> <i>By 2000:</i> <ul style="list-style-type: none"> <li>Improved external &amp; internal audits</li> </ul>
Corrupt public officials who are subverted	<ul style="list-style-type: none"> <li>The public</li> <li>Individuals who are forced to pay bribes</li> </ul>	<ul style="list-style-type: none"> <li>Government introduction of public expenditure management system as a tool for prioritization of resource</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that budgetary process obeys the rules of public expenditure</li> </ul>	<ul style="list-style-type: none"> <li>To lobby Gov't for more service delivery &amp; monitoring of</li> </ul>	<ul style="list-style-type: none"> <li>Work with Gov't to improve the prioritizing process in</li> </ul>	<i>One year:</i> <ul style="list-style-type: none"> <li>Improved accountable &amp; prioritized</li> </ul>

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
<p>Expenditures on non-prioritized programs</p> <p>Their counterparts in the private sector such as suppliers</p>	<ul style="list-style-type: none"> <li>Victims of corruption</li> <li>Government</li> <li>Donors &amp; investors</li> </ul>	<p>allocation</p> <ul style="list-style-type: none"> <li>Introduction of performance audit by the auditor general &amp; the private firms that may carry out the audit on his behalf</li> </ul>	<p>management &amp; meet the entity's goals &amp; objectives</p> <ul style="list-style-type: none"> <li>Stick to prioritized gov't programs in formulating the budget &amp; set up monitoring mechanisms at all levels including the use of NGOs</li> </ul>	<p>gov't projects</p>	<p>budgeting</p> <ul style="list-style-type: none"> <li>Lobby Parliament not to pass budgets that aren't tailored to the missions</li> <li>Clear missions &amp; goals of the entities</li> </ul>	<p>budgetary program in gov't</p> <ul style="list-style-type: none"> <li>Ensure transparency in allocation of resources to private sector programs</li> <li>Improved service delivery</li> </ul>

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

**UGANDA: Prioritizing Problem Areas**

Who benefits?	Who loses?	Actions Already Taken	Actions to be taken			Expected outcomes
			Government	Civil Society	Team	
<p>Corrupt gov't officials exploiting the ignorance of the public</p> <p>Their counterparts in private sector</p>	<ul style="list-style-type: none"> <li>• The public</li> <li>• Individuals who are forced to pay bribes</li> <li>• Victims of corruption</li> <li>• Gov't</li> <li>• Donor &amp; investors</li> <li>• Untrained staff who may be punished for just their ignorance of the facts in financial management</li> </ul>	<ul style="list-style-type: none"> <li>• Some training of the district accounts staff which is still ongoing</li> <li>• Some profession continuing education under ICPA(U) &amp; some exams introduced to qualifying accountants &amp; auditors in Uganda under the Accountants Statute 1992</li> </ul>	<ul style="list-style-type: none"> <li>• Institute clear grading &amp; remuneration procedures of accountants, clerks, etc.</li> <li>• Encourage the introduction of ethical standards within the accounting profession &amp; these should be self regulating</li> <li>• Resolve the dispute between Certified accountants &amp; chartered secretaries so that accountancy profession takes firm root in Uganda</li> <li>• Encourage more training</li> <li>• More computers &amp; equipment required to implement fully the IFMS</li> </ul>	<ul style="list-style-type: none"> <li>• Work with accounting &amp; other related professional groups &amp; bodies to improve work &amp; professional ethics by reporting those who violate the rules</li> </ul>	<ul style="list-style-type: none"> <li>• Finalize framework &amp; seek dialogue with nat'l professional bodies &amp; associations to resolve disputes</li> <li>• Awareness training seminars on financial mgmt to be encouraged</li> </ul>	<ul style="list-style-type: none"> <li>• Improved training capacity building expected by June 2000</li> </ul>



9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

Critical Factor	Current Situation	Reform Strategy	Responsibility			
			<i>Govt.</i>	<i>Stakeholders</i>	<i>Civil Society</i>	<i>Other:</i>
<p>ing</p> <p>manifests</p>	<ul style="list-style-type: none"> <li>For purpose of control, Manifests are widely used on all goods coming by water, air, land &amp; rail. Since manifest detailing vehicle numbers, imports, description of goods, clearing agent &amp; quantity (by containers or Kilos, etc.) are raised at entry points for goods proceeding inland for final clearance. Such manifests are forwarded to inland offices of final clearance or to points of exit in case of transit goods through official means.</li> </ul>	<ul style="list-style-type: none"> <li>Information as on manifests is to be relayed in advance from the points of entry to points of final clearance or exit through computer based VSAT System.</li> <li>Through the ASYCUDA System, the control through manifests is to be enhanced</li> </ul>				
<p>ers to be</p>	<ul style="list-style-type: none"> <li>Verification currently</li> <li>Selection for inspection of carriers is not very systematic &amp; well focused</li> </ul>	<ul style="list-style-type: none"> <li>The staff are being trained in areas of RISK Assessment</li> <li>Analysis based on routing of goods, nature of goods, history of importers, suppliers &amp; clearing agents.</li> <li>Data Bank that matches vehicle registration numbers as on registration cards &amp; physical particulars such as engine &amp; chassis numbers is being developed.</li> </ul>				

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

Critical Factor	Current Situation	Reform Strategy	Responsibility			
			Govt.	Stake-holders	Civil Society	Other:
Go to warehouse	<ul style="list-style-type: none"> <li>All goods to be cleared inland whether for warehousing or direct into home consumption are from the border controlled in a manner described under processing of manifests above</li> <li>Goods from the border are directed to inland Container Depot (ICD) where they wait until Longroom procedures are complete</li> <li>Some forms of manifest after Longroom procedures are raised for bonded warehouses concerned. Officers at these bonded warehouses confirm receipt of the goods &amp; both ICD &amp; Longroom warehousing section in the Longroom are notified.</li> <li>Reconciliation between records prior to release of goods from Longroom &amp; ICD to bonded warehouse is done daily &amp; exceptional reports, if any, raised for quick follow up of such consignments.</li> </ul>	<ul style="list-style-type: none"> <li>Step up supervision to ensure that raising of manifests &amp; reconciliations arising of exceptional reports are done.</li> <li>Appoint officers for the above so that they are accountable.</li> <li>Network warehousing operations &amp; require bond keepers to be connected to the network for controlling of goods into &amp; out of bonded warehouses.</li> </ul>				
Go in Transit	<ul style="list-style-type: none"> <li>Cargo manifest are raised at entry points as described above under processing of manifests</li> <li>Sensitive goods are physically escorted up to points of exit.</li> <li>There are designated transit routes</li> </ul>	<ul style="list-style-type: none"> <li>The Convoy system to be strengthened through improved communication by VSAT</li> <li>Goods &amp; documents to be handed over to the customs officers in the Following transit country</li> <li>Bond securities involved at entry points to be retired against landing certificates authenticated by the customs officers, &amp; stamps as officially advised by the next transit/neighbor countries</li> <li>HQ of transit country to exchange information on transit cargo, exporters &amp; re-exports with the HQ of the next county. This is to avoid possible connivance by customs officers at entry/exit points of the two</li> </ul>				

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

Critical Factor	Current Situation	Reform Strategy	Responsibility			
			Govt.	Stake-holders	Civil Society	Other:
		neighboring countries				
& Payment of Customs Banks based ment	<ul style="list-style-type: none"> <li>Clearing agents make customs entries which are processed through customs Longroom &amp; taxes calculated by a clearing agent are either confirmed taxes, customs issues a Bank Payment Advice to importer.</li> <li>Taxes are paid to the bank by the clearing agent or the importer.</li> <li>He advises customs of the payment &amp; an official receipt is issued &amp; goods released.</li> </ul>	<ul style="list-style-type: none"> <li>Through ASYCUDA plans are underway to start self assessment beginning with the Large Companies.</li> <li>The banks are through EDI to advise customs of payment of taxes against which information goods are released.</li> </ul>				
assessed duties	<ul style="list-style-type: none"> <li>Same as above</li> </ul>	<ul style="list-style-type: none"> <li>Same as above</li> </ul>				
RGO not selected for	<ul style="list-style-type: none"> <li>Due to fear of mis-description of goods &amp; loss of revenue even duty the free goods are currently sighted.</li> </ul>	<ul style="list-style-type: none"> <li>Risk assessment based techniques are being developed so as to free attention on less risk goods &amp; to have more focus on high risk goods</li> </ul>				
after inspection	<ul style="list-style-type: none"> <li>Inspection/Verification can take place either before or after Longroom processes</li> <li>Verification/Inspection is done against declaration</li> <li>When physical goods tally with entered particulars goods are released</li> </ul>	<ul style="list-style-type: none"> <li>As above</li> </ul>				

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

Risk Factor	Current Situation	Reform Strategy	Responsibility			
			Govt.	Stake-holders	Civil Society	Other:
Valuation	<ul style="list-style-type: none"> <li>Valuation currently in issue is Brussels Definition of Value (BDV)</li> <li>Currently training in GATT Valuation is on going for implementation of GATT Valuation next year (2000)</li> <li>There is a section under Technical division = Customs Headquarters to deal with both policy &amp; technical matters relating to valuation &amp; classification including training of staff in this area</li> <li>Have developed a value guideline (Valuation Data Bank) which is resorted to if the values cannot be determined basing on the import document</li> </ul>	<ul style="list-style-type: none"> <li>Establish valuation &amp; classification units at customs station &amp; regional levels</li> <li>Train staff in these two technical areas</li> <li>Increase contact with World Customs Organization for updates in these two areas.</li> <li>Use internet for determination of prices in export markets.</li> <li>Develop legislation allowing use of electronically generated information as a basis of refuting the declared value by the importer</li> </ul>				
Taxes	<ul style="list-style-type: none"> <li>Declaration/preparation of customs entry is by a clearing agent appointed by the imported/exporter</li> <li>Determination/assessment of taxes is done by Longroom based officers depending on the availed import documents and/or verification details in case of pre-verified goods</li> </ul>	<ul style="list-style-type: none"> <li>Adoption of ASYCUDA for quick &amp; accurate assessment of taxes</li> </ul>				
NT	<ul style="list-style-type: none"> <li>Gathering of information is mainly through Investigation Division using mainly Regional Intelligence Liaison office (RILO) &amp; sharing this information in order to focus on particular importers &amp; exporters</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the above arrangement &amp; also enter some bilateral arrangement with countries we mainly deal within terms of imports &amp; exports</li> </ul>				

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

Critical Factor	Current Situation	Reform Strategy	Responsibility			
			Govt.	Stake-holders	Civil Society	Other:
Intelligence Operations	<ul style="list-style-type: none"> <li>Apart from information obtained from Investigation Division or direct from other Customs Administrations or Security/Enforcement agencies in day to day operation; there is always intelligence information gathered</li> <li>There is an informer system &amp; any body giving information that leads to recovery of taxes is paid 10% of taxes recovered</li> </ul>	<ul style="list-style-type: none"> <li>Develop both locally &amp; internationally informer system/network.</li> <li>Develop a well managed reward system.</li> <li>Develop proper Co-ordination with other enforcement agencies to avoid wastage of resources &amp; leakage of valuable information</li> </ul>				
Action of Customs for Investigation	<ul style="list-style-type: none"> <li>Currently risk analysis is as said earlier, being developed. However, goods on which there are attempts to evade taxes, importers with poor tax paying culture, under-declaration history, etc. are subjected to deliberate checking them than others</li> </ul>	<ul style="list-style-type: none"> <li>Develop a comprehensive profiling programme for routing, nature of goods, history of importer, supplier, transporter, clearing agent, new practices, etc. for preparation of effective implementation of Risk analysis technique</li> <li>Train staff in risk analysis</li> <li>Liaise closely with other enforcement/intelligence agencies</li> </ul>				
Check for physical	<ul style="list-style-type: none"> <li>As above said, most goods tend to be physically verified 100% for fear of mis-description, low taxes &amp; other mal-practices. This, however, delimits facilitation of trade</li> </ul>	<ul style="list-style-type: none"> <li>As above</li> </ul>				
Post Audit Units	<ul style="list-style-type: none"> <li>This section of Post Audit is currently in place but with a small number of staff</li> <li>Focus has mainly been on company with relationships &amp; therefore transfer pricing</li> </ul>	<ul style="list-style-type: none"> <li>Train staff in Post Audit work</li> <li>Equip the section</li> <li>Expand the number in this section after their training for a wider coverage</li> <li>Focus on those goods, importers, suppliers, etc. as may have been determined through risk analysis technique</li> <li>Liaise closely with investigation &amp; Intelligence Units</li> </ul>				

9<sup>th</sup> International Anti-Corruption Conference (IACC), 10-15 October, 1999, Durban, South Africa

Critical Factor	Current Situation	Reform Strategy	Responsibility			
			<i>Govt.</i>	<i>Stake-holders</i>	<i>Civil Society</i>	<i>Other:</i>
operations	<ul style="list-style-type: none"> <li>Smuggling is on goods coming by rail, water, land &amp; air. It is, however, rampant on water (on Lake Victoria). Methods of control as under transit, warehousing, manifests earlier outlined have limited smuggling on goods coming by land, air, &amp; rail.</li> </ul>	<ul style="list-style-type: none"> <li>Equip Anti-smuggling personnel with modern speedy boats well equipped with communication, among others</li> <li>Liaise with other countries sharing the lake for joint operations</li> </ul>				
in of is	<ul style="list-style-type: none"> <li>Goods seized are either forfeited or penalties/fines as prescribed by the law</li> <li>Goods not claimed in a given period of time are advertised for public auction, sold by private treaty if they are of perishable nature</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the law on forfeiture for compliance purposes</li> </ul>				
irs	<ul style="list-style-type: none"> <li>There is currently a Task Force in place to collect arrears. In case of bonded goods, arrears are collected from the guarantors</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the law regarding recoveries</li> <li>Minimize release of goods prior to payment of taxes through which such a means may accrue &amp; improve qualitatively the import processing procedures like valuation</li> </ul>				