



Ghana Integrity Initiative Quarterly Newsletter

GII Alert

Local Chapter of Transparency International

Issue Number 23 - DECEMBER, 2009 - ISSN:0855 - 742X

Corruption Perception Index (CPI 2009) Launched

Ghana mimics global failure to fight corruption

The 2009 Corruption Perception Index (CPI) released by Transparency International (TI) shows Ghana stagnating in its corruption perception ratings. The country maintained its 2008 score of 3.9 in the 2009 CPI report.

Ghana's score of 3.9 in the latest TI study, points to widely-held perceptions of corruption in the country despite recent anti-corruption pronouncements by government leaders.

Findings of the 2009 CPI study were announced by Mr. Vitus Azeem, Executive Secretary of the Ghana Integrity Initiative (GII) at a press conference last November. The 3.9 score placed Ghana 69th out of the 180 countries included in the 2009 corruption perception study and put the country 7th in Africa.

The CPI, an annual survey published by TI, ranks countries and territories in terms of the degree to which corruption is perceived to exist among public officials and politicians. It draws on a variety of corruption-related data from experts



From left; Mr. Vitus Azeem (Executive Secretary), Ghana Integrity Initiative, Mad. Sena Gabianu, a Board member of GII, Mr. Kwame Gyasi also a Board member of GII and Mrs Linda Ofori-Kwafo, Programmes Manager of GII at the launch of the Corruption Perception Index 2009 (CPI 2009).

GII is 10 years old!

The Ghana Integrity Initiative (GII), the local chapter of Transparency International (TI) is ten years old.

GII was launched in December 1999, with a vision of realizing a corruption free Ghana. Within the span of a decade, GII has pursued its mission of creating awareness about the negative effects of corruption, empowering citizens to demand responsiveness, accountability and transparency from people and institutions, and by working with people to build a culture of integrity and impartiality.

and business surveys carried out by a number of independent and reputable institutions. The Index scores countries on a scale of 0 to 10, with countries scoring zero regarded as most corrupt whilst those scoring up to 10 are perceived as least tainted by corruption.

Although Ghana performed better than 40 other African countries covered by TI's study it performed below Botswana (5.6), Mauritius (5.4), Cape Verde (5.1), Seychelles (4.8), South Africa (4.7) and Namibia (4.5).

Mr. Azeem described Ghana's failure to improve upon its corruption perception rating as disturbing. Ghana's score has remained below five for over a decade now. "This is a pointer that the legislations that we have often boasted about have not been successful in addressing the canker of corruption," Azeem said.

The GII Executive Secretary, however, pointed out that Ghana's performance was a reflection of a global trend in which countries have not made any significant gains in the

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EDITORIAL

Ghana still behind in the fight against corruption

Despite the numerous anti-corruption legislations and pronouncements by various government leaders, Ghana has for the past decade, failed to improve upon its corruption perception ratings. The country could not improve upon its 2008 score of 3.9 in Transparency International's (TI) Corruption Perception Index (CPI) as it scored the same figure in TI's 2009 CPI study.

The GII Alert finds the persistent low CPI score worrying. This is particularly so because of the country's notable progress in democratic governance. The expectation is that there should have been a positive correlation between democratic development and the fight against corruption in Ghana, resulting in an improvement in the country's CPI score.

Though Ghana's low score is arguably a reflection of the situation in most African countries, the CPI score of countries like Botswana, Mauritius and Cape Verde, give hope that with an increased commitment to the anti-corruption struggle, Ghana and other developing countries, can at least, cross the half mark of the CPI score values.

Ghana's continuous poor performance in the CPI ratings could be due to ineffective anti-corruption legislations or a lack of commitment by governing authorities to strictly implement and enforce existing anti-corruption laws or both. As suggested by TI's Board Chair, Dr. Huguette Labelle, fighting corruption requires strong oversight by parliaments, a well performing judiciary, independent and properly resourced audit and anti-corruption agencies.

It is important for Ghana to match its notable democratic progress with a renewed sense of commitment to the fight against corruption. GII expects the current government of the National Democratic Congress (NDC) led by President John Evans Atta-Mills, to go beyond the usual verbal declaration of ensuring transparent and accountable governance, which always turns out to be mere sloganeering, to a real commitment to fighting corruption. The President and his administration can do this by ensuring that anti-corruption laws are enforced, accountability institutions strengthened, civil society organisations empowered and corrupt officials sanctioned.

While GII expects the government to do more in the fight against corruption, it also acknowledges the invaluable role of civil society organisations, anti-corruption agencies and the media in the anti-corruption struggle and urges such organisations to complement each other's efforts and that of government in curbing corruption in the Ghanaian society.

Success in the fight against corruption may take some time, but GII expects some improvement in Ghana's ratings in the CPI on an annual basis no matter how small. So, Mr. President, over to you! Can you at least, promise Ghanaians a CPI score of 4.0 in 2010?

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Corruption Perception Index (CPI 2009) Launched fight against corruption. According to him, the vast majority of the 180 countries included in the 2009 index scored below five.

Africa stagnates in fight against corruption

On the continental level, the story on the fight against corruption is not positive. The 2009 CPI study revealed that seven out of every 10 African countries scored less than three points. In addition, only 13 out of the 47 African countries and territories included in the 2009 study scored between three and five.

Countries such as Botswana, Mauritius and Cape Verde, which performed above five points in the 2008 CPI were the same countries scoring over five points in the 2009 CPI. "This indicates that corruption is perceived by country experts and businessmen as rampant and posing a serious challenge on the continent," the 2009 report stated.

The 2009 CPI report specifically mentioned Ghana alongside **South Africa and Senegal as countries** where high-profile corruption cases and scandals continue to be regularly reported. "**The series of allegations of corruption** risks undermining political stability as well as the capacity of governments to provide effective basic services in sectors such as education, health and water supply," the report stated.

The 2009 CPI report also identified **Kenya, Guinea, Zimbabwe and Niger as countries where political** leaders have failed to address the vicious cycle that links corruption to poverty as they strive to hold on to power.

Though the report singled out the post-conflict government of Liberia as having received international recognition for its efforts to stamp out corruption, it noted a few hindrances to the fight against corruption in that country.

"Recent scandals affecting government procurement and financial management, and the perception that too many government officials are political appointees, continue to undermine transparency, accountability and public trust in the political leadership," the report said in relation to the situation in Liberia.

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Ghanaian media full of "he said" stories – media monitoring report

A media monitoring report on "Media Reportage of Corruption in Ghana" has found that the Ghanaian media is replete with too many "he said" or straight news reports from workshops, speech events and pronouncements by prominent individuals rather than investigative pieces.

The research report said even though the volume of corruption-related stories published within the period of study indicated that corruption was a relevant issue for the Ghanaian media, the stories were mostly in the inside rather than prominent pages of newspapers.

The report was the outcome of research commissioned by the Ghana Anti-Corruption Coalition (GACC) to examine

how the Ghanaian media report on the issues of corruption, transparency and accountability. Findings of the study were shared with journalists at a dissemination workshop organised last November by the GACC.

The research, conducted for the GACC by Dr. Audrey Gadzekpo, Director of School of Communication Studies of the University of Ghana, was to assess and review the role of the media in the fight against corruption. It was also aimed at creating a database of media reportage on corruption to serve as a basis for better engagement with and training for the media.

The study which covered the period of February to September, 2009, identified 607 corruption-related stories in the sample of seven state and privately-owned

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Corruption Perception Index (CPI 2009) Launched
The CPI report notes that efforts by governments to tackle corruption remain ineffective across Africa. It pointed out that the situation calls for renewed commitment on the part of governments to implement anti-corruption reforms and legislation and to introduce preventive measures, including education programmes aimed at restoring public trust and reducing the levels of corruption throughout the continent.

"When essential institutions are weak or non-existent, corruption spirals out of control and the plundering of public resources feeds insecurity and impunity," the report diagnosed. It further points out that corruption breeds a seeping loss of trust in the very institutions charged with ensuring survival and stability.

Asia also fails but Europe stays on top

The poor performance in the fight against corruption was not limited to African countries. A number of Asian countries continued to have very low scores. Though there were no specifics, the GII Executive Secretary disclosed that compared with findings of the 2008 CPI there was a reduction in the scores of 13 Asian countries in the 2009 study. Figures of the 2009 CPI study also showed a reduction in the number of Asian countries that scored more than five.

European countries formed the pool of best performers with New Zealand topping as the least corrupt country in the world with a score of 9.4. Countries like Denmark, Sweden and Switzerland scored 9.0 or above. Other high performers included Finland, the Netherlands, Iceland, Norway, Luxemburg and Germany, all of which scored at least 8.0. The United Kingdom obtained 7.7.

In the Americas, the **United States** remained stable at 7.5 whilst Canada topped the list of 10 countries that scored above five in that part of the world.

Mr. Azeem argued that the high number of top scorers from the European Union (EU) *could* be attributed to international conventions such as the United Nations Convention against

Corruption, the OECD convention against bribery and particularly the commitment of EU countries to adhere to the terms of those conventions.

"Whatever progress is made in the fight against corruption in some countries, the CPI clearly demonstrates that all the regions in the world are far from corruption-free and many achievements are still precarious," the report pointed out.

Ms. Huguette Labelle, TI's Board Chair, advises that stemming corruption requires strong oversight by parliaments, a well performing judiciary, independent and properly resourced audit and anti-corruption agencies. "It also requires vigorous law enforcement, transparency in public budgets, in revenue and aid flows, as well as space for independent media and a vibrant civil society," she emphasises.

GII is of the view that Ghana needs institutions of oversight and legal frameworks that are actually enforced. Ghana also requires more effective regulations to achieve lower levels of corruption. This will, hopefully, lead to the much needed trust in public institutions.

However, trust cannot increase when there are serious allegations of improper conduct against the very people who are expected to play the oversight role. For example, a case is currently being investigated in which some members of Parliament have been accused of accepting bribes of US\$5,000 each to facilitate the sale of the state-owned Ghana telecommunications company (Ghana Telecom) to the UK telecommunication giant, Vodafone.

TI justifies its use of perception to measure corruption by drawing attention to the difficulty in obtaining hard empirical data for assessing the overall levels of corruption in different countries and territories. "One reliable method of compiling cross-country data is, therefore, to draw on the experiences and perceptions of those who see at first hand, the realities of corruption in a country," says TI.

Ex-ministers face trial over bribery

In November, the Commission on Human Rights and Administrative Justice (CHRAJ) threatened court action against several government officials who were implicated in a raging bribery scandal involving thousands of pounds with a foreign company.

CHRAJ issued the threat following persistent refusals by the accused persons to cooperate with it in its investigations. Dr. Sipa Yankey, former Minister of Health, Dr. Ato Quarshie, former Works and Housing Minister, Amadu Seidu, ex-deputy Minister for Roads, Mr. Kwame Peprah, Board Chairman of SSNIT and Edward Lord-Attivor, former Chairman of the Inter-city Transport Corporation, among others, have been accused of receiving bribes from Mabey & Johnson, a UK-based bridge-constructing firm. The firm is said to have paid £470,000 in bribes to win contracts in Ghana.

When the story broke in September, the Mills regime sought further information from the UK Serious Fraud

Office (SFO) and ordered CHRAJ to investigate the case. On October 10, Ex-Health Minister, Dr. George Sipa Yankey and ex-deputy Minister for Roads, Amadu Seidu, resigned their positions following media publications about their alleged involvement in the bribery scandal.

Lawyers for Mabey & Johnson told the court that Dr. Ato Quarshie was given a cheque for £55,000 in 1995, while Dr. Sipa Yankey received a total of £10,500. One Mohammed Seidu and a certain Edward Attipoe were reported to have received £5,000 and £10,000 respectively.

Mabey & Johnson is said to have paid the monies through some middlemen who acted as lobbyists. Kwame Ofori has been named as one of the persons who was used as a lobbyist before he was replaced by the then NDC deputy Treasurer, Baba Kamara. According to Mabey & Johnson, the NDC deputy treasurer was believed to have some influence over top party officials.

Human Rights Commissioner, Mr. Emile Short, says CHRAJ had written

to the named government officials and given them a two-week ultimatum within which they were to present their written responses but they failed to comply. Dr. Sipa Yankey is however reported to have submitted his response. Emile Short had indicated he has the mandate to proceed with investigations with or without the cooperation of the accused.

The alleged corrupt deals reportedly occurred between 1994 and 1999. In September 2009, Mabey & Johnson pleaded guilty to involvement in overseas corruption and breaching UN sanctions and was fined a total of £5million. The company is said to have tried to influence officials in Jamaica and Ghana when bidding for public contracts. In the process, the firm secured contracts worth £60 million.

Mabey & Johnson also paid money to Saddam Hussein's Iraq regime, violating the terms of the UN oil-for-food programme. The UK-based bridge builder confessed its wrongdoing to the UK Serious Fraud Office. The company made £1,413,611 available as reparations to Ghana, Jamaica and Iraq.

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Ghanaian media full of "he said" stories – media monitoring report

newspapers and three online radio stations. The figure represented an average of 76 corruption-related stories per month.

The study found that straight news reports accounted for 86 per cent of the stories. Another 6.6 per cent of articles were editorials and opinions and only 5.6 per cent were investigative reports.

The study found corruption-related themes covered by the media included allegations of corruption against politicians, local government, the judiciary and law-enforcement bodies and calls for probes against corrupt officials and politicians. The report noted that public officials and politicians dominated as sources of corruption stories and many of the stories were one-source and lacked any investigative depth or analysis.

According to the study many of the stories only made passing reference to corruption or lack of transparency or accountability. "A lot of them reflected mere sloganeering on the issue rather than any substantive investigations on the issue by journalists and action on the part of officialdom," the study found.

In terms of quality of stories, the report said the level of competence in terms of coverage was generally low, an

indication that journalists were not proactive in their approach to covering the issue and were susceptible to manipulation by political and other interests.

The report identified weak capacity and political partisanship as some of the causes of one-sided coverage by journalists and called on journalists, editors and media owners to resist pressures to report only on what was beneficial to political and private interests.

The report said journalists, editors and media owners must maintain editorial independence and assert their right to take editorial decisions according to their conscience and codes of conduct. It also called for capacity building through training for media workers as well as addressing of resource constraints to enable journalists to do more investigative reports.

Mr. Kabral Blay Amihere, former President of the Ghana Journalists Association, who chaired the workshop called on journalists to do more investigative and exclusive reports to earn them recognition in society.

Following the findings of the study, two separate training workshops were subsequently organised by GACC for journalists in Accra and Kumasi. The training workshops focused on ways of doing independent reporting and how to improve upon investigative, analytical and general reporting on corruption issues.

Corruption: A major challenge to Ghana's Development

Joseph Atsu Ayee, a professor of political science, has noted that the phenomenon of corruption has become a major challenge to governance and development in Ghana.

Prof. Ayee, who is a former Dean of the Faculty of Social Studies at the University of Ghana and now a Deputy Vice-Chancellor at the University of Kwazulu Natal in South Africa, observed that corruption has become both a symptom and outcome of poor governance.

"Given that corruption and poor governance are intertwined, measures to combat corruption are nearly synonymous with measures to promote good governance," he said in a speech he delivered at a public day event organized by the Ghana Integrity Initiative (GII) to mark its 10th anniversary. **Below is an excerpt of Professor Ayee's paper:**

The state of corruption in Ghana is not an enviable one because the fight against it has not yielded the desired outcomes. Ghana scored 3.9 on the Transparency International's Corruption Perception Index (CPI) for 2009, pointing to the insignificant change in the perception of Ghanaians about the prevalence of corruption.



Professor Joseph Atsu Ayee

The perception and pervasiveness of corruption have always made it an election issue since 1992 and therefore the subject of concern has been addressed not only in subsequent presidential debates but also the manifestoes of all the political parties. For instance, in the 2008 Manifesto of the National Democratic Congress (NDC), there is a section on "An Anti-Corruption Agenda" under which the party acknowledged that "corruption thrives in a system that is not transparent, or accountable and unresponsive to the needs and concerns of the citizens. In Ghana, corruption has become so pervasive that it is affecting every fabric of our public life and rendering poor people poorer. ... The NDC will make corruption a high risk activity for political and public office holders" (NDC, 2008: 24).

Similarly, the New Patriotic Party's (NPP) Manifesto has a section on "Fighting Corruption" under which it also acknowledged that "Corruption constitutes a social canker and must be dealt with. The NPP believes that corruption cannot be combated with mere slogans but by comprehensive policy measures and action" (NPP, 2009: 17). In addition, the Convention People's Party (CPP) in a section on "Fighting Corruption" also pointed out that "Corruption in high and low places and the lack of political will to fight it has undermined public confidence in government and cost the nation billions of Ghana Cedis through fraudulent practices in government procurement and government projects. ... Today, public officials and their relatives acquire properties far in excess of their known income; key sections of the bureaucracy, such as CEPS, the Police, and the Judiciary have repeatedly been shown in surveys to be mired in corruption" (CPP, 2008: 35).

As a way of dealing with the phenomenon of corruption the parties promised that when they come to power, they will strengthen the anti-corruption agencies, institute measures for early detection, streamline administrative procedures, remove opportunities for corruption and above all pass the Freedom of Information Act.

Factors that account for the persistence & pervasiveness of corruption in Ghana

The pervasiveness and persistence of corruption are contextual and they tend to be rooted in a country's policies, bureaucratic traditions, political development and social history. There are several factors for the persistence and pervasiveness of corruption in Ghana. They can be classified into internal and external factors. On the internal front, the following are among several factors that can be cited:

- Low culture of undertaking due diligence by some officials and institutions;
- Most high ranking politicians who are mainly charged with combating corruption are themselves tainted with it; under such circumstances both investigations and remedial legislation tend to be ineffective and pointless or they become elaborate exercises in hypocrisy;
- The monetization of politics through vote-buying and promises of monetary and non monetary rewards;
- Emphasis placed on punishing the giver and not the receiver;
- Lack of transparency in party financing, with financiers demanding their quid pro quo when the party comes to power.

The following can also be cited as being among the external factors that contribute to the pervasiveness of corruption in Ghana:

- Bribery by foreign business concerns to receive

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contracts or other commercial favours;

- Political parties using the prospect of power, or its continuation, to levy large rents on international businesses in return for government contracts, which may be dressed up as a "donation" to a designated "charity."

Reasons for anti-corruption effort in Ghana

Corruption is a major governance issue. It is seen as a by-product of weak governance. Indeed, corruption is regarded as the most potent obstacle to good governance. Some have even labeled it as the "AIDS of democracy", which is destroying the future of many countries in Africa. Others have described it as "cancerous" and a "pandemic" (Hope, 2000). Indeed, the problem of corruption reflects a climate of unethical leadership and bad governance. In the last 25 years or so, international anti-corruption activities and campaigns have become increasingly prominent in Western efforts to promote political reform and good governance. The problem of corruption has been discussed at meetings of the G7 and the Organization for Economic Cooperation and Development (OECD) and has been a central element of the negotiations between aid donors and debtor nations.

The interest in and concern with corruption are largely the result of its debilitating or negative effects on socio-economic development and the fight against poverty. In short, the prevailing consensus is that corruption seriously threatens development, democracy and stability. Kofi Annan, the former Secretary General of the United Nations has pointed out that corruption causes enormous harm by impoverishing national economies, threatening democratic institutions, undermining the rule of law and facilitating terrorism.

Internal anti-corruption effort in Ghana

Largely as a result of the negative consequences of corruption on politics, development and poverty reduction, successive governments in Ghana since independence in 1957 have shown concern with corruption. This is demonstrated by the effort made through approaches, strategies and mechanisms either initiated by them or by civil society organizations and international institutions aimed at combating the scourge (Werlin, 1972; LeVine, 1975). The effort at fighting corruption can be categorized into two: (i) the local or internal effort; and (ii) the external or international effort. Some of the internal efforts are the following:

Constitutional effort

It has been argued that civil liberties are crucial in combating corruption. It has been argued that to generate institutional change, the barriers for stakeholders to participate in decision-making need to be minimized. Consequently, the 1992 Constitution has several provisions aimed at combating corruption.

Elections under constitutional rule are to enable citizens vote against officials believed to be corrupt, thus giving politicians an incentive to stay honest. Ghana has had five general elections since 1992 and corruption was always an election issue. However, these elections have not been used to punish corrupt officials because campaign funds have been used to buy individual benefits for voters.

Legal/legislative effort

The legal approach defines the responsibilities of persons in public office and constrains them in the performance of their jobs. It determines the way individuals and organizations behave. It sets out the ethos which should guide those in managerial/leadership positions.

Corruption has been covered in a number of completely different laws. They include the Criminal Code, 1960, Public Office Holders (Declaration of Assets and Disqualification) Act, 1998 (Act 550), Public Procurement Act 2003 (Act 663), Financial Administration Act 2003 (Act 654), and Internal Audit Agency Act 2003 (Act 658), and Whistleblower Act, 2006 (Act 720) (see Table 2). The passing of the Public Procurement Act (Act 663), 2003 which sets out the rules and guidelines for governing public procurement, and provides for a Public Procurement Board is seen by some as a way of dealing with corruption in the procurement sector since more open procedures, more competitive bidding and selection reduce the opportunity for corruption.

Even though there are laws dealing with corruption, there is no comprehensive law specifically on corruption. The crime of corruption is impossible to establish or prove in a regular judicial proceeding because evidence of the crime as stipulated in Section 240 of the Criminal Code is nearly impossible to obtain without the testimony of one or the other of the participants. Above all, deviations have not been dealt with equally and consistently across the public sector. There is the perception whether rightly or wrongly that there is selective enforcement of the legislation on corruption as well as complex court and administration procedures in prosecuting corruption cases.

Administrative reform effort

Organizational change within the public service can help minimize the opportunities for corrupt practices. Consequently, Ghana has embarked on numerous administrative reform efforts in the public sector. They include the Civil Service Reform Programme, 1987-1993, National Institutional Renewal Programme, 1994, the Civil Service Performance Improvement Programme, 1995 to date, privatization of state enterprises, Public Sector Management Reform Programme from 1997 to date, legal sector reform, Public Financial Management Reform Programme (PUFMARP) and decentralization and local government.

In addition to these reforms, combating corruption has been incorporated in the Growth and Poverty Reduction Strategy (GPRS II), 2006-2009. The GPRS II proposes a three-pronged approach:

- (I) reduce opportunities for rent-seeking;
- (ii) strengthen the capacity of anti-corruption institutions

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and the law enforcement agencies; and (iii) encourage civil society organizations, including the media to play their role effectively.

There have also been a number of politically-motivated approaches made up of domestic campaigns to satisfy a social demand for retribution by punishing wrong-doers to make them public examples for deterrent effect. The approach used, include the following:

- The creation of the Office of Accountability in 2003 by the NPP government as an internal corrective body under the Presidency, to which all presidential appointees are subject.
- The Committee for Joint Action (CJA) and the Committee on Accountability Governance, which even though started as CSOs have largely been regarded as politicized.

Societal effort

This approach emphasizes the development and role of civil society as crucial in combating corruption. It also searches for a common standard of morality which can be used to determine if behaviour is corrupt. Putnam (1993) confirms this. According to him, social capital creates social control and hence puts pressure on the implementation of anti-corruption activities. Members of society are expected to be vigilant and look out for individuals. This has been achieved through the following:

- Public education on corruption, making it easier for individuals to identify and report corrupt behaviours. Public awareness raising is crucial. Awareness leads to micro-activities which make collective “voicing” by the public more likely. Awareness, however, does not automatically lead to action;
- Civil society organizations such as Ghana Integrity Initiative (local chapter of Transparency International), Ghana Anti-Corruption Coalition (GACC) and Ghana Centre for Democratic Development (CDD) acting as advocacy groups against corruption. One of the key factors that influenced the formation of GACC was that corruption should be addressed by a collection of organizations with different perspectives;
- The 22-member Working Group on National Anti-corruption Action Plan (NACAP), which will ensure sustained coordination of efforts and application of resources of all stakeholders to combat corruption. It will also design the benchmark for assessing the performance of government and other institutions in the fight against corruption. Membership is drawn from CHRAJ, Office of the President, Judicial Service, Parliament, Attorney General's Office, Ministry of Finance, Serious Fraud Office, Public Services Commission, National Development Planning Commission and development agencies.

- Publication of Afro-barometer surveys and *GII Alert* by the CDD and GII respectively to educate the public on nature, perception and level of corruption and lessons that Ghana can learn from case studies globally;
- The media through investigative journalism have exposed corruption. They are a source of information for ordinary citizens on government activities. The repeal of the Seditious Libel Law has emboldened the media to be more proactive in exposing corruption. This notwithstanding, there is the perception that the “watch-dog” role of the media is compromised by most of them associating with political parties.

International effort

The international or external effort made consists of the following:

- (i) Conventions on anti-corruption by the UN, AU and other regional bodies;
- (ii) The African Peer Review Mechanism (APRM);
- (iii) The Annual Governance Report published by the Economic Commission for Africa;
- (iv) The Survey approach led by the Transparency International through the Corruption Perception Index

Successes of the efforts

There are a number of successes in the efforts at fighting corruption. They include the following:

- The provision of benchmarks by international and regional anti-corruption instruments and frameworks by which Ghana can tackle the problem;
- The passage of several anti-corruption laws, although some of them may not be up to the standards and requirements of the international and regional instruments;
- The creation of multiple anti-corruption institutions (CHRAJ, SFO) charged with investigating cases of corruption;
- The promulgation of codes of conduct by the Civil Service and the CHRAJ;
- The joining by Ghana of the EITI, “Publish What You Pay Campaign” and the Kimberley Process have improved the management and increased the transparency and accountability in the extractive sector, even if marginally;
- The creation of awareness about the corruption through public education has resulted in citizens becoming more and more aware of the debilitating effects of corruption through questioning their representatives and other officials both at the local and national levels;
- The conduct of regular audits of government accounts by the Auditor-General and the availability of the reports to the public, exposing financial improprieties;
- The public holding of Public Accounts Committee meetings and their live telecast on TV has given public officials the eye-opener to be circumspect in their use of government resources; and
- The exposure of some acts of corruption by the

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GII Activities for the quarter(October-December, 2009)



Section of participants at the launch of the Corruption Perception Index 2009 (CPI 2009).



Mr. Theophilus Cudjoe, former Serious Fraud Office (SFO) boss answering questions from journalists



Mr. Vitus Azeem, Executive Secretary of GII granting an interview to the media after the launch of CPI 2009.



Participants at the Poverty and Corruption in Africa Regional (PCA) Regional workshop in Accra.



From left: Prof. Joseph Atsu Ayee, Deputy Chancellor of the University of Kwazulu Natal, South Africa, Justice Emile Short, Commissioner of CHRAJ and a participant in a discussion during GII's 10th anniversary celebrations lecture.



Participants in a group discussion with a Transparency International (TI) facilitator during the PCA workshop.



Professor Ken Attafuaah delivering a paper at the 10th anniversary celebrations lecture.



A Drama Group performing a skit on anti-corruption at the 10th anniversary celebrations.

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media by public officials, which have received the attention of CHRAJ and other anti-corruption agencies.

The challenges facing anti-corruption in Ghana

Some of the challenges faced in combating corruption in Ghana are as follows:

The politics of anti-corruption

Corruption control measures in Ghana have been motivated by political exigency instead of a genuine interest to improve bureaucratic efficiency and macro-economic performance. Indeed, incumbent politicians have used combating corruption often to improve their chances of staying in power. Usually anti-corruption strategies are used to discredit the outgoing regime, destroy the reputations of opposition leaders and increase popular support for the incumbent.

The battle cry in January 2001 when President Kufuor, at his inauguration, declared a zero tolerance for corruption has fizzled out. At a public forum in 2005 where ordinary citizens questioned President Kufuor on the perceived increase in corruption, he responded that "If anyone has specific reports of corruption involving anyone in my government, I will dare that person to substantiate them and the law would take its course." On another occasion, President Kufuor stated that "corruption began with Adam and Eve in the Garden of Eden," implying that his government did not start corruption. Similarly, President Mills at his inauguration in 2009 promised to deal with corruption and make it a high risk activity.

The point which needs to be stressed is that it is difficult to investigate allegations of corruption against a government in power. Corruption is a principal-agent problem. Corruption benefits governments in power through patronage and largesse it distributes to its clients. Consequently, it will be difficult for any government to show the political commitment and will necessary to combat corruption.

Institutional ineffectiveness

The institutional ineffectiveness includes the following:

- Parliament's ability to perform its oversight role of holding the executive accountable is weakened by excessive partisanship.
- Perceived corruption within the Judiciary and the accompanying lack of moral authority to deal with issues relating to corruption.
- The inability of CHRAJ and the Auditor-General to perform their oversight role with regards to corruption. The CHRAJ cannot initiate proceedings in court for corruption without the Attorney-General, a member of the president's

cabinet, who must prosecute. The Auditor-General is denied the legal power to function effectively in matters relating to asset declaration, which is enjoined on all public office holders with any real power. Chapter 24 of the 1992 Constitution and the Public Office Holders (Declaration of Assets and Disqualification) Act, 1998 (Act 550) do not give the Auditor-General's office more than mere custodial function over assets. The office does not have either a monitoring or enforcement role.

- There is lack of institutional coordination between anti-corruption agencies and clear focus of anti-corruption objectives. This is evidenced by the somewhat uneasy relationships between the CHRAJ and SFO, as well as the Attorney-General over decisions to prosecute, and delays in court proceedings.

Absence of comprehensive legislation

There is the absence of a comprehensive legislation on corruption, with corruption dealt with in different legislation. In the absence of a national legal framework, there is no commitment on the part of successive governments to implement one. The challenge is to update and harmonize those laws with the UN and AU conventions and ensure active implementation.

Inadequate coordination of anti-corruption agencies

In addition, there are various institutions combating corruption with no mechanism to harmonize their activities. There is therefore a clear institutional dualism in the fight against corruption. There is the need for the enactment of a law to set up an organization that is solely responsible and has exclusive and expanded powers and functions to fight corruption.

Corruption is limited to the public sector

A closer look at the strategies used to combat corruption in Ghana shows that they are aimed at combating corruption in the public sector. Contracts and procurements are services mostly rendered by private sector institutions be they domestic and international. And yet in combating corruption little or no reference is made to the private sector.

Campaign finance

The Political Parties Act, 2000 (Act 574), leaves political party financing completely unregulated with the exception of banning non-citizens, foreign donations, in cash or in-kind, to parties. There are no limits to donations from citizens including corporate citizens; there are no disclosure laws, detailing who gives what, beyond a threshold amount. In addition to these, there are no limits to candidate or party spending on election campaigns. Even though there is a requirement for annual submissions of audited accounts, including assets and liabilities, and the Electoral Commission can appoint and pay for auditors to examine

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Corruption: A major challenge to Ghana's Development

party accounts, it is an open secret that party and campaign financing has been abused and fraught with corrupt activities.

Combining the positions of Attorney General and Minister of Justice

The combination of the positions of Attorney General and Minister of Justice has undermined the fight against corruption. The combination seems to be a constitutional provision, that is, "the Attorney General shall be a Minister of State". The Minister of Justice is a politician while an Attorney General is supposed to be neutral and non-partisan. The AG's position has been recognized by Article 88 of the 1992 Constitution. He is the principal legal adviser to the Government. More importantly, the AG is responsible for the initiation and conduct of all prosecutions of criminal offences and all offences prosecuted in the name of the Republic of Ghana shall be at the suit of the Attorney General. In addition to this, the AG is responsible for the institution and conduct of all civil cases on behalf of the state.

The CHRAJ cannot therefore prosecute cases of corruption without the blessing of the Attorney General. Indeed, the Attorney General must prosecute the offenders. However, because the Attorney General is a "party man" as Minister of Justice, he lacks that moral courage to prosecute party people who have been found to have engaged in corrupt practices.

Lack of public cooperation and anti-corruption culture

Corruption cannot be combated without the cooperation of the public. Even though organizations such as the Ghana Integrity Initiative (GII) and the Ghana Anti-Corruption Coalition (GACC), the National Commission for Civic Education (NCCE) and the media have engaged in public education campaigns, there seems to be inadequate public cooperation. This may be the result of a lack of an anti-corruption culture, which is undermined by the structure of patron-client networks and the pervasiveness of corruption.

Recommendations: Consolidating the anti-corruption effort

This paper has shown that consolidating the anti-corruption effort is a herculean task that requires a comprehensive and diversified approach. It has not been easy and will not be so. There are no easy solutions that can be applied in combating corruption. No country has yet found an ideal model or indeed that such a model exists. Contextual variables need to be taken into account. Indicators need to be developed by which the relevance of national policies to combat corruption can be assessed. National anti-corruption programmes can be judged relevant if they have the potential to have an impact within a country's existing institutional and policy framework.

For the successful consolidation of an anti-corruption effort the following points must be taken into account:

(i) Asset repatriation must be part of the international legal culture:

It is necessary to address the international dimension of the problem, particularly asset repatriation and money laundering. Those who steal funds and assets and the receivers of such items – the money launderers and the receivers of such laundered funds – are equally guilty. In other words, grand corruption in Ghana would prove unattractive without safe havens and receiving banks in the Western world for such stolen funds. If assets repatriation becomes part of the international legal culture, the speculation of national funds by politicians and others would be significantly discouraged;

(ii) Building the capacity of anti-corruption agencies:

Ghana must build the capacity of strong oversight institutions, namely, Parliament, CHRAJ, SFO to tackle the multifaceted dimensions of corruption. This should include institutional autonomy, operational capacity, resources and a free and democratic environment in which to function;

(iii) Pass the Freedom of Information Act:

This is a prerequisite for creating information flow and entrenching the culture of transparency and accountability in the conduct of public affairs;

(iv) Build a powerful anti-corruption constituency:

CSOs, the media and key public institutions must collaborate and complement the effort of each another. In this connection, there should be regular exchange of ideas and information among all actors and institutions involved in the national anti-corruption campaign.

(v) Improve remuneration of public servants:

Public servants must earn living wages in order to improve their morale and dedication to work and to prevent moonlighting and the temptation to subvert the public good through corrupt practices;

(vi) Separate the positions of Attorney General and Minister of Justice:

To enable the Attorney General have the independence and moral courage and authority to prosecute corrupt offenders. The argument that it is not every recommendation made by the CHRAJ to the AG that will be given attention is unfortunate and must be seen as time-buying. Alternatively, create a position of Independent State Prosecutor.

"The greatest form of injustice is to appear to be administering justice when there is actually no justice." Ghana Integrity Initiative

CHRAJ asks for support to fight corruption

The head of the Commission on Human Rights and Administrative Justice (CHRAJ), Justice Emile Short, has appealed to civil society and public-spirited Ghanaians to support the Commission in its bid to secure the necessary mandate to prosecute corrupt public officials.

Mr. Short said the present situation where CHRAJ could only make recommendations to the Attorney General (AG) for prosecution could undermine the Commission's aim of fighting corruption in the country because the AG is an appointee of government.

The CHRAJ Commissioner was delivering a paper on the topic: "Eliminating Corruption from Public Business in Ghana" at the 30th anniversary celebration of Adventist Education in Ghana. Mr Short said it was ironic that African countries which had modeled their anti-corruption agencies after CHRAJ had empowered their Commissions to cite and prosecute public officials and others for corruption but Ghana had failed to do same.

He said it was not surprising that the country's score in Transparency International's (TI) Corruption Perception Index had remained low for many years without showing any improvement. Mr. Short said despite the limitation of its mandate and inadequate resources, CHRAJ had been able to hold some individuals and corporate bodies to account for their actions and inaction as part of national efforts for promoting public accountability.

Mr. Short said 138,150 cases were handled by CHRAJ between 1993 and 2007, which included human rights

abuses, corruption and administration of justice. He said CHRAJ had also investigated over 300 corruption cases and been receiving 50 corruption-related cases every month since the Commission gave a new impetus to its anti-corruption mandate and put new structures in place to deal exclusively with anti-corruption cases.

The CHRAJ head said the Commission had adopted a three-prong strategy in the fight against corruption, namely investigations, education and prevention. He said through the strategy, the Commission had helped to provide relief to several individuals who had been wronged by public officials but would have been left to their fate.



Justice Emile Short

Mr. Edward Dua-Agyeman, immediate past Auditor-General, said corruption was introduced into the country when the first "white-men" stepped foot on the shores of the Gold Coast with the Bible and confectioneries to gain acceptance and open the way for establishing businesses in the public and private sectors. He said corruption in the country had become a major challenge to address because of the fine line between what constitutes bribery and a gift.

Mr. Dua-Agyeman called for the strengthening of institutions charged with fighting corruption through increased funding and ensuring the independence of the AG's Department, CHRAJ, the Auditor-General and the Serious Fraud Office (SFO), to make them more immune to political and social pressure.

Mr. Martin Akotey, Dean of the Faculty of Development Studies at Valley View University, who spoke on the topic: "Effects of public sector corruption on attainment of the Millennium Development Goals," said the amount of money Ghana loses each year to corruption was very huge.

The hope of the world is still in dedicated minorities. The trailblazers in human, academic, scientific and religious freedom have always been in the minority. **Rev. Martin Luther King**

CORRUPTION ISSUES IN AFRICA AND AROUND THE GLOBE

QATAR

Doha agrees on UNCAC review mechanism

... But anti-corruption agencies not satisfied

The Third Conference of States Parties, held in Doha last November agreed on a detailed Mechanism for reviewing the implementation of the UN Convention Against Corruption (UNCAC).

With the adoption of a review mechanism, the UNCAC potentially becomes the principal global framework for combating corruption. UNCAC is uniquely positioned to play this role because of its worldwide membership, with ratification by over 142 governments. The UNCAC also has a comprehensive scope, covering preventive measures, criminalization and law enforcement, international cooperation, and asset recovery.

The resolution adopted in Doha (Resolution L9) calls for two five-year cycles of country reviews. The first cycle, beginning in 2010, will cover implementation by the parties of UNCAC's chapters on criminalisation and law enforcement and international cooperation. The second cycle, beginning in 2015, will cover UNCAC's chapters on preventive measures and asset recovery.

All parties will be reviewed in both cycles. The target is to review one-fourth of the parties each year. The selection of parties to be reviewed each year will be made by drawing lots on a regional basis, with the number of reviews each year proportionate to the number of parties in each region. Countries can defer their reviews by one year.

Country Review Process

Country reviews will be conducted by experts from two countries – one from the same region as the country under review and one from a different region. The reviewing countries will

be chosen by lot. Each reviewing country can appoint up to 15 experts.

Reviews are expected to take six months, beginning with responses by the government under review to a comprehensive self-assessment checklist compiled by the Secretariat of the Mechanism (UNODC). The checklist is in electronic form and has been extensively tested. The government's responses will undergo a "constructive dialogue" between the experts from the reviewing country and those from the country under review. The reviewing process may include a country visit, if the country under review agrees. The process concludes with the preparation of a country review report and an executive summary. There will be no governmental participation in country reviews.

Anti-corruption groups not pleased with review mechanism

Though the Doha agreement is seen as a major step forward and brings to an end a protracted deadlock that has prevented the proper implementation of the UNCAC, anti-corruption agencies say they are still not pleased with the new development. Transparency International (TI), one of the renowned global anti-corruption institutions, has indicated that the agreed review mechanism at the Doha meeting falls short of its standards for curbing corruption. TI's position is endorsed by the UNCAC's Coalition of Civil Society Organisations (Coalition).

The Coalition said in a press release that while it acknowledges the importance of adopting a review mechanism, it is disappointed that the mechanism does not adequately reflect transparency, inclusiveness and effectiveness as called for by the G-20 leaders in their September statement.

The UNCAC is the most comprehensive global legal framework for combating corruption. It is a binding agreement ratified by 141 states on standards and requirements for preventing, detecting, investigating and sanctioning corruption.

Lessons for Ghana

Ahead of the Doha conference, the Chair of Transparency International, Dr. Huguette Labelle, wrote a letter to His Excellency, President John Atta-Mills, to play a leading role in Africa by supporting the review mechanism for the implementation of the UNCAC. The President was ably represented at the Conference of State Parties by the Deputy Attorney-General and Minister of Justice, Hon. Barton Odro. GII appreciates the role of the Minister but expects a bold and clear demonstration of the commitment of the Ghanaian government to the fight against corruption at such international fora.

RWANDA

Rwanda gets tough on corruption

Former Rwandan Finance Director at the Presidency, Janvier Murenzihangwa, has been sentenced to four years in prison and fined more than 1 billion Rwandan francs (£1.13 million) for corruption.

The same week Vincent Gatwabuyege, a former top civil servant in the infrastructure ministry, was given a similar fine and seven years in jail for corruption in the award of several government contracts.

Hardly a week goes by without a prominent official going to jail in Rwanda, where the government has declared zero tolerance for corruption. Elected officials have met the same fate.

A former junior minister in charge of water, Munyanganizi Bikoro, received a two-year jail sentence for tax fraud in August 2009. The honeste Mutsindashyaka, a former junior education minister, was also recently jailed for corruption.

Most African governments like talking about their fight against corruption, seen as one of the biggest barriers to development on the continent, but Rwanda, most notably for the past two years, has been putting its money where its mouth is.

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The country, still struggling to recover from a genocide that left more than 800,000 people dead 15 years ago, is frequently held up as an example by the World Bank.

Rwanda ranked top amongst Central and Eastern African countries and 89th worldwide in the 2009 report of Transparency International, an anti-graft non-governmental organisation that compared the anti-corruption efforts of 180 countries.

The government of President Paul Kagame, in power since 2000, has begun what amounts to a crusade against economic and financial crimes, led by a youthful chief prosecutor, Martin Ngoga, who is just 42 years old.

In the past two years 968 people have been investigated for corruption and one third of the country's 30 or so regional administration chiefs have been sacked after their management raised suspicions.

"I walk into the presidency and find people who are corrupt, and I have the freedom to do so without fear that it could backfire," said the fast-talking Ngoga.

"We don't have many things to offer to attract business," he added, referring to his country's poverty, landlocked status and relative lack of natural resources.

"But what is within our reach is to create an environment of no corruption," said Ngoga. "I am keen not to be complacent about our very modest achievements. Even if Transparency International says that Rwanda is less corrupt, it is not a very good

Implications for Ghana

If anyone were looking for a country that walks the talk about corruption, it's Rwanda. The number of prosecutions and convictions bear good testimony to the leadership's commitment to rid the country of corruption. Rather than make it complacent, Rwanda's 89th position on the Transparency International's Corruption Perception Index only serves as a source of motivation to intensify its campaign against corruption. Ghana has much to learn from Rwanda's fight against corruption. A good start would be for government to offer investigative bodies the needed clout and resources

to carry out their work as exemplified in Rwandans case.

USA

Shielding the Whistleblower-

US Congress Set to Act as Many Employee Suits Get Dismissed on Technicality

The US Congress wants to close a legislative loophole that has led to the dismissal of many corporate whistleblower complaints, undermining the government's goal of protecting employees who report fraud at publicly-traded companies.

Democratic lawmakers are seeking to amend the Sarbanes-Oxley Act's whistleblower-protection provision. Under the law, employees who claim to have been dismissed for reporting wrongdoing can file an administrative complaint with the U.S. Department of Labor. Employees who prevail can win reinstatement, back wages with interest, and attorney's fees.

In articles last year, *The Wall Street Journal* reported that the Labor Department has dismissed many whistleblower complaints on a technicality, saying the law, as written, doesn't apply to corporate subsidiaries.

Since the law was passed in 2002, the government has ruled in favor of corporate whistleblowers in only 21 out of 1,455 complaints. Another 996 cases have been dismissed. The rest of the cases were withdrawn, settled or are pending.

Many companies have successfully argued they were exempt from the law because their employees worked for a corporate subsidiary, says Richard Moberly, a University of Nebraska law professor who studies retaliation against whistleblowers.

The whistleblower amendment is included in the sweeping Investor Protection Act, sponsored by Rep. Paul Kanjorski, a Pennsylvania Democrat. It is one of several

financial-overhaul bills that Congress will consider in the wake of the financial crisis. The House Financial Services Committee approved the whistleblower amendment, without Republican support. It is expected to come before the full House soon.

The whistleblower provision is one of 11 sections of the Sarbanes-Oxley law enacted in 2002 in the wake of scandals involving Enron Corp. and other companies. It prohibits publicly-traded companies or "any other officer, employee, contractor, subcontractor, or agent of such company" from retaliating against workers who provide information or assist in investigations related to alleged fraud.

Under the Bush administration, Labor Department lawyers issued a directive saying there is "no legal basis for the argument that subsidiaries of covered corporations are automatically covered," because the language of the law doesn't "expressly" mention subsidiaries.

Sen. Patrick Leahy, a Vermont Democrat and one of the main authors of the whistleblower provision, says Congress never meant to exclude subsidiaries. Some legislators and Labor officials say the only way to have the law interpreted more broadly is to amend it.

Among complaints rejected by the Labor Department are whistleblower filings against units of Siemens AG, WPP Group PLC, Raymond James Financial Inc.; Berkshire Hathaway Inc., Sodexo Alliance SA; American International Group Inc.; and Royal Dutch Shell PLC. Most of the companies declined comment. Raymond James's general counsel, Paul Matecki, said "the claims were without merit."

At least one Labor Department administrative judge has spoken out against exempting corporate subsidiaries. In a March ruling, Stuart Levin said the law was enacted precisely because of wrongdoing during the Enron era, when "subsidiaries were the vehicles through which the fraud was facilitated or accomplished."

The case concerned an employee of a subsidiary of Deutsche Bank AG who claimed to have been dismissed after reporting a problem with trading compliance to his supervisors. The bank argued the employee worked at a

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subsidiary, Deutsche Bank Asset Management Schweiz, and couldn't bring the complaint. After the judge refused to dismiss the case, Deutsche reached a confidential settlement in July. The bank declined comment.

Lessons for Ghana

Even though Ghana has a Whistleblower Act, there are problems with its implementation, and some people have even called for amendments to be made to the Act. Protection for witnesses is not adequately provided for in the Act while the Fund to compensate whistleblowers for being patriotic and daring to report acts of corruption has not yet been created, four years after the passage of the Act. When a whistleblower act lacks the muscle to support those brave enough to speak out against corruption, the law is rendered un-operational. GII calls on the President and his Attorney-General to do what is necessary to make the Whistleblower Act achieve the desired results.

AFGHANISTAN

Kabul mayor jailed for graft

A court in Afghanistan has sentenced the mayor of the capital, Kabul to four years in prison on corruption charges.

Mir Abdul Ahad Sahebi was not in court. His whereabouts are uncertain, but a warrant has been issued for his arrest.

The deputy attorney general, Enayat Kamal, said the charges related to more than \$16,000 (£9,800) of public money.

It was the first high-profile graft conviction of President Hamid Karzai's second term. He faces renewed Western pressure to crack down on corruption.

"The court sentenced [Sahebi] to four years in jail, ordered him to return the money he wasted, and fired him from his position," the prosecutor, Mr

Kamal, was quoted as saying by AFP news agency.

The case relates to a contract that was awarded without following the proper procedures, prosecution officials told the BBC.

The mayor has dismissed corruption accusations levelled by Afghan Finance Minister Omar Zakhilwal against him and the municipality.

"I categorically reject the allegations," said Sahebi, who has been in office for the past year-and-a-half. "I have started a lot of reforms since I became mayor, and many of these charges relate to things that took place before my time," he said a month earlier.

Afghan officials said further charges were pending against officials from the Kabul municipal government.

Washington has stepped up pressure on President Karzai to take concrete action to fight corruption since he was re-elected in polls which were marred by widespread fraud.

Mr Karzai has pledged to root out corruption, while insisting that complaints from Western powers about government graft are "overplayed".

Source: AFP News Agency

Implications for Ghana

The fight against corruption must be relentless. The conviction of the Kabul mayor demonstrates the saying that no one is above the law. The convictions must however be sweeping and reach out to those other officials of the municipal government against whom charges are still pending. Public money inappropriately acquired, no matter how small, is a serious crime against the people in whose trust public office is held. In Ghana, anti-corruption campaigners and journalists tend to focus only on national institutions and officials, ignoring what is happening at the district assemblies and with the district assemblies' common fund. It is time to put the searchlight on the assemblies. President Atta Mills should not hesitate to let the chips fall where they may.

GII hosts Poverty and Corruption Regional Workshop

Poverty and Corruption in Africa Programme (PCA) is a new project funded through Transparency International (TI). The programme which is aimed at building TI's capacity to increase the impact of its work on the livelihoods of disadvantaged communities in Sub-Saharan Africa is being implemented by six TI national chapters and partners in the Africa region.

In Ghana, the PCA approach aims at building the capacity of GII staff to use participatory methodologies to engage selected communities and build their capacities to demand responsiveness, transparency and accountability from government (policy/decision makers) and other appropriate authorities in the provision of basic services.

Specifically, the project will focus on the water sector and challenges facing four communities in the Greater Accra Region in accessing potable drinking water, a basic necessity of life.

The first regional PCA workshop was held in Ghana at the Sunlodge Hotel, Tesano, Accra from 24th - 27th October, 2009 for all the six TI chapters (Ghana, Mozambique, Sierra Leone, Uganda, Liberia and Zambia).

The workshop provided participants with the opportunity to share plans, experiences, views and visions on the programme as well as enhance communication and networking.

Participants were thus taken through implementation plans, discussion on best practices of community involvement, participatory monitoring and evaluation and capacity building assessment, among others.

Ghana re-engages Vodafone UK on GT sale

The Ghanaian government re-engaged management of UK telecom giant, Vodafone, over the sale of Ghana telecom by the previous New Patriotic Party (NPP) government. The Gye Nyame Concord reported Vodafone sources as saying that the company foresaw paying additional money to what it had paid for Ghana Telecom in 2008 during the NPP regime.

Vodafone UK, in a statement, welcomed government's decision to re-engage after the initial recommendation and manifesto pledge by the National Democratic Congress (NDC) government to review the contract signed between Vodafone and the NPP government.

In July 2008, Vodafone UK concluded a deal to buy a 70 per cent stake in Ghana Telecom. The sale was, however, opposed by the NDC, then in opposition. In line with the government's decision to review the transaction, a three-member Committee was established by the Ministry of Communications in July 2009, to probe the deal.

The Ministerial Committee submitted its report in October 2009, observing that most of the terms of the sale agreement with Vodafone were "inimical to Ghana's interest". The report described the deal as illegal and recommended that it be abrogated or re-negotiated. "The government of Ghana did not get value for money from the sale," said the report.

Critics, however, questioned the basis of the Committee's findings, with the Minister who set up the Committee initially distancing government from the report by insisting that the Committee had no mandate to veer into some of the areas it went into.

Vodafone claims it did nothing wrong over its deal with the previous administration, insisting that it has at all times conducted its affairs to the highest ethical standards of corporate behaviour and that it applied these standards to all its dealings in Ghana and will continue to do so in the future.

Vodafone scoffed at allegations that it has not re-invested into Vodafone GT, claiming that it has invested an additional \$600 million into Vodafone GT on top of the \$900 million it paid for the 70 per cent shares.

"Since taking control, Vodafone has already invested GHC600 million in strengthening the company and improving the quality of its services. Vodafone is committed to further investment in the company and its operations,

including expanding and upgrading the National Communications Backbone Company," it said.

Since it came to power the NDC government has been investigating the Ghana Telecom (Vodafone GT) deal which it opposed while in opposition. Initial investigations were conducted by the newly appointed Executive-Director of the SFO Ghana, Mr Kwaku Mortey Akpadzi.

The National Communications Authority, the Ghana Investments Promotion Centre and the Divestiture Implementation Committee (DIC), were among key institutions probed. The SFO Ghana forwarded its evidence to its counterpart in the UK which quickly went into the case.

The Ghana government set up a three-member ministerial committee to investigate the deal. However, when the report was submitted, instead of siding with the ministerial committee's claim that the sale and purchase agreement between the Government of Ghana and Vodafone is "unconstitutional and illegal", the government said it would re-engage with Vodafone's management to ensure compliance with the laws of Ghana.

The Trades Union Congress (TUC) has welcomed government's decision to re-engage. "The whole nation can now heave a sigh of relief because the government intends to review the agreement through re-engagement," said Mr. Kofi Asamoah, TUC Secretary-General.

The TUC noted that "the sale was also not transparent, while the Divestiture Implementations Committee was not involved in the sale from the onset, they were made to rubber stamp the deal afterwards."

The fibre-optic backbone is one of the issues the government is using as an excuse to re-engage. Vodafone claims it has already extended the fibre network and plans to invest further to complete the northern ring.

Though both Vodafone and the former government said in July last year that the UK company acquired the 70 per cent stake in Ghana Telecom "for a total consideration of \$900m (£549m) on a debt-free, cash-free basis", the Ministerial Committee's report said because of "a series of complicated financial arrangements", the Government only received \$266.6m under the sales and purchase agreement.

"The life of the nation is secure only while the nation is honest, truthful and virtuous." Frederick Douglas (1818-1895) Black Civil Rights forerunner



You scratch my back,
and I'll scratch yours.



UNITED NATIONS
Office on Drugs and Crime

Unfortunately, the canker of corruption is now gaining grounds even in the churches where people can no longer trust each other and this is denying God's children the access to his divine blessings and interventions -

Bishop David Oyedepo - Founder and Bishop of Winners Chapel International at the Empowerment Summit in Ghana, November, 2009

The Editorial Board of GII Alert encourages readers to write "Letters to the Editor" on matters they wish to comment on as well as short stories or expert pieces on corruption/good governance. They must however be relevant to the anti-corruption crusade. Articles should remain brief and straight to the point to increase their chances of being published. The Editor reserves the right to edit such articles to suit the editorial policy of the newsletter and the general mandate of the GII.

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Ghana Integrity Initiative (GII) is the local chapter of Transparency International (TI): The leading Non-Governmental Organisation in the fight against corruption worldwide.