

Draft Speech of AWG to the Anti-Corruption Day celebrations 2015

The Right Honourable Prime Minister Dr. Ruhakana Rugunda

Honourable Ministers present

Your Lordships, the Justices and Judges of the Courts of Judicature

Honourable Members of Parliament

Heads of Anti-Corruption Institutions in Uganda

Permanent Secretaries

Colleagues from the Diplomatic Corp

Partners in the fight against Corruption – Civil Society Organizations and media

Invited guests,

Ladies and gentlemen,

All protocols observed

I am honoured to be speaking to you today on behalf of the Accountability Working Group of development partners. The International day Against Corruption is one day of year when we get to reflect on progress that has been made, and areas where more effort is needed.

On progress, firstly I want to congratulate the Inspector General of Government for her tireless work in fulfilling her mandate. Many of the successes of 2015 are down to the work of you and your officers. Some of those areas include the progress made on the Katosi Road corruption case, and the conviction of the parliamentary budget director, but also I know there have been many other cases that don't receive the same level of media attention.

Other areas of progress overall in 2015 include:

1st the passage of the Public Finance Management Act and the Anti-corruption amendment Act, 2015

The PFM Act has helped strengthen penalties for financial mismanagement and given powers to the Secretary to the Treasury to sanction accounting officers for their failures. We hope for a strong set of regulations to be published soon, which include implementation of international best practice guidance for the Oil sector.

The amendment to the Anti-corruption Act is a positive and welcome development. But its success, particularly the provisions that give teeth to the IG and DPP's mandates to seize assets of individuals convicted of corruption, lies in how it is implemented.

2nd The reforms currently underway at the UNRA

The largest sector of the budget has for too long been undermined by corruption, bribery and mismanagement. The new leadership must be congratulated for their bravery and doggedness in working to clean up the Roads Sector and ensure Ugandan tax-payers funds are more used more efficiently and effectively and not stolen along the way, and that Uganda gets the Roads it needs to help deliver economic transformation. Uganda needs more transformational leaders like Ms Kagina.

3rd Increased levels of clean audits in the 2013/14 National Audit

The results of the last national audit we hope are reflective of a major change in the financial accounting of both local and national government. We commend the relevant accounting officers for their action following the 2012 corruption scandals and the high level action matrix of reforms, which have evidently seen some success.

Finally, it is also worth noting that the statistics on the Business environment- have markedly improved (albeit from a very low base).

Uganda is now ranked **122nd** out of 189 countries; a 13 place improvement from the revised 2015 ranking of 135th. Of course there is still much to do, but

this change points to an upward trajectory in an area where corruption has often been an obstacle to progress.

However, many other statistics on corruption reflect stagnation or a continued decline, (Uganda is now scoring lower on the Transparency International Corruption Perception Index than Kenya) and major corruption cases of the past that should have been concluded, including the Pensions and OPM cases- continue to make slow progress- although the work of the DPP and others in continuing with difficult investigations and prosecutions should be commended.

Unlesssignificant strides are taken to reduce corruption in the short-to-medium term, then Uganda will fail to achieve the transformation it is aiming for in the NDP II and Vision 2040 and will not be able to realise the benefits from the anticipated oil revenues.

The growth in sophisticated forms of corruption continues to make the job of the Anti-Corruption agencies harder, despite their best efforts. Their work is comprehensively undermined by the collusive forms of corruption that persist in the public service and have been exemplified by the reports of corruption in UNRA that we see in the news following the Commission of Enquiry. We need to recognise that high-level corruption and the theft of public resources has become a form of organised crime in Uganda. To tackle it requires the skills and resources that those who have had success against organised criminals require and I call on the Government to ensure the resources for those agencies are available. We also need to work together more effectively: organised crime requires even more organised anti-corruption agencies working with their partners to take on the criminals, wherever they are found.

While incremental change to improve the processes, systems and technical skills in the institutions fighting corruption is important; and an improved legislative and policy framework can provide a more conducive environment; there are also deeper issues that perpetuate the endemic corruption across the public sector. The personal costs of denouncing corruption have become

too high to many of the individuals who may consider doing so, when everyone else is expected to and appear to be serving their own interests through corruption. Individuals are becoming less and less likely to reject this culture of corruption. Corruption in Uganda has become a collective action problem.

So while we call on Government to develop the political will to do more to support anti-corruption institutions and create an enabling environment: for example by allocating more money to the Financial Intelligence Authority to help tackle the organised criminals involved in high level corruption; and by using its parliamentary caucus to push an amendment to the Leadership Code through parliament to activate asset declaration laws; we also need to focus on the people of Uganda and call on them as responsible citizens to take a stand against corruption. Only when people begin to reject corruption and those offering a share in its proceeds; only when people stop inviting those involved in corruption to their social events or doing business with them; and only when citizens undertake their duty and report corruption where they see it; only then will a strengthened anti-corruption chain of institutions be able to achieve results. Let us take seriously and commit to Pope Francis's message in his recent tour in East Africa, that each individual should play a part starting with their own personal actions to address corruption.

One way all Ugandan citizens can act on this commitment in the next few months is to reject voter bribery. Not only are many aspirants offering bribes but also many citizens are expecting and even requesting them. This culture of selling democratic rights is a form of corruption that needs to be rejected. Voter bribery also raises questions about where the money comes from and with public resources one of the likely sources- crimes which should be investigated- anyone who does take a bribe is also likely receiving money stolen from the people of Uganda. Every bribe taken is less money to life saving drugs for hospitals or teacher salaries to staff our schools.

The work of anti-corruption Civil Society Organisations, including the Black Monday Campaign and movement is critical in helping Uganda overcome this

problem by promoting collective action against corruption with messages such as those above, and advocating real change in the way Ugandans look at and deal with corruption. The Government is increasingly recognising the value of bringing CSOs into the dialogue- here I especially commend the actions by the Ministry of Finance to invite the Civil Society Budget Action Group to join its discussion forums and the IG's work at a local level with the Uganda Debt Network. All sector working groups and anti-corruption agencies should open their doors to constructive representatives from wider civil society: here I also include professional associations, trade unions and business representatives.

Let's use this new sense of collective responsibility to call for a strengthened partnership of all stakeholders on anti-corruption. Donors, civil society, government and independent institutions will have most impact if we work collectively to tackle corruption in Uganda. As the Government starts to implement NDP II we need to re-energise those forums that bring us together and use them to work in partnership to help remove the constraint that corruption creates in achieving developmental goals. Partners need to support the parts of Government who want to move from a situation of endemic corruption to one of zero tolerance (as UNRA is doing); we should increase coordination of actors and strengthening of institutions at all parts of the anti-corruption chain from audits and oversight to public administration and prosecution; and advocate for the enabling environment that they need to do their work.

Strong Sector Working Groups on areas such as Justice Law and Order and Accountability, and the Inter-agency Forum, are all places where Government-Development Partner dialogue at the highest levels can become more focussed on corruption and engage non-state actors and technical partners in and outside government to help implement a reform agenda that reaches from the top of government to the people in Uganda's towns and villages. However, I encourage Government especially to consider whether there are other ways in which the partnership can be strengthened on anti-corruption, leading to real action based on a proper understanding of the root causes of corruption.

A collective action problem such as corruption requires a collective response.

Thank you very much.