

GCRF Africa Catalyst Pilot Project Report

World Federation of Engineering Organizations (WFEO):

Committee on Anti-Corruption (CAC)

in partnership with UK based **ENGINEERS AGAINST POVERTY (EAP)** and their **CONSTRUCTION SECTOR TRANSPARENCY INITIATIVE (CoST)** and **Global Infrastructure Anti-Corruption Centre (GIACC)** Zimbabwe Chapter.



World Federation of Engineering Organizations
Fédération Mondiale des Organisations d'Ingénieurs



A PILOT FEASIBILITY STUDY FOR AN INFRASTRUCTURE ANTI-CORRUPTION INDEX: THE CASE OF ZAMBIA AND ZIMBABWE



ROYAL
ACADEMY OF
ENGINEERING



Construction
Sector
Transparency
Initiative



ENGINEERING COUNCIL OF ZIMBABWE

"Regulating Engineering Practice in Zimbabwe"

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The Royal Academy of Engineering (RAEng-UK) offered the GCRF Africa Catalyst Grant to WFEO-CAC hosted by the Engineering Council of Zimbabwe (ECZ) to undertake the evidence based research to produce the Infrastructure Anti-Corruption Indices for Zambia and Zimbabwe. The UK based partners were Engineers Against Poverty (EAP) and their Construction Sector Transparency Initiative (COST); they assisted in developing the research instruments, monitoring and evaluating progress as well as reviewing the work. The Global Infrastructure Anti-Corruption Centre (GIACC) Zimbabwe chapter partnered WFEO-CAC in the project. The researchers collaborated with law enforcement and Anti-Corruption authorities and the built environment practitioners in both Zambia and Zimbabwe to produce this report.

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Executive Summary

This was a pilot study of corruption in the construction industry which was structured as a baseline infrastructure survey targeting Zambia and Zimbabwe to establish a preliminary/scoping study that comes up with an Anti-Corruption Index in the construction and built environment sector. It was aimed at creating a model index to be used for periodic reporting and provides the basis for recommendations on Anti-Corruption action to government, corporates, civic society as well as Professional Engineering Institutions working with the RAEng, FAEO and WFEO as well as other stakeholders.

Perception-based indicators of corruption such as the Corruption Perceptions Indices and Worldwide Governance Indicators have been roundly criticised because they focus on people's attitudes towards the prevalence of corruption and not on the nature of the act or its exact magnitude. The model index proposed in this study is a game changer as it uses real life practical project experience rather than perceptions only. It derives its indicators from the GIACC Infrastructure Scorecard, Theory of Change (ToC) as adapted by CoST and the Public Investment Management (PIM) framework as underpinned in the theoretical and conceptual frameworks adopted.

The study was a mixed methodologies survey which balanced qualitative and quantitative methods. This was meant to triangulate data obtained from a wide range of stakeholders concerned with corruption in the construction and engineering sectors in Sub-Saharan Africa. It employed three instruments in its approach: i.e. the Infrastructure Anti-Corruption Index Survey Questionnaire, the Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire and the contextualised qualitative interview questionnaires. The first instrument was administered online to gather data regarding the identity of the respondents and their views/beliefs and perceptions of corruption. The second instrument was partly self-administered but was designed to measure effectiveness of methods in place at various stages of construction projects to avert corruption. A cognitive interview approach was used to ensure reliability, validity and integrity of the data collected.

The conclusions of the study are based on responses received from people in executive, managerial and non-managerial positions as well as those with varying lengths of service in their respective organisations. Corruption was generally regarded in both Zambia and Zimbabwe as the main source of leakage in business entities and that, embedded cultural practices and a poor economic climate were viewed as the key drivers of corruption. It was also found that adverse influence on the selection, design, award and execution of

public sector construction projects fuels corruption. In Zimbabwe, the level of corruption in the public sector was found to be very high and although ways and means of reducing corruption were identified there was general lack of political will to implement them. In Zambia lack of autonomy of Anti-Corruption institutions and political interference hamper their effectiveness in containing corruption in the construction sector. In the Index, Zambia performed better with a score of 67% compared to Zimbabwe with 53%.

A host of recommendations are proffered which include the view that Governments, Corporates and Financial Institutions should insist on dealing with organisations that are compliant to ISO 37001 (the anti-bribery management system standard) as it is the only standard that requires the genuine commitment of top management to reduce the corruption risk by curbing bribery using policies and systems that are robust and rigorous. The issues of openness, transparency and disclosure; which are consistent with the main benchmarks in construction practice as factored in the Open Contracting Principles (OCPs) that are informed by, among other things, Public Procurement Best Practices (PPBP), Benchmarking Public Procurement (BPP) and e-Procurement; were widely recommended by the respondents from both countries.

Overall, although the study does understandably reveal a very high level of corruption in both countries, it is encouraging to observe that the respondents had such a high level of awareness of corruption, and they collectively thought that it was wrong and damaging (whatever its size), and wanted more effective policies, standards and strategies to be put in place to prevent it. The most interesting findings lay in the respondents' actual experience of corruption; this to us was the starting point in recommending working policies, standards and regulations to ensure zero tolerance to corruption in the infrastructure sector and indeed to the other areas. The indices should be done every year at a harmonized time to create the desired outputs, outcomes and impact guided by the theory of change.

The pilot study recommends the expansion of the index into a global infrastructure Anti-Corruption scorecard to cover the SSA and indeed the rest of the world. It should differentiate itself like the World Justice Forum (WJP) Rule of Law Index which uses innovative instruments only informed by primary data compiled from impacted and affected citizen responses and reactions to the phenomena under study. All stakeholders such as governments, civil society, financial institutions, professional bodies and donors should support the expansion of this project to create a credible, measurable evidence based infrastructure Anti-Corruption index which will be one of the best tools to fight corruption.

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List of Abbreviations

ACC	-	Anti-Corruption Commission – (Zambia)
BEE	-	Black Economic Empowerment
BPP	-	Benchmarking Public Procurement
CAC	-	Committee on Anti-Corruption (WFEO)
CIOB	-	Chartered Institute of Builders (UK)
CPI	-	Corruption Perception Index
CoST	-	Construction Sector Transparency Initiative
ECAs	-	Export Credit Agencies
EIZ	-	Engineering Institution of Zambia
FAEO	-	Federation of African Engineering Organisations
GIACC	-	Global Infrastructure Anti-Corruption centre
GPAC	-	Global Programme against Corruption
GOZ	-	Government of Zimbabwe
IS	-	Information System
ISACA	-	Information Systems Audit & Control Association
ISO	-	International Organization of Standardization
ICT	-	Information Communication Technologies
ITMM	-	Information Technology Maturity Model
KM	-	Knowledge Management
LAZ	-	Law Association of Zambia
NACP	-	National Anti-Corruption Policy
OCPs	-	Open Contracting Principles
OPC	-	Office of the President and Cabinet
OECD	-	Organisation for Economic Co-operation and Development
PAC	-	Parliamentary Portfolio Committee (Zimbabwe)
PIM	-	Public Investment Management
PPBP	-	Public Procurement Best Practices
RAEng	-	Royal Academy of Engineering
SADC	-	Southern African Development Community

SSA	-	Sub-Saharan African
SIZ	-	Surveyors Institute of Zambia
SPB	-	State Procurement Board (Zimbabwe)
SPSS	-	Statistical Package for Social Sciences
SWOT	-	Strengths, Weaknesses, Opportunities and Threats
TANROADS	-	Tanzanian National Road Agency
TI	-	Transparent International
ToC	-	Theory of Change
UK	-	United Kingdom
UNECA	-	United Nations Economic Commission for Africa
WFEO	-	The World Federation of Engineering Organizations Committee
ZACC	-	Zimbabwe Anti-Corruption Commission
ZBC	-	Zimbabwe Broadcasting Corporation
ZIMDEF	-	Zimbabwe Manpower Development Fund
ZIMRA	-	Zimbabwe Revenue Authority
ZINARA	-	Zimbabwe National Roads Authority

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CHAPTER ONE

1 INTRODUCTION AND BACKGROUND OF THE STUDY

1.1 Introduction

The World Federation of Engineering Organizations (WFEO) Committee on Anti-Corruption (CAC) conducted a baseline infrastructure Anti-Corruption survey in Zambia and Zimbabwe from January to July 2017. This was a pilot project which was awarded to WFEO-CAC by the Royal Academy of Engineering (RAEng) (UK) as part of the Africa Catalyst Project. The baseline Infrastructure Anticorruption Survey in these two countries sought to come up with a preliminary/scoping study with the aim to establish an anticorruption index in the sector.

The aim of this baseline survey was to create future periodic Anti-Corruption index reports and to give Anti-Corruption recommendations to Governments, Corporates, Civil Society, WFEO and the Federation of African Engineering Organisations (FAEO), and their regional Professional Engineering Institutions (PEIs).

The construction sector plays a vital role in supporting social and economic development. yet it is consistently ranked - in both the developed and developing world - as one of the most corrupt areas of economic activity. The costs of corruption in public-sector construction projects extend far beyond increased contract prices. Corruption can hinder a nation's social and economic development at grass-roots level by undermining the rule of law and hindering the growth of strong and accountable institutions on which sustained economic growth depends. Corruption can result in unnecessary, unsuitable, defective or dangerous projects and projects which are often subject to severe delays. WFEO and FAEO through this pilot project can greatly increase the ability of stakeholders to reduce corruption by exposing corrupt practices and offering information on how to reduce corruption.

1.2 Background to the Study

The compelling need for this pilot project in the Sub-Saharan African (SSA) region is to equip stakeholders in infrastructure development with the tools to detect and deter corruption, and develop Anti-Corruption tools to reduce its prevalence to channel investments and development funds or aid into its rightful use. This section analyses the present setting and context in the field of study. It looks through the lenses of society and unpacks the current scenario of the state of corruption in Zambia and Zimbabwe.

1.2.1 The Zambian Context

Corruption is a pervasive problem affecting different sectors in Zambia with the levels and patterns varying from one sector to the next; the bribe frequency ranging between 1 percent (health) and 29 percent (Police), (NORAD, 2011). The National Governance Baseline Survey of 2004 established that 61.1 percent of the 1500 respondents from the public rated corruption as being a “very serious problem”, while 65.7 percent of the 1000 public official respondents rated corruption as one of the major problems facing the country. The survey showed that corruption takes different forms in Zambia, from administrative corruption to nepotism and procurement mismanagement. Petty corruption in the form of payment of bribes remains widespread.

According to the Transparency International Zambia Bribe Payers Index (2007), almost 40 percent of the respondents reported that they had been asked for a bribe to obtain a public service or licences and permits. The Police, the National Registration Office, the courts, the councils, the Zambia Revenue Authority and the Lands Department were perceived to be the most corrupt agencies. Public resource mismanagement is also highly prevalent in Zambia. TI-Z’s ‘Show Me the Money!’ Report identifies the Ministry of Health, the Ministry of Works and Supply, and the Ministry of Communication and Transport as the worst sectors for financial irregularities. The report estimates that ZMK 348.244 billion worth of public funds was misappropriated every year between 1984 and 2004. Further, the Auditor General’s Office Reports (*circa* 2010) on the roads sector, provides some relevant context about the extent of the problem. The CoST baseline study published by National Construction Council (NCC) gives some deep insights into the scourge of

corruption in infrastructure projects and recommends the release of Material Project Information (MPI) thereby strengthening transparency in the sector.

The Zambian Road Agency was fingered in the Auditor General's reports. Serious concerns were raised on projects spanning through the project cycle, particularly the absence of budgets, the tender evaluation process and contract implementation where payment issues occurred on 11 projects. It was also highlighted that considerable cost overruns such as 41% cost increase due to a change in cladding on the construction of offices for Department of Buildings where the legal limit for a cost increase is 25% were detected.

NORAD (2011) also confirmed that public resource mismanagement was widespread. The mechanisms of corruption were also evident. Allegations of high-level corruption involving the private sector were rampant and red tape was a major incentive for the businesses to pay bribes. The same study also observed that there was no empirical evidence on the causes and drivers of corruption in Zambia. The NORAD evaluation report further revealed that the liberalisation of the Zambian economy in the 1990s introduced a 'new culture of corruption' in the country. It was further alleged that there was a presidential slush fund, infamously used to obtain political buy-in during Frederick Chiluba's regime, and privatisation, supported by World Bank-led structural adjustment programmes also triggered the high-level corruption in Zambia.

A myriad of Anti-Corruption measures targeted at eliminating behavioural, moral or social misconduct have been instituted over the years. The measures have also sought to curb corruption through strengthening the prevention and control capacity of institutions, groups of people and individuals.

To its credit, Zambia has made several interventions to reduce corruption. The interventions have had some impact in reducing corruption in that Zambia was rated the 87th Least Corrupt nation out of 175 countries according to the Transparent International Corruption Perception Index (CPI)

of 2016. However, it has averaged 88.11 from 1998 until 2016, with an all-time high of 123 in 2007 and a record low of 52 in 1998. The CPI ranks countries and territories based on perceptions of how corrupt their public institutions are.

1.2.1.1 Zambia's Anti-Corruption Legal Framework

The first Anti-Corruption legislation in Zambia was the Prevention of Corruption Act of 1916 which was cited together with the Public Bodies Corrupt Practices Act of 1889 and the Prevention of Corruption Act of 1906. This was followed by the enactment of Anti-Corruption provisions in the Penal Code CAP 146 Chapter X of the Laws of Zambia which was primarily concerned with corruption offences by persons in the public service.

However, the principal Anti-Corruption legislation enacted was the Corrupt Practices Act No. 14 of 1980 which criminalized corruption both in the public and private sectors. It also provided for the establishment of a separate Anti-Corruption body to spearhead the fight against corruption in Zambia. The Anti-Corruption Commission (ACC) was established in 1982 and was mandated to undertake corruption prevention and education programmes. The Anti-Corruption Commission is the lead institution mandated to spearhead the fight against corruption in Zambia.

The National Anti-Corruption Policy (NACP) was launched in 2009 to provide a framework for a coordinated approach to curb corruption in the country through the prevention and control capacity of institutions and individuals through strengthened accountability and transparency mechanisms in public service delivery, laws, regulations, institutions and social mobilization. The NACP identifies the importance of traditional and cultural factors in fighting corruption; and the need for conforming to international provisions about corruption prevention, tracing and recovery of proceeds of crime and whistle-blower protection.

The Corrupt Practices Act was repealed and replaced by the Anti-Corruption Act No. 42 of 1996 which has since been repealed and replaced by the Anti-Corruption Act No. 3 of 2012 under which

the ACC is currently operating. The mandate of the Commission as stipulated under section 6 of the Anti-Corruption Act No. 3 of 2012 is, *inter-alia*, prevent and take necessary and effective measures for the prevention of corruption in public and private bodies; initiate, receive and investigate complaints of alleged or suspected corrupt practices; prosecute corruption and other allied offences and; educate the public on the dangers of corruption.

The Anti-Corruption Act No. 3 of 2012 provides for the internalisation of the control of corruption in public and private institutions. It further provides for the enforcement of other Anti-Corruption provisions such as the Penal Code CAP87 of the Laws of Zambia; the Public Interest Disclosure (Protection of Whistle-blowers) Act No. 4 of 2010; the Forfeiture of Proceeds of Crime Act No. 19 of 2010; Plea Negotiations and Agreement Act No. 20 of 2010 and the Electoral Act No. 12 of 2006. The Act also domesticated several provisions contained in the international conventions and protocols on corruption to which, Zambia is a party such as, the Southern African Development Community (SADC) Protocol against Corruption; the United Nations Convention against Corruption (UNCAC) and the African Union (AU) Convention on the Prevention and Combating of Corruption.

1.2.2 The Zimbabwean Context

In 2017 Zimbabwe has been ranked the 12th most corrupt country in the world and the 11th in Africa. This marks a significant decline from its position in 2015 when it was ranked 18th in the Transparency International global ratings. Ironically, this comes at a time when Zimbabwe has taken very bold and significant steps to combat corruption at state level. The establishment of the Zimbabwe Anti-Corruption Commission (ZACC) on the 8th of September 2005 is a case in point. Its functions, as stipulated under section 255 of the Constitution of Zimbabwe, include, amongst other things: to investigate and expose cases of corruption in both the public and private sectors and to work with law enforcing agents of the state such as the Police and the National Prosecuting Authority to effect the arrest and possible discipline of purveyors and culprits of corruption.

Arguably, it is neither the presence nor absence of such constitutional bodies that counts in combating corruption, let alone their presumed powers to curb corrupt tendencies, but the political

will to ensure that such bodies are in fact allowed to perform their functions without fear of either retribution or persecution by the corrupt people or organisations they expose.

Zimbabwe is a young democracy whose most unique colonial inheritance is its elaborate but highly centralised state bureaucracy modelled along the lines of a Westminster style of government. Scholars like Mohtadi and Roe (2003) find a corresponding relationship between young democracies: with inefficient checks and balances, and the propensity of rent-seekers to have access to public officials and opportunities to collect rents from public property while escaping scrutiny. Meanwhile, the state itself has naturally been the key investor in infrastructural projects but when it weakens or whenever there is policy discord amongst the ruling elite, the bureaucratic structures themselves become the instruments of corruption.

A central feature of the Zimbabwean body politic is not only the shrinking of the civil service but the increasing tendency towards conflating the state with the ruling party on the one hand and the fragmentation of the ruling party along factional and fractional lines on the other. In both instances state entities and parastatals have been the targets of rent-seeking and extraction by the competing ruling elite and their agents in an emergent culture of ‘tenderpreneurship’. Meanwhile, Zimbabwe has proceeded on a patently constitutional path; a new constitution was passed in 2013 and several constitutional and statutory bodies were established or strengthened to curb corruption and leakage in the state as well as the private sectors.

One such authority is the Office of the Auditor General which, since 2004, has issued comprehensive reports that indicate some of these inefficiencies, amongst them; that 22 out of 32 government ministries going as late as 2015 had poor corporate governance, were abusing fund accounts and flouting procurement procedures. The AG’s reports are supposed to be followed up by the Parliamentary Portfolio Committee on Public Accounts (PAC) to pursue some of the things raised in the audits. Ideally, the PAC is supposed to work with the Police or ZACC, but in Zimbabwe, this relationship is not cast in stone although communication between these bodies is said to exist.

In a curious case in March 2013 ZACC launched investigations into the Ministries of Indigenisation, Transport and of Mines. The ZACC officers were not only blocked by armed Police from accessing the offices of the respective ministers but four of the officers were arrested for impersonating the Police and later their lawyer was also arrested for obstructing justice. ZACC also arrested the CEO and a Board Member of ZINARA in July 2016 for an alleged criminal abuse of office but the two were released on the instructions of the Acting President. ZACC itself appears to be constitutionally incapacitated. It has recently been sued by the Minister of Higher and Tertiary Education, Science and Technology Development who is facing charges together with his deputy of diverting funds from the Zimbabwe Manpower Development Fund (ZIMDEF) for personal use. The two successfully challenged the constitutionality of their arrest by ZACC because it had no arresting powers. Indeed, any discussion of deterring corruption in any sector in Zimbabwe must fully appreciate the challenge of the state capacity to discipline corruption whenever it is identified. The trend in Zimbabwe so far is to politicise most of the corruption cases to the extent that it is impossible to clearly determine whether the offense took place or one is a victim of abuse of state apparatus. This situation unfortunately has allowed both the guilty and innocent to play victim and has in the process, immobilised the Anti-Corruption machinery from effective action.

The challenge relating to the state's lack of capacity to deal with corruption extends to cases of corruption that were detected outside the state corruption mechanisms. For instance, whistle-blowers and the public media exposed what came to be known as the 'salary-gate' following revelations towards the end of 2013 that the Chief Executives Officers of the country's major parastatals were earning mega salaries and awarding themselves monster perks. Topping the list was the boss of the Public Service Medical Aid Society (PSMAS) who earned more than US\$230,000 a month, followed by CEOs of parastatals such as ZIMRA, ZBC, Air Zimbabwe, ZINARA and of several city and town councils around the country. Except for Air Zimbabwe, the state did not prefer charges against the CEOs even where evidence of fraudulent activity was unearthed. Instead it issued a cabinet resolution in March 2014 to cap the salaries of the CEOs of state parastatals at \$6,000 a month. As it turned out, 2014 was the year of the ruling party's congress that led to a major internal shake-up resulting in the dismissal of the party and state Vice President

and her allies who were also accused of corruption. The timing of ‘salary-gate’ has caused many analysts to infer that it was part of the plot to purge the Vice President rather than a committed fight against corruption since many of the victims of ‘salary-gate’ were allegedly aligned to her faction (Matsyzak 2017).

As can be seen, State Enterprises constitute an important sector for patronage and clientilism in Zimbabwe’s extractive economy. The State Procurement Board (SPB), a body established through an act of parliament with the responsibility to secure goods and services for government entities, parastatals and local authorities, is now being reformed. The old SPB was dogged by several controversies that culminated in the firing of the then chairman in December 2015. The Government of Zimbabwe (GOZ) “has taken a deliberate move to reform the State Procurement Board (SPB) as part of the Ease of Doing Business reforms.

The reform was necessitated by the need to address the inadequacies of the current Procurement Act (Chapter 22:14) of 1999, to effectively regulate public procurement given the dynamic socio-economic environment” (GOZ, 2016). GOZ is in the process of converting the SPB into a regulatory authority to facilitate systems and oversight concerning procurement in the country. This is in line with Section 315 of the Constitution that gives a provision for the enactment of the public procurement of goods, works, services and joint ventures to enhance good governance. Following the dismissal of the then SPB Chairman in 2015, the President of Zimbabwe moved the SPB from the Ministry of Finance and Economic Development to the Office of the President and Cabinet (OPC) and announced that the awarding of tenders will now be done by accounting officers in the various state departments and SPB will only play a supervisory role in compliance with the proposed new State Procurement Act. The reformed SPB will establish a procurement regulatory authority which will play an oversight role. The new dispensation has already started yielding fruits as there has been a general improvement in the way public procurement is taking place after the dissolution of the previous board in 2015 (Newsday, 2015).

In brief, this is the socio-political and regulatory context in which the Infrastructure Anticorruption Index on Zimbabwe is being constructed. The ideas and perceptions of individuals gathered in the survey are largely shaped by this operational environment.

1.3 Statement of the Problem of Corruption in infrastructure

The infrastructure sector is fragmented, and is characterised by many procuring entities at each tier of government entering contracts with private companies to plan, design, supervise, build and/or operate the infrastructure (Hawkins 2013). To make matters worse, separate contracts are signed with participants (design and engineering partnerships, professional surveyors, contractors, subcontractors and suppliers of materials and components based on historically defined roles for the architect, engineer, quantity surveyor and builder, with separate responsibilities for planning and designing the structure, constructing the asset and supervising the construction (CoST 2011). Corruption is one of the greatest obstacles to the development of safe and adequate infrastructure. Project funds are diverted to corrupt officials, funders, contractors, consultants, suppliers and agents. Corruption occurs in all nations, both developed and developing countries, in public and private sectors, as well as non-profit organisations (GIACC, 2010). The problem of corruption within or across nations is not a recent phenomenon, nor is it exclusively a Third World problem. However, corruption exists both in developed and developing countries in different forms, degrees and has differing consequences. There is also the supply and demand of corruption occurring in both the developed and developing countries.

Stansbury singles out 13 reasons why the construction industry is so prone to corruption, some of which are widely explored in this study. They include size and uniqueness of construction projects, the averagely high number of phases that may require outsourcing of tasks, secrecy and concealment of the tasks, political involvement and lack of regulatory frameworks governing the industry resulting in little or no due diligence in the conduct of business in this sector.

Box 1, as cited in Hawkins, (2013) clearly illustrates the complexities of infrastructure projects as demonstrated by Stansbury in 2005. This fragmentation is the biggest problem as it makes the sector complex to deal with and leaves a lot of informal arrangements making it vulnerable to corrupt practices, especially in countries where systems are weak.

Box 1: Thirteen features that makes infrastructure projects prone to corruption

1. Size of the project – projects vary considerably in size. Large complex projects such as hydro-electric dams create ample opportunity to hide corrupt acts.
2. Uniqueness of the project – projects are often one-offs which makes it difficult to compare costs, which in turn makes it easier to inflate costs or hide corrupt actions
3. Government involvement – governments either own infrastructure or regulate its development. Where there are insufficient controls it can be relatively easy for officials to extract bribes.
4. The number of contractual links – these provide opportunities to offer a bribe for a contract award or for payment to be made.
5. A high number of project phases makes oversight difficult.
6. Project complexity creates uncertainty in how to manage problems. This creates opportunities to submit unjustified claims or inflate claims for payment.
7. Projects come at irregular intervals, creating pressure to win new contracts.
8. Work is concealed – many (physical) components in construction are concealed by other components. Lack of strong supervision creates the opportunity to conceal defective work or use cheaper components.
9. A culture of secrecy – there is no culture of transparency in the sector.
10. Entrenched interests – companies often have entrenched positions in the market place, often cemented by bribery.
11. No single organisation governs the industry – each of the many professions or trade have different codes of conduct and levels of enforcement of these codes.
12. Cost of integrity – corruption is an accepted norm with organisations unwilling to change the status quo as they risk losing out to less scrupulous competitors.
13. Lack of due diligence by financing bodies on the participants of an infrastructure project allows corruption to continue.

Source: Stansbury, N. (2005) Exposing the Foundations of Corruption in Construction, in Chapter 2: Corrupt Practice, Transparency International Global Corruption Report 2005.

Box 1: Exposing the foundations of corruption in infrastructure projects (adapted from Stansbury 2005, and modified by Hawkins 2013).

Corruption in infrastructure projects has both a human and an economic cost. It is damaging to the project, and to the companies and individuals involved on the project. Losses from corruption on construction projects are estimated at between 5% and 50% of project costs, depending on the country and sector (Manuhwa, Stansbury 2015). There are both human and economic costs as described below:

i. Human cost of corruption:

- Stealing of public money,
- fewer good roads, schools and hospitals,
- poor safety and environmental procedures, and
- people dying due to lack of food and healthcare, and dangerous infrastructure.

ii. Economic cost of corruption:

- World Bank and EU Commission estimate the cost of corruption (bribery and fraud) to be generally about 5% of the world's gross product, this cost of corruption is roughly equivalent to US\$1.5 trillion annually.
- Conservative estimate of cost of corruption in the international construction sector is 5% of the global construction sector (low estimates of the cost of corruption) equivalent to about US\$200 billion *per annum* lost to corrupt activities.
- National Development is affected by levels of corruption.
- Project implementation is compromised by corruption.

The preamble to the ISO37001 anti-bribery management standard sets a compelling tone that leaves no doubt of the intention to zero in on corporate and public malfeasance. It summarises why corruption, especially in the form of bribery, is a problem to society. It reads;

“Bribery is a widespread phenomenon. It raises serious social, moral, economic and political concerns, undermines good governance, hinders development and distorts competition. It erodes justice, undermines human rights and is an obstacle to the relief of poverty. It also increases the cost of doing business, introduces uncertainties into commercial transactions, increases the cost of goods and services, diminishes the quality of products and services, which can lead to loss of life and property, destroys the trust in institutions and interferes with the fair and efficient operation of markets.” (ISO 2016)

Furthermore, within those countries falling in the category of developing countries, ranging from the bigger, relatively well developed countries such as Indonesia to the smaller poorly developed countries such as Equatorial Guinea, we can observe differences in corruption practices pertaining to the unique economic, political, and social features of each country.

1.3.1 Research Questions

The research questions below guided the study and were used to seek answers in questionnaires, interviews and to interpret observations.

The major question was: How can the evidence gained from the periodic surveys and infrastructure Anti-Corruption indices be used to create policies, standards and strategies that foster zero tolerance to corruption in Zambia and Zimbabwe?

The other questions the research addressed were:

- How can stakeholders in the construction sector assist in monitoring corruption and the quality of governance that lead to economic development for Zambia and Zimbabwe?
- What is the impact and cost of corruption to the peoples of Zambia and Zimbabwe?
- What are some of the challenges that have hampered the implementation of Anti-Corruption standards, policies and strategies in Zambia and Zimbabwe?
- Do the two countries have an integrated system or framework to assist in identifying, combating and dealing with corruption in the infrastructure sector?

1.4 The aim, objectives and relevance of the project

1.4.1 The aim of the Project

The major aim of this survey was to advance knowledge on how corruption can be curbed in SSA and elsewhere through achieving zero tolerance to corruption, hence increasing the rate of development for SSA.

1.4.2 The objectives of the project

The survey objectives were to:

- conduct an extensive survey on monitoring corruption and quality of governance that documents the diversity of contemporary governance landscapes, regulatory frameworks and Anti-Corruption strategies in Zambia and Zimbabwe.
- document the findings and more importantly the impact and cost of corruption through a variety of case studies across the selected SSA countries.
- establish the feasibility of a preliminary/prototype panel data-set of indicators (Construction Anti-Corruption Index) that facilitates the tracing of corruption levels over time by country and region through identifying new indicators documented in the project with established, perception-based ones.

1.4.3 The relevance and justification of the project

The project is very relevant to the Africa Catalyst Project because it makes WFEO and FAEO more visible and acceptable in the eyes of Governments, International Development Agencies and donors who will benefit from the developed tools which will greatly enhance the efficient and effective application of their funds through reduced corruption. More funds will be appropriately applied to the projects hence reducing poverty and increasing development.

As stated by the RAEng Report, (2016) the Africa Catalyst endorses the fact that “engineering makes a crucial contribution to improving the quality of life of citizens, and economic prosperity of nations, across the world. Engineering has an important role to play in tackling challenges ranging from food security and healthcare to sustainable energy, water, and transport infrastructures. In developing countries engineering challenges are even more pronounced, often coupled with the largest engineering skills shortages and skills gaps”.

The Africa Catalyst Project was designed to address the above gaps by:

- Building engineering capacity by improving engineering education at all levels and enabling degree courses to meet recognised international standards.
- Supporting the development of professional engineering institutions that can effectively support the profession and promote professionalism.

- Supporting the Federation of African Engineering Organizations (FAEO) - established in 2012 - in its leadership role across the continent.
- Strengthening the evidence base, for example through developing UNESCOs work mapping engineering capacity in Africa.

As illustrated above, the project fits very well into all the four objectives of the Africa Catalyst Project.

1.5 Frameworks used in the study

1.5.1 Conceptual Framework and Definitions

Corruption has many different definitions globally. In Zambia, for instance, corruption is defined as the “*soliciting, accepting, obtaining, giving, promising or offering of gratification by way of a bribe or other personal temptation or inducement or the misuse or abuse of a public office or authority for private advantage or benefit through bribery, extortion, influence peddling, nepotism, fraud, rushed trails, and electoral malpractices*”. The Global Infrastructure Anti-Corruption Centre (GIACC), on the other hand, defines corruption generally to include all criminal activities involving bribery, extortion, fraud, cartelism, deception, collusion, abuse of power, embezzlement, trading in influence and money laundering. The UN’s Global Programme against Corruption (GPAC) defines it as “*the abuse of power for private gain*” and this includes both the public and private sectors.

Anti-Corruption, therefore, mainly refers to the institutional and social interventions aimed at reducing opportunities for corrupt practices and making corruption a high risk undertaking through rules, regulations and practices governing public, private officials, and the general citizenry that will promote transparency and accountability. This entails the identification, detection and elimination of the causes of, and conditions conducive for, corruption and unethical behaviour; and deter any corruption-related activity and other unethical conduct that may lead to corruption. However, whatever the definition, corruption is a public, institutional and individual cost and there is an urgent need to formulate strategies that are targeted at the corruption prevailing. This should be within the political, social and economic context of any given country.

The conceptual framework applied in this study is embodied in the Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire (see Appendix 4). The index measures several input factors, including actual and perceptions of the extent to which corruption takes place in public sector construction projects, and the extent to which effective systems are implemented by government, public sector project owners and the private sector to help prevent such corruption (GIACC 2009). Weighted ratings are given to each factor, and the cumulative score is derived from all the individual factor scores to give an overall project owner or country score. It is designed to identify actual or perceived deficiencies in a project owner's or country's Anti-Corruption processes in relation to public sector construction projects, and therefore to encourage improvements to be made. A huge sample is necessary to ensure that biased scores are avoided.

1.5.2 Theoretical Frameworks and other underpinnings

One of the key debates on measuring corruption is that there is no consensus on what corruption is. Hence corruption is a variable that cannot be measured directly, although the number of models and indices focused on corruption has grown in recent years (Rowher 2009). Scholars generally make a distinction between petty and grand corruption, the former being street level everyday corruption involving small scale transactions between individuals whereas grand corruption occurs at higher policy level where not the amounts of money matter as the level at which these transactions occur. Corruption can also take many forms ranging from **bribery**; which is payment in cash or kind in any corrupt relationship, to **embezzlement**; involving theft of resources by people responsible for administering them, **fraud**; a form of theft by trickery and deceit, and **extortion**; which is a form of extraction by coercive means namely; opportunity or threats (Rowher 2009).

There are also various theories explaining corruption worldwide and nearly all of them are concerned with causality and account for specific actions of corruption in a casual chain i.e. causes, form and consequences of corruption (de Graaf 2007). They can be grouped into at least five categories. The first group can be classified as 'Public Choice' theories which emphasise the individual as a rational being that calculates and weighs the advantages and disadvantages of a

corrupt act and the potential of being caught. In the Dutch construction sector collusion by a cartel of construction companies resulted in them making decisions to coordinate their behaviour to function in a relatively predictable way. They ran 'claim accounts', and maintained 'phantom bookkeeping'. When a project was open for bidding, they held meetings and resolved who would put the lowest bid and the amount it would be. Other companies in the cartel would declare how much they would have offered and the winning contractor would compensate the 'losers' (Doree 2014: 149). Rational choice drives this kind of collusion. The advantage of such theories in analysis is that they have a relatively small focus i.e. the individual, but they ignore contextual issues that determine that individual's action.

One such theory that has been tested in the South African construction context is the 'Fraud Triangle' developed by (Cressey 1973) which believes that corruption operates on three 'legs' namely; opportunity; need/pressure, and rationalization/self-justification, with each carrying equal weight. However, it was found that over and above these factors, 'proximity' enhances the effect where the closer the party was to an opportunity, the stronger the 'pull'. This attraction then increases the chances of self-justification hence creating the circumstances for a 'push' to corrupt conduct. Therefore, an opportunity can become a dominant force in a circumstance (Bowen, Edwards & Cattell 2012: 899).

Secondly, there are 'Bad Apple' theories that locate corrupt tendencies in defective human character and the proclivity towards criminal behaviour. They emphasise morality and often proffer good ethics as the panacea to corruption, which, is hardly useful in designing a policy framework to combat corruption.

Third is a cluster of what can be termed 'Organisational Culture' theories which deal with group behaviour and believe that certain work cultures lead to a mental state that leads to corrupt behaviour. For instance, the belief widely held in Zimbabwe that traffic police behave in the same way in their corrupt activities. These theories, although dealing with the contextual features of corruption, tend to have a structural deformity that fails to explain why some individuals in these groups are not corrupt. They believe that corruption itself is the cause of corruption as individuals become complicit in corruption because not participating in corruption becomes a betrayal of a

group culture. This ‘contagious’ nature of corruption, according to these theories, can only be contained by altering leadership arrangements within the affected organisation.

Fourth is the ‘clash of moral values’ theory where values and norms of a society directly influence the behaviour of an individual thereby making him corrupt. This may involve, for instance, someone coming from a culture that highly values gift giving or taking care of the extended family and friends. Here, personal gain is not as important as moral obligation and distributing or sharing the spoils of office may not seem at all as inappropriate gesturing. Often this is patrimonialism and theories emphasising these aspects have been criticised for ethnocentrism that views developing countries as exhibiting these tendencies because they are still immature and therefore inherently corrupt. In addition, the theories seem to deal with the symptoms of corruption caused by these moral values rather than explaining their underlying causes, therefore they carry less universal analytical weight. These theories push for enforcement of codes of conduct and the elimination of patronage relationships and cronyism as the solution to end this form of corruption.

Lastly, there are ‘corelationship’ theories that are not premised on a model for the cause of corruption but on specific factors that cut across individual, organisational and societal factors. These factors, perceptively seen as ‘causes’, are then calculated as percentages or explained variances between and within countries. Although they risk generalisations on actual causality, they form the basis of Indexes that have been used to measure corruption and craft intervention strategies such as this Africa Catalyst Pilot Project which to all intents and purposes seeks to establish the feasibility of a preliminary/prototype panel data-set of indicators (Construction Anti-Corruption Index) allowing the tracing of corruption levels over time by country and region through identifying new indicators documented in the project with established, perception-based ones.

Before going into the details of the approach employed by this study, as elaborated in the methodology chapter, it is important to put the indexing of corruption indicators itself in its proper context. The indicators come in various forms and differ in what they measure or the data sets they use. First, there are ‘perceptions’ or ‘experience’-based indicators which are formulated from perceptions and experiences of corruption by individuals or experts in each country. Then there

are indicators based on a single data source and composite indicators aggregating or synthesising data from various third party sources. Last, are proxy indicators that try to measure corruption indirectly by aggregating many voices or signals of corruption or by measuring the opposites such as Anti-Corruption and good governance or public accountability mechanisms.

Data was analysed from perception based indices covering Zambia and Zimbabwe that included but was not limited to Global Integrity Report, Global Competitiveness Report, World Bank (WB) Governance Indicators, TI Corruption Perception Index, and Cingranelli-Richards Human Rights Database and compared these to our conceptual framework as encapsulated in the ten measurement areas in the Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire (see Appendix 4).

Perception-based indicators of corruption such as the Corruption Perceptions Indices and Worldwide Governance Indicators have been roundly criticized because they focus on people's attitudes towards the prevalence of corruption and not the nature of the act or its exact magnitude (UNECA 2016:42). Secondly critics question the rationale behind averaging together sources that measure different aspects of corruption. These sources of corruption differ from country to country and year to year giving a high risk of distorting trend analysis. 'The real problem', according to the United Nations Economic Commission for Africa (UNECA), 'is that there are different forms of corruption and the composite index cannot capture the various elements with the necessary precision' (Ibid:46). Indeed norming different indicators reduces the sensitivity to detect changes in a specific indicator over time, which makes it difficult to compare both the scores and rankings across time as the survey would have a different sample composition. In addition, composite indicators have a higher likelihood of underplaying correlation errors amongst sources. Weighting schemes that are developed to deal with correlation challenges tend to regard sources that have a higher correlation value as being more informative than those without. Finally, concerns have been raised about the small threshold of some indicators such as the Corruption Perception Index whose scores always fall between zero and ten which has the tendency to 'punish' small improvements in a country's ranking.

This project combines all the indicators which inform the pilot index in its present form considering that there is no single indicator that can account for all forms of corruption. There should be clarity over what these indicators really measure. This study goes a step further to use objective facts based on situations and/or events and ‘subjective’ perceptions based on an *ethnographic approach of recording descriptive and situational data*. The result is an index which is a cross-country indicator of the levels of corruption as well as a cross-country assessment of Anti-Corruption frameworks. This exercise came up with recommendations after assessing results from data collected in two pilot countries. This methodology is fully elaborated in the relevant chapter. *It goes beyond sheer numbers and incorporates the lived experience of corruption* as deduced from in-depth interviews administered in the survey.

1.5.3 Effects of Corruption on infrastructure projects

According to the Organisation for Economic Co-operation and Development (OECD), the real estate, construction and associated industries are among the sectors with the highest level of corruption risk: 40% of foreign bribery cases occurred in construction, transportation, and information and communication (OECD,2016). The Ernest and Young Global Fraud Survey (2016), 13% of the companies surveyed thought that bribery was “common practice” in the industry. (EY 2017). According to Global Fraud Survey (2016), the regulatory environment has become more complex. Enforcement is on the rise, with new legislation being enacted, in many countries. The foreign bribery laws of the US and the UK are extra-territorial in their application. For multinational companies working on projects with multiple partners in different jurisdictions, creating a cohesive culture of compliance is a major challenge.

Global case studies indicate that illegal payoffs increase the cost and lower the quality of public works projects by as much as 30 percent to 50 percent (Wade, 1982). Rose-Ackerman (1996) suggests that where corruption was endemic, government contracts, privatized firms, and concessions are not allocated to the most efficient bidder. This produces inefficiency because the need to pay bribes is an entry barrier, and the firms that make payoffs may not only expect to win the contract but also to obtain inefficient subsidies, monopoly benefits, and regulatory laxness in the future. The consequences of corruption for economic and social development are detrimental

in that corruption deters investment and hinders growth; it reduces the impact of development assistance and provides an incentive to exploit resources (Mauro, 1994; Treisman, 2000).

Corruption in the construction of public infrastructure has serious implications for developing nations. It has been demonstrated by Roger Bilham (2011:153) that several reports of spontaneous collapse of new buildings in some developing countries is a pointer to lack of construction oversight. Evidence from a study of fatalities in earthquake prone areas such Haiti and Delhi point to the fact that poor building practices, attributable to corruption, are largely to blame for turning moderate earthquakes into major disasters. It follows that, inappropriate project choices (motivated by the opportunity of generating rents); inflated contract prices; poor quality; excessive time and cost overruns; inadequate maintenance and low returns impart negatively on the economic growth. Corruption can also lead to the loss of confidence in the government which may affect its legitimacy. It can lead to poor performance as evidenced by the Governance Secretariat Survey (2010) which revealed that 59.9 percent of the population thought that the government of Zambia had performed poorly in the construction sector because of corruption and other unethical behaviour.

However, knowing the consequences of widespread corruption is not enough as they are just a symptom of the disease. There is also the need to identify an antidote specifically formulated to cure that disease. As has been shown above, Zambia has instituted several Anti-Corruption strategies but the scourge is still widespread. Hence, the urgent need to know why, Anthony Ogus (2004) in his paper suggests that Anti-Corruption initiatives developed in Western countries such as increasing transparency and accountability of decision-making, and intensifying the enforcement of penalties have proved to be ineffective in developing countries such as Zambia and Zimbabwe because of the difference in economic and cultural environments. For instance, in cases where corruption is deeply embedded, disbanding the networks in the various stages in the project delivery can improve the governance of the project.

1.6 Scope of Research

This pilot study covered Zambia and Zimbabwe construction industry and the built environment sector. The developed index is designed to provide an assessment of Anti-Corruption governance in relation to public sector construction projects in Zambia and Zimbabwe or in relation to a project owner (in case of large projects).

The new infrastructure Anti-Corruption index measures several factors using various interventions in ten broad based measuring inputs (see instrument in Appendix 4) developed from theoretical underpinnings informed by the theory of change and real life experience of professionals and the public that are affected corruption. The survey unpacks how corruption occurs in the project lifecycle and proffer recommendations of standards, policies and strategies that stakeholders can use to reduce corruption. The outcomes and impacts are measured periodically (one to two years) as new measures emerge to engender continuous improvement. It is hoped this index will cover the SSA in the next phase and eventually develop to become a global index like the Rule of Law index and other tools used by the World bank and the World Economic Forum.

1.7 Research Outline

The rest of the survey report and research paper is structured as follows:

Chapter 2: Relevant and Critical Literature Review

This chapter discusses and explores in some detail the available literature by scholars on the topic under study. Authoritative models, concepts and frameworks will be explored as a way of buttressing positions taken by some researchers in support of results obtained in their researches.

Chapter 3: Methodology

This section of the research profiles and justifies the research strategies used in this study. The chapter discusses sampling methods and the research instruments available for use in research. The chapter concludes by looking at how the research findings are to be presented and analysed.

Chapter 4: Results and Discussion

Presents the survey results and baseline Infrastructure Anti-Corruption Index for each country and undertakes discussions and analysis of findings.

Chapter 5: This chapter develops the pilot Infrastructure Anti-Corruption Index for Zambia and Zimbabwe using the survey instruments.

Chapter 6: Conclusions and Recommendations

This chapter summarises the research findings and presents the conclusions and recommendations of the study as well as areas for further study intended for the Africa Catalyst Phase Two rollout and other related escalations of the indices to other countries.

1.8 Chapter Summary

This chapter introduces the study that the research is going to follow. The statement of the problem was narrated in some detail in the chapter and the research objectives plus the related research questions were listed. Other areas discussed in the chapter include the justification of the research, the scope of the research and the theoretical framework for the study.

CHAPTER TWO

2 LITERATURE REVIEW

2.1 Introduction

The construction sector throughout the world is highly fragmented, with many actors and procurement entities at different tiers in the private and public domains that range from companies to government ministries. There are also many professional bodies interested in construction given the roles and responsibilities of engineers, architects, surveyors and builders who all belong to disparate regulatory units. This chapter discusses the critical literature relating to the framework for analysing corruption in the construction and infrastructural sector. It emphasises the need to understand the functions of corruption within the construction project cycle and builds on a framework of Public Investment Management as a means of evaluating corruption risks and mitigating them.

2.2 Theoretical Review of Literature

Several scholars have attempted to analyse corruption in this sector in general and it is widely believed that corruption is high in construction and infrastructure development in the world because of the complex and fragmented nature of the industry which has numerous participants in the supply chain competing for high value contracts (CIOB UK 2013:3). In most countries in the developing world, construction is not only growing but it is also predominantly an informal sector replete with many individuals participating in it that have no qualifications and certificates. Similarly, because by their nature, civil and construction works take a long period of time to complete; this affords endless opportunities for corruption to take place as budgets are revised and addenda are made from time to time (Maketo 2007). Major construction projects are unique, infrequent and complex. Their sheer size sometimes engenders a culture of secrecy around them. Lastly, the normal means by which construction projects are costed or priced (the Bill of Quantities) is based on estimated rates and quantities of materials inclusive of contractor profit, equipment and labour. So indeed, “there is lack of transparency in the make-up of prices and how infrastructure projects are usually priced from the beginning” (Hawkins 2013:17).

Corruption control in the construction sector, like democracy, requires consolidation, or an environment that permits checks and balances for the sector to function freely and effectively. It is no surprise therefore that some theorists call for a project-cycle approach to averting corruption as well as a stakeholder analysis that focuses on prevention and deterrence in key areas. Manuhwa & Stansbury (2015: 3) propose that “corruption vulnerability in infrastructure provision should be evaluated from the early stages of project identification and design, through pre-qualification and tender, construction and operation stages all the way to commissioning and maintenance”. They also argue that a stakeholder analysis is critical and that it must involve multi and bi-lateral stakeholders, export credit agencies (ECAs) and commercial banks, national governments, NGOs, Civil Society and the Media. Some construction sector theorists refer to the project-cycle approach as public investment management (PIM) system (Wells 2015), focusing on the key steps in project preparation (appraisal, selection, design and budgeting), as a framework for evaluating corruption risks at subsequent stages of the construction projects. It is noted that these key steps are absent or missing in low income countries and that failures in project preparation open risks of corruption at later stages in the project cycle. Between 2008 and 2011 the pilot of the Construction Sector Transparency (CoST) initiative was undertaken with eight countries viz. Ethiopia, Guatemala, Malawi, Philippines, Tanzania, Vietnam, Zambia, and the UK. CoST now has 15 programmes of this nature and has successfully lobbied some countries to impose mandatory disclosure through legislation, the most recent case being Malawi. These volunteered public disclosures of information on various construction projects. Both the CoST initiative and PIM are driven by the values and spirit of ‘transparency’, a term that is frequently evoked in Anti-Corruption discourse but needs unpacking.

Transparency, according to the UK Anti-Corruption Forum, is ‘disclosure’ of information to the public. It states:

“The public has a right to disclosure of information in respect of projects which the taxpayer is to own, finance or guarantee. Greater disclosure of project information is necessary to help reduce corruption. Disclosure would make it more difficult to conceal corruption, and would therefore help both to prevent corruption and to uncover corrupt practices. In addition, greater willingness by the public sector to provide transparency

would increase public confidence in the integrity of the public sector” (UK Anti-Corruption Forum 2008).

Disclosure should also happen at every stage of the construction project process. Maketo (2007) outlines some of the phases of the public procurement process as beginning with corrupt consultancy that proceeds by giving flawed or biased recommendations. Then there is non-or poor evaluation of the project, corrupt design of the tender to match a supplier’s capability, submission of a corrupt tender with hidden exclusion of non-avoidable costs and charges required to be included in the conditions of the tender and lastly, corrupt adjudication of tenders, including technical and financial appraisals.

Disclosure is consistent with the main benchmarks in construction practice which are encapsulated in the Open Contracting Principles (OCPs) that are informed by, among other things, Public Procurement Best Practices (PPBP), Benchmarking Public Procurement (BPP) and e-Procurement. OCP is not only concerned with ‘disclosure and participation’, but ‘making contracting more competitive and fair’, as well as giving prominence to the ‘supervisory role of civil society’ (Horowitz 2016). This is basically a World Bank framework that calls for a legal and regulatory framework that advances the view that clearly established ground rules constitute a good start for building a system which achieves free and open contracting.

It gives primacy to e-procurement or the digitisation of the procurement process with the belief that by removing the ‘human element’ from the process it can minimise corruption. Principle 4 of the OCP, for instance, declares that:

Governments shall develop systems to collect, manage, simplify and publish contracting data regarding the formation, award, execution, performance and completion of public contracts in an open and structured format, in accordance with the Open Contracting Data Standard as they are developed, in a user-friendly and searchable manner. (Horowitz 2016: 6).

However, the low level of online availability of public procurement documents in low income countries makes it hardly possible to eliminate corruption at any level of the project cycle. In any

case, the poor internet networks and low bandwidth levels in developing countries minimise the efficiency of e-procurement in eliminating corruption in the construction sector.

The CoST approach is inspired by the Theory of Change (ToC) which maps the causal links between interventions and outputs and shows how these contribute to *evidence based, measured outcomes and impacts*. It expresses how a desired goal is expected to happen in a context by ‘filling in’ the so-called ‘missing middle’ between a programme’s activities or interventions to achieve change and how these lead to goals being achieved. It starts with identifying long term goals and then works back from these to identify the conditions necessary (or outcomes), and how they relate to each other causally for the goals to take place. The resultant map is then called an ‘Outcomes Framework’, which becomes the basis for understanding the relevant activities or interventions that would lead to outcomes identified as pre-conditions for achieving the long-term goal.

CoST’s interpretation of the ToC assumes that the political economy in any setting must be conducive to increasing transparency and accountability, with adequate space for civil society and industry participation and sufficient government capacity to respond to stakeholder demands. So, its broad goals are first; to make transparency and accountability in public infrastructure the norm and secondly to strengthen on the ground implementation to help maximise impact. It emphasises four core features in its approach to achieve change namely; ‘Disclosure’; that is publication of data on infrastructure projects at every stage; ‘Assurance’ which is an independent review that highlights the accuracy and completeness of disclosed data while identifying issues of concern to the public, then ‘Multi-Stakeholder Working’ that brings in all stakeholders, government, private enterprise, civil society etc. to the common goal of achieving transparency and accountability in the infrastructure sector. Lastly, ‘Social Accountability’ where the disclosed data and assurance reports are taken up by the stakeholders and used to strengthen accountability and deliver practical improvements according to CoST (2017:1).

This study makes several references to the political economies of both Zambia and Zimbabwe with a view to measure their capacity to facilitate a culture of transparency and accountability and comes up with an index explaining the same. A set of recommendations are made along the lines of both the PIM and CoST initiatives based on ToC principles to habituate this culture as a norm. The study however goes beyond simply producing a perceptive index but draws its recommendations from experience based data obtained from the field survey. A lot of attention was paid to the regulatory environment in which infrastructure projects operate in the pilot countries. It is often believed that in countries where there is predominantly weak rule of law and institutions, combined with poor governance and enforcement, there is a higher margin of non-compliance or violations of the public procurement processes (Horowitz, 2016:4). Yet at the same time it is possible to measure the rule of law itself and its impact on the construction industry. Most indices do not measure or evaluate the institutional means of the rule of law such as the legal and regulatory frameworks but the outcomes such as respect for fundamental rights, absence of corruption, and delivery of justice. Inputs such as the number of courts, the number of police officers, and the judicial budget are not assessed. The *World Justice Project Rule of Law Index* is one such index that uses a bottom up approach to assess a nation's adherence to the rule of law. Its focus is on practical outcomes, such as whether people have access to the courts or whether crime is effectively controlled. In as far as measuring the absence of corruption is concerned, such outcome based indices see corruption as a manifestation of the extent to which government officials abuse their power or fulfil their obligations under the law (Botero & Ponce 2010). In this index, Zambia ranks in the lower half of lower middle income countries in most aspects of the rule of law where it is recorded as having good checks on government power although its legislature and judiciary are vulnerable to government interference. Protection of fundamental rights, including freedom of speech and assembly, is very weak. Zambia ranks low on corruption in the Southern African region. Zimbabwe is amongst the weakest performers worldwide in most dimensions of the rule of law. Checks on government power are extremely weak, ranking 96th. The Rule of Law index states that "the country fails to protect fundamental rights, including freedom of speech, assembly and association. It further states that, corruption is pervasive and voting irregularities are rampant. Zimbabwe's best performance is in the dimension of delivery of criminal justice, despite severe violations of due process of law and the rights of the accused (Index 2012-13: 53-54).

This pilot project has observed that over and above the measurable outcomes and the creation of an appropriate environment to arrest corruption in the construction sector, there is need for an operational standard. In 2013, ISO decided to develop and publish an international anti-bribery management systems standard which would be internationally applicable in public procurement processes. The standard, which is numbered ISO 37001, has been developed by an ISO Project Committee which is led by BSI, the UK's national standards agency. Interestingly, the WFEO CAC was a strong supporter of the development of the ISO 37001 standard and participated as one of the liaison organizations in its development. The Committee (WFEO CAC) seconded Kamel Ayadi, the past chair of WFEO – CAC and past president of WFEO, to represent the CAC. The other Liaison organisations were ASIS, European Construction Industry Federation (FIEC), Independent International Organization for Certification (IIOC), International Federation of Consulting Engineers (FIDIC), IQNet, Organization for Economic Co-operation and Development (OECD), and TI (ISO, 2016).

This standard guidance and requirement standard would support best practices in the construction sector by:

- providing assurance to stakeholders and shareholders of an organisation that their organisation has implemented good practice anti-bribery controls.
- making it possible for a developer or project funder to request ISO 37001 certification from contractors, suppliers and consultants as proof that they have implemented anti-bribery controls in their organisations.
- making certification to ISO 37001 part of their supply chain approval process

ISO correctly observed that:

Bribery is one of the world's most destructive and challenging issues. With over US\$ 1 trillion paid in bribes each year, the consequences are catastrophic, reducing quality of life, increasing poverty and eroding public trust. Yet despite efforts on national and international levels to tackle bribery, it remains a significant issue. Recognizing this, ISO is currently developing a new standard to help organizations fight bribery and promote an ethical business culture. (ISO, 2016)

ISO 37001 was published on 15 October 2016 as a requirement and “mandatory”, anti-bribery management system which specifies a series of measures to help organisations prevent, detect and address bribery. The measures include “adopting an anti-bribery policy, appointing a person to oversee anti-bribery compliance, training, risk assessments and due diligence on projects and business associates, implementing financial and commercial controls, and instituting reporting and investigation procedures” (GIACC, 2016). However, ISO 37001 is applicable only to bribery. It is not applicable to other criminal offences such as fraud, anti-trust/competition offences, and money laundering, although the organisation may choose to extend the scope of its anti-bribery programme to include these other offences (GIACC 2013).

2.3 Empirical Review of Literature

There is extant literature on the practical experience of corruption in individual countries which speaks to the theoretical matters already raised with regards to transparency and the impact of the rule of law and governance on corruption in the construction sector. There is a distinction between the literature that focuses on addressing ‘institutional’ weaknesses and improving governance to deliver better development outcomes and that which seeks to identify specific “Anti-Corruption” measures.

There is a difference between corruption, or corruption induced failure to execute a project and mismanagement, although both can have the same consequences (Wells 2015). A study by Chiocha (2009: 143) on corruption in the construction sector in Malawi established several individual induced institutional weaknesses and came up with a ranking system that revealed that public works officials were, in fact the most corrupt, followed by building and civil engineering contractors, professional consultants, developers and least in the corruption ladder were bankers and home owners. In Tanzania corruption is a key aspect of government failure and goes hand in hand with project mismanagement. This has manifested itself in high project costs. Corruption in the roads infrastructure sector in Tanzania takes three main forms; extension of time, cost overruns and poor quality control of infrastructural projects. A survey of corruption in the roads infrastructure in Tanzania has shown that of the 27 projects done between 2009 and 2013 there is a consistent pattern in which the amount spent was considerably more than the designated budget. There was financial indiscipline resulting in a cost overrun averaging 134% (IT Transport

2014:21). Despite Tanzania's elaborate Anti-Corruption framework, the same bidders in the roads and transport infrastructure sector win contracts repeatedly which is proof that there is no fairness in the tender award process. Both petty and grand corruption exist in this sector with the former prevalent in the smaller contracts for minor works involving local government authorities and the latter in the larger contracts for works and consultancy services executed by the central government through TANROADS and the Ministry of Works.

The Tanzanian government regulates the market participants in the construction sector through Acts of Parliament governing construction in general, engineers, architects and quantity surveyors which in turn facilitates the establishment of councils and boards of the same entities that serve to register, monitor and promote development in the construction sector. However, despite presence of all these measures, Tanzania has witnessed a strong element of 'accommodating' contractors and 'compliant' consultants in the practice of public contracting in the road infrastructure sector. It has often been argued that the first step towards fighting corruption is identifying it, but in Tanzania the situation is complicated by the high incidence of collusion between parties bidding for contracts in the construction sector. Collusion itself is difficult to classify as corruption because it involves agreeing with other bidders who will win the contract instead. So indeed, clear distinctions need to be made between indicators of corruption, mismanagement and activities that facilitate corruption in the construction industry.

In Angola, the nature of corruption is different. Government has been at the centre of corrupt public practice in the oil infrastructure sector. According to McMillan (2005) government's lack of transparency was caused by the twin factors of abundant oil resources and weak local institutions. In his logic, there is a chain of causality; resource abundance leads to institutions being of low quality; in turn, the inadequacy of the institutions leads to economic growth being low. Throughout Angola's decades-long civil war between 1975 and 2002, government corruption had proceeded in the oil industry sector through high signature bonuses and low royalty rates for international oil companies which worked to the benefit of the government but to the cost of the nation (McMillan 2005:6). In all this the oil companies were complicit and this helped to fuel the civil war. However,

in 1999, three years before the end of the Civil War, Angolan civil society and international NGOs embarked on a vigorous campaign known as the ‘publish-what you-pay campaign’ and successfully lobbied multinational and other oil companies dealing with the Angolan government to act, saying, “Collectively, these corporations are well placed to use their influence” with the government and its business partners to persuade them to deliver social services, to observe human rights, and “to be transparent in their finances.” The initial response of the Angolan government to the campaign was harsh. In July 2002, the Angolan government passed a law on State Secrecy criminalising the release of information it regarded as damaging. It also tried to censor international news stories that exposed corruption. The law targeted the ‘publish-what-you-pay campaign’, providing for the prosecution of the multinational oil companies if they released data on their transactions in Angola. However, although the passing of this law seemed to point to the government as becoming even more repressive, it in fact marked a turning point, for over the next two years the government started to make itself more open and transparent, including taking steps to facilitate multi-party elections. In as far as corruption is concerned, the Angolan case illustrates vividly the adage that ‘institutions matter’.

In South Africa corruption, the discourse oscillates around the theory of state capture; that it is not the government as such that facilitates corruption but that corruption thrives when key individuals within government become active agents of the corrupt machinations of syndicates or monopoly capital and in turn undermine the rule of law. In 2003, a case of corruption was proven by a Durban court against the then Vice President Jacob Zuma acting in collusion with his associate Shabir Shaikh. Slowly, this dragged in the ANC ruling party, particularly its youth wing that argued that Zuma was being victimised by the then president of the ANC and his political rival Thabo Mbeki as well as former apartheid judges that presided over the case at various levels. Subsequently the investigation into the relationship between Zuma and Shaikh ended up involving several institutions from: The South African National Prosecuting Authority, two divisions of the High Court, the Public Protector, a parliamentary portfolio committee, a commission of inquiry appointed by the President, the President himself and the Deputy President. Although no prosecution took place eventually, human rights organisations lauded the ‘Zuma Affair’ case as

having at least had the positive effect of testing the robustness of South Africa's state institutions and the impartiality of the officials who serve in them (AfriMap & OSISA 2005:14).

Still, however, this did not demonstrate the ability of these institutions to curb corruption, especially in a country that experienced a sharp rise in the number of infrastructural development projects following its win for the bid to host the 2010 Soccer World Cup. According to Bowen, Edwards & Cattell (2012: 888-9), corruption cases involving bid-rigging and anti-competitive conduct in the construction sector in South Africa rose significantly and fears increased, especially following the passing of the Protection of the State Information Bill without a 'Public Interest' defence clause. This meant that public officials engaging in corruption and malpractice could 'classify' such information as 'national interest' and thus prevent its disclosure to the public. Disclosure of such information in defiance of the law would be criminalized. This study discovered that corruption was 'rationalised' in South African construction projects based on two main reasons unique to the South African context, namely that certain tender criteria were aimed at advancing Black Economic Empowerment (BEE) and that corruption and favouritism could be justified as a necessary redress for the disadvantages and discrimination practiced by the apartheid regime.

Nigeria happens to have well-developed institutions and a full body of Anti-Corruption laws, including the draconian Economic and Financial Crimes Commission (Establishment) Act of 2002 yet it also has the highest level of corruption. It has been suggested that this is the case because Nigeria is a mineral and extractive industry-rich country and that there was much more "corrupt money" to go around (Horowitz 2016). More recent actors in the construction sector in Africa are Chinese companies; they offer cheaper services and sometimes come in with large funding and export guarantee packages, a long-term commitment to infrastructure development, very high level political representation, even to the level of Heads of State. This may allow illegitimate means (such as bribery) to promote projects for private gain. For example, corruption can occur where bilateral funding is available for construction and projects are prioritised by the construction companies themselves like the case in Angola, where the Chinese Ministry of Foreign and

Commercial Affairs (MOFCOM) has in the past put forward its own suggestions for investment (Campos and Vines 2008).

In brief, the presence of Anti-Corruption laws does not guarantee their implementation to ensure checks and balances that curb corruption in its various forms in the construction sector in Africa. Studies and analysis of corruption should endeavour to juxtapose the occurrence of corruption with the capacity of countries to practice the rule of law which creates the enabling environment to foster corruption deterrence.

2.4 Chapter Summary

The chapter explored the available literature on the various theories of corruption as well the practical experience of corruption in the construction sector in Africa and the world in general. It considered the various indices used to measure corruption and the rule of law. The essential implementation of International Standards (ISO) recommendations were explored in so far as they give impetus to the strategic management of the risk of corruption in the construction and built environment sector.

CHAPTER THREE

3 RESEARCH METHODOLOGY

3.1 Introduction

The first part of this chapter presents the methodological issues or the general approach that was used for the present study for both Zambia and Zimbabwe as directly informed by the proposal. The proposal clearly stated that the project methodology implementation will be by way of surveys, interviews and background reviews of literature and that the findings will be delivered in workshops, publications and conferences organised by WFEO, FAEO and relevant PEIs.

The findings will detail corruption in the infrastructure development sector in terms of perceptions, extent, severity, suggested mitigation measures and many other issues as they emerge from the data. Accordingly, the second part of this chapter articulates the research method or technique that was used in this study in terms of the instruments, sample, data preparation, and data analysis and presentation.

Validity and reliability issues for both quantitative and qualitative research designs relating to this study are also discussed. The chapter ends by presenting a discussion on the study's ethical considerations and summarises the observations noted from the pilot study that could be considered in the main research project protocol before the roll out.

3.2 Methodology

3.2.1 A mixed-methods approach

The data collection was characterized by a balance between qualitative methods and quantitative survey research, in addition to secondary data. Qualitative methods enable researchers to investigate phenomena through interactive and empathetic methods, in-depth interviews with key individuals and focus group discussions with different groups as well as field observations. In contrast, quantitative methods seek to establish conditions of objectivity by eliciting quantifiable responses through structured questions.

The mixed approach was meant to triangulate the data to gather deep understanding of the views of a range of stakeholders regarding corruption in construction and engineering in Sub Saharan Africa. The study aimed at reaching a nuanced understanding of the issues involved, using a qualitative approach characterized by in-depth interviews. There are other aspects of the study that required a more quantitative approach, for example, to establish the feasibility of a preliminary/prototype panel data-set of indicators (Construction Anti-Corruption Index) allowing the tracing of corruption levels over time by country and region through identifying new indicators documented in the project with established, perception-based ones. Closed questions, the responses to which were quantified, were included in the two quantitative fieldwork instruments.

The qualitative component predominantly (but not exclusively) deepened our understanding of the causes of corruption in construction and engineering in Sub Saharan Africa (SSA) while the quantitative approach predominantly (but again not exclusively) generated objective evidence related to the same. A synthesis of data from both approaches generated a rich and detailed understanding of the determinants (both facilitators and barriers) of corruption in construction and engineering in Sub Saharan Africa that are needed to equip stakeholders in infrastructure development (through WFEO) with the tools to detect, deter, and develop Anti-Corruption tools to reduce corruption, and to channel development funds and aid into its rightful use. The data also provides evidence based knowledge on how corruption can be curbed in SSA and elsewhere through achieving zero tolerance to corruption, hence increasing the rate of development for SSA.

3.3 The method

3.3.1 The instruments

The instruments were provided by WFEO. The study used three instruments namely; Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire, The Infrastructure Anti-Corruption Index Survey questionnaire and the Infrastructure Anti-Corruption Index Structured Interview Guide to fulfil the terms of reference as also captured in the proposal of the study. The instruments aligned very well with the research project objectives that were derived

from the overall study aim which accurately links with the title to ensure logical conclusions from the data.

3.3.1.1 The qualitative Anti-Corruption Index Structured Interview Guide:

This instrument examined the conceptualization of corruption, its causes and costs and why it should be avoided. The guide also elicits data on the nature, extent and impact of corruption. Participants were also interviewed on facilitators, barriers and possible solutions to corruption in the construction and engineering sector.

3.3.1.2 The Infrastructure Anti-Corruption Index Survey questionnaire:

This instrument was administered online through the Survey Monkey Links and gathered data on demographics, including the nature of organizations, level and tenure of employment of the respondents. It also triangulated data gathered by the qualitative Anti-Corruption Index Structured Interview Guide on knowledge, beliefs and perceptions of corruption in the Construction and Engineering Sector.

3.3.1.3 Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire:

The questionnaire was partly self-administered and partly responded to through the Survey Monkey online links and had many sections that collected data on the following:

- The extent of adverse influence which is intended to benefit a minister, politician, public official, political party, or a favoured bidder (rather than the public), on the selection, design, award and execution of public sector construction projects, for example, because of the payment of a bribe, or to extort a bribe, or about a vested interest.
- The effectiveness of measures which are in place during the project lifecycle which can help to prevent corruption.
- The extent to which the public-sector project owner and relevant private sector organizations have put in place Anti-Corruption management systems designed to prevent corruption within their own organisations.
- The effectiveness of measures which are in place which can help prevent corruption in relation to the granting of consents and permits.

- The effectiveness of measures which are in place in relation to preventing extortion or threats by police or gangs
- The extent to which Anti-Corruption leadership is provided by professional engineering institutions and by business associations
- The effectiveness of measures which are in place to uphold the rule of law, including investigation, prosecution and the court system.
- How free the press is from government control, and how willing the press would be to report on alleged corruption by ministers, political parties, public officials and powerful businessmen.

3.4 The Sample

The professional bodies in the infrastructure sector in both Zambia and Zimbabwe provided the list of respondents from which a random selection of 297 participants were drawn and responded to the self-administered Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire while 96 responded to the Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire online through the Survey Monkey sites. Fifty-six key informants, who were mainly senior managers and chief executive officers and directors from the public sector, private sector, civic organizations and regional/international organizations responded to the interview guide. Their profiles are summarized in the Demographics section of the results. Overall, 459 respondents out of the expected 380 took part in the survey, representing a response rate of 120%.

Table 3.1 shows the survey sample distribution of both countries.

TABLE 3-1: SURVEY SAMPLE AND RESPONSE RATE

INSTRUMENT		Sample (No of selected Respondents)	(No of Respondents)	Response Rate (%)
Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire	Zambia	100	112	112.0
	Zimbabwe	100	185	181.0
The Infrastructure Anti- Corruption Index Survey questionnaire	Zambia	60	28	4.6.7
	Zimbabwe	60	68	113.3
Infrastructure Anti-Corruption Index Structured Interview Guide	Zambia	30	30	100.0
	Zimbabwe	30	36	86.7
TOTAL		380	459	120.8

3.5 Profiles of Survey Respondents

Profiles of the study respondents are important in interpreting the findings. These are summarized in Figures 3.1, 3.2, and 3.3.

3.5.1 Organisation Respondent Worked for:

Out of a total of 459 respondents who took part in the survey in both countries most of the respondents were working for the private sector organizations, followed by those employed by the Governments of the two countries. Others were working for regional or international organizations, while the remainder were drawn from the civil societies in Zimbabwe. Figure 3.1 illustrates the distribution. The lower number of participants responding to the survey was attributed to bureaucratic procedures one must go through before authorisation to conduct a research in Government institutions. Due to time constraints, very few managed to get clearance to participate in the study.

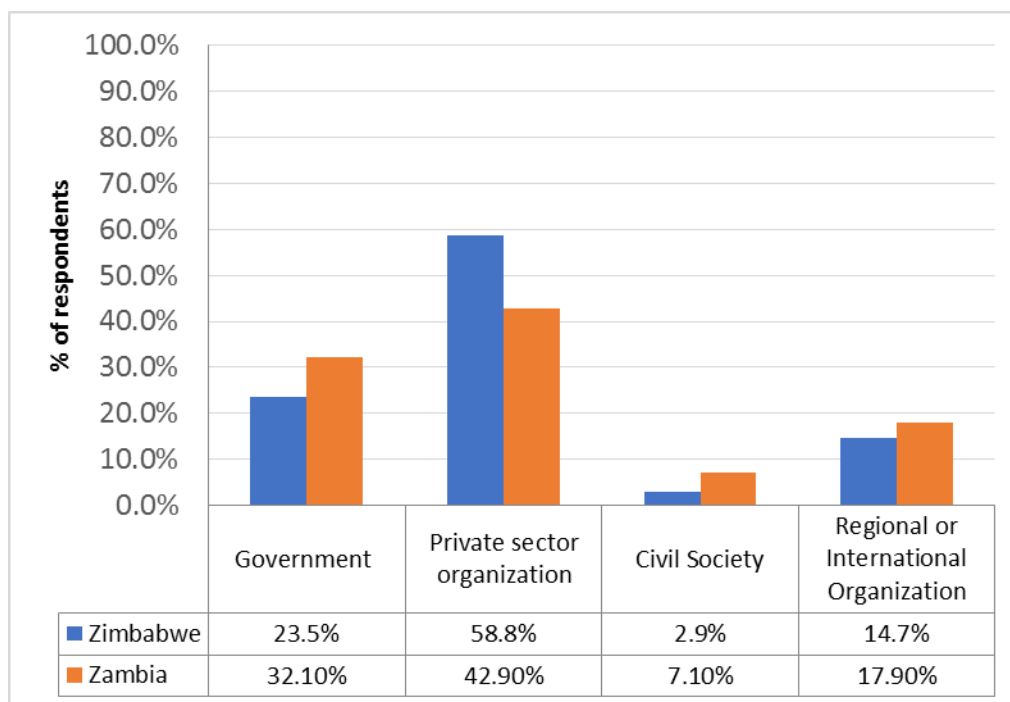


Figure 3-1: Distribution of Public Officials Staff Organization Respondent worked for

Most of the respondents in both countries had worked for or been associated with the organization for a period of 5 years or more with only 7.4% having worked for less than one year.

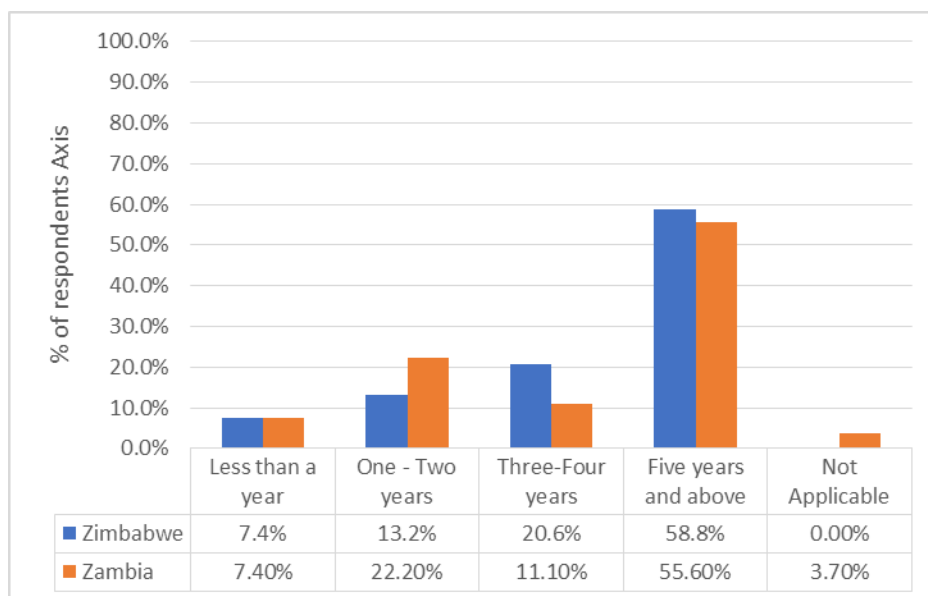


Figure 3-2: Distribution of Public Officials by Tenure

In terms of positions of authority in the company or organization, most respondents from both countries were middle managers, followed by non-managerial staff and those in senior management positions and very few were executive managers.

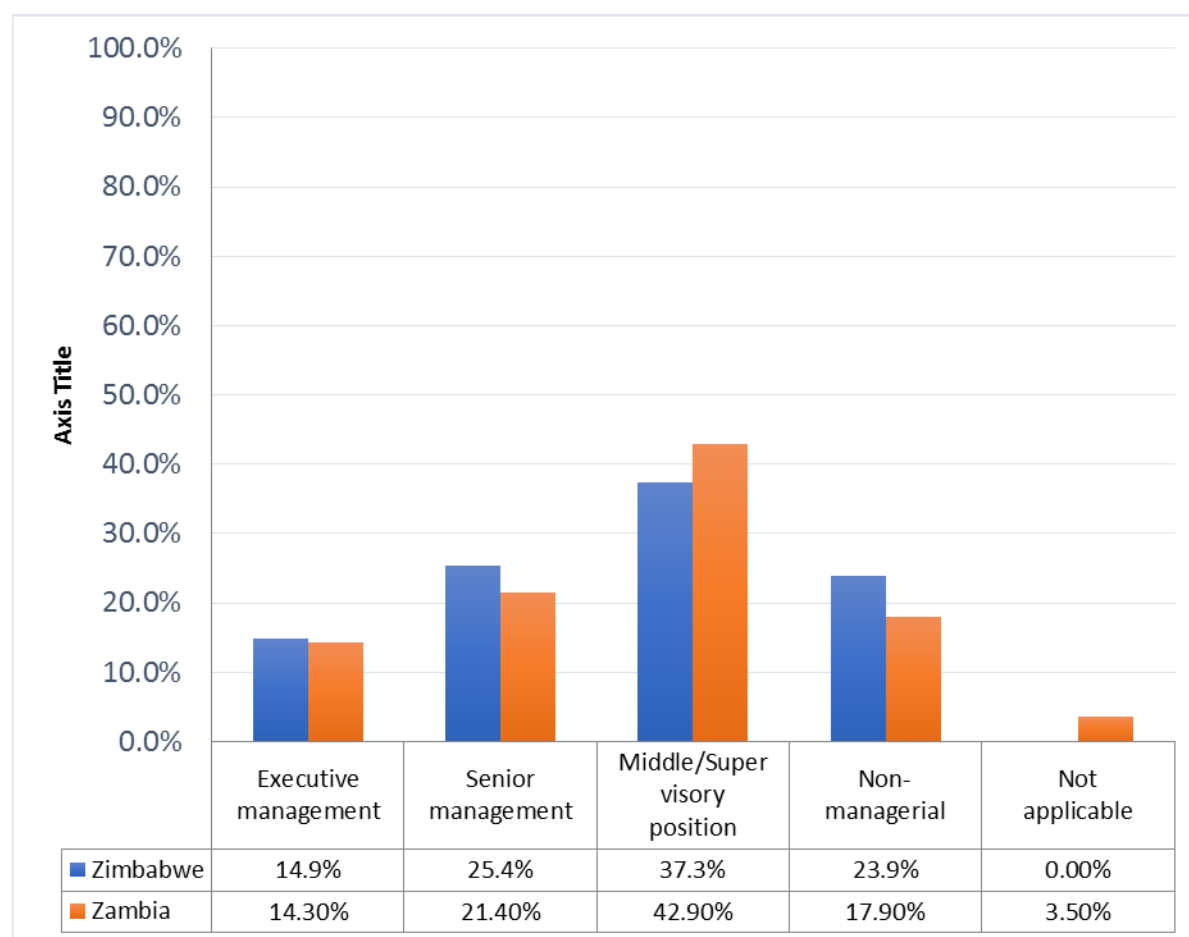


Figure 3-3: Distribution of Public Officials by level of Position in the Organization

3.6 Procedure

Permits to conduct the survey in both Zambia and Zimbabwe were granted by the professional bodies in the infrastructure sector in the respective countries. Research assistants were trained to assist the respondents with instructions to accurately complete the questionnaires and to conduct interviews. The field work was conducted in two weeks, from 22/05/2017 to 04/06/2017, starting with the training of trainers. The training focused on the standardization of the three instruments (the two questionnaires and the interview guide), interview introduction, interviewing techniques (including an initial phase of cognitive interviewing) and ethical conduct. Probing was highly

emphasized. The training also included identification of item/question ambiguities (if present). These were done through cognitive interviewing among team members, including analysis of mock interviews. The process found out that some questions in the interview guide were of the “YES” or “NO”, “AGREE” or “DISAGREE” or simple rating responses. These questions were adjusted to probe respondents by asking “why” or “explain your answer.” This requirement was also extended to the quantitative instruments. Some repetitive items in the instrument were deleted, e.g., questions 9 and 10 (interview guide) which asked the same question “To what extent do you perceive the following areas or institutions in Zambia/Zimbabwe to be affected by corruption?” Wording for some questions was changed to improve their accuracy.

Fifty-six structured in-depth key informant interviews were conducted with stakeholders who included senior managers and chief executive officers and directors from public sector, private sector, civic organizations and regional/international organizations; thirty in Zambia and twenty-six in Zimbabwe. Two survey instruments (the survey monkey questionnaire and a self-administered questionnaire) were used to gather quantitative data. Data from the self-administered questionnaires were uploaded to the survey monkey links that automatically transferred the data to the Statistical Package for Social Sciences (SPSS). The rest of the quantitative data was collected online through the Survey Monkey links. Development of computer based data entry templates and a mobile application was achieved by developing data capture templates, including the field pre-coding systems that were put in place in advance of the field survey work. Secondary data was collected from public records and statistics, historical documents and other sources of published information. Great care was taken to ensure that the sources were scholarly and credible. Secondary data also was checked for reliability, suitability, and adequacy.

For the Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire, questionnaires were dispatched to participants and collected after completion. The data was entered onto the Survey monkey links. Each of the 100 participants completed the index by considering each question, and selecting the coloured boxes that most closely reflected that person’s view on the question. The scores obtained from the appropriate coloured boxes were recorded in the right hand “Score” columns for each question. Upon completion of all questions,

the cumulative scores in the “Score” columns were computed. The larger the number of people who completed the index, the more representative and accurate the sample became.

3.7 Data preparation and analysis

3.7.1 Quantitative data

Quantitative data were analysed as descriptive, percentages and inferential statistical tests. Descriptive information was presented as graphs and frequency tables. The overall corruption index score for both countries, Zambia and Zimbabwe, was computed using the Survey Monkey. The scale ranged from 0% to 100% with 0% indicating the highest prevalence of corruption and 100% representing a corruption free environment. The corruption indices for the various sections of questionnaire: adverse influence, tendering for public sector projects, execution of public sector projects, Anti-Corruption management systems, threats/extortions, Anti-Corruption leadership by professional institutions and business associations, rule of law and the press were also computed and presented graphically. Data were electronically exported from the Survey Monkey to SPSS where the *Chi-square*-test for independence was used to test whether any significant differences existed between tenure and sector with regards to perception of corruption. Data were also analysed to determine if any significant relationships exist within or between different groups of respondents and drawing inferences and conclusions on the state, nature and characteristics of corruption in the infrastructure sector.

3.7.2 Qualitative data

Qualitative data were analysed primarily using the content and narrative analysis approaches. Responses to every question in the interview guide were categorized and later classified, summarized and tabulated. The content was analysed at descriptive and interpretive levels to give specific meaning to the data. Memoranda and annotations helped to develop emergent themes that revealed thematic relatedness and links. Further refinement of emergent themes resulted in development of super-ordinate themes. The themes were then extracted and in some cases the exact words said by the respondents were quoted. Since every interview/observation has a narrative aspect to it, the analysis entailed sorting, reflecting upon, enhancing and, in some cases, presenting them in a revised form. In questions where the person was asked “do you agree that?”

(q4, q5 & q6) and “to what extent do you perceive the following institutions to be corrupt from a scale 1 (not at all) and 5 (extreme corruption)?”, using The Likert Scale, the responses were quantified by tallying and were presented graphically and at times in tabular form. Figure illustrations, tables and graphs were created using headings from thematic issues directly derived from the questions.

Responses from the open-ended questions of the structured questionnaire were exported from the Survey Monkey to SPSS. Frequencies were run and emerging themes (from the added requirement of participants explaining their responses to the questionnaire) were extracted from every question. Then patterns, associations, and concepts in the data were identified, narrated and explanations provided in line with the research objectives, complementing findings from the interview guide. Effort was made to provide the qualitative data the same display and analysis tools available to quantitative data researchers. Emphasis was placed on focusing and ordering functions of displays and then narrating the responses. Following Miles and Huberman's advice, effort was made to preserve meaning whilst at the same time reducing and ordering the narrative data.

3.8 Validity and Reliability

3.8.1 Cognitive interviewing Approach

The cognitive interviewing approach was used to evaluate sources of response error in the study instruments. This part of the pilot mainly focused on the instruments rather than the entire fieldwork administration process. Explicit focus was on the mental/cognitive processes (which are normally hidden) that respondents use to answer research questions. The researchers also made observations and took note. It is worth noting that the researchers recognize that they cannot know everything that happens in a respondent's mind when answering questions; cognitive interviewing is rather used to prompt the respondent to give out information that provides clues for probing leading to the *think “aloud and verbal probing”* interviews. Consistency in the ways questions were interpreted in this pilot study indicates high levels of reliability and validity of the instruments.

Cognitive interviewing (Willis, 1994) was done to the questions to specifically test for comprehension of questions, retrieval of relevant information from memory, decision processes, and response processes. Comprehension of question; the pilot interviewers checked for ***Question intent*** that checked for what the respondent understands the question to be asking and ***Meaning of terms*** that looked for what specific words and phrases in the question meant to the respondent. Retrieval of relevant information from memory was checked for ***Recallability of information*** that focused on the types of information the respondent needed to recall answering the question and ***Recall strategy*** focusing on the types of strategies used to retrieve information.

The decision processes were examined for the ***Motivation*** checking on whether the respondent devoted sufficient mental effort to answer the question accurately and thoughtfully. ***Sensitivity and Social desirability*** to check if the respondent wanted to tell us the truth or does he/she say something they think is socially desirable and makes them look “better” was being observed all the time.

The response processes were also examined by focusing attention on the respondent’s ***Mapping of the response***, in other words, “can the respondent match his/her internally generated answer to the response categories given by the survey question”? As already indicated, consistency in the ways questions were interpreted in this pilot study indicates high levels of reliability and validity of the instruments.

3.9 Quantitative Instruments

The same quantitative instruments were used in Zambia and Zimbabwe. The example below demonstrates the reliability of the questionnaires used.

Table 3-2: An Example of the Reliability Statistics (Zimbabwe questionnaires).

Instrument	Cronbach's Alpha	N of Items
The Infrastructure Anti-Corruption Index Survey questionnaire	0.705	19
Diagnostic and Structured Infrastructure Anti-Corruption Index Survey Questionnaire	0.923	50

Cronbach Alpha was employed to test for the reliability of the two questionnaires: Results confirmed that both questionnaires were reliable instruments in developing a composite infrastructure index for Zimbabwe (The same applies for Zambia). Their reliability coefficients were computed as 0.923 and 0.735; these magnitudes are far greater than the minimum acceptable reliability value of 0.7, which renders the questionnaire usable (Cronbach 1958) (See Table 3.2). If data are valid, they must be reliable.

3.10 Qualitative instrument (Trustworthiness)

Validity and reliability are constructs mostly peculiar to quantitative methods. Trustworthiness, however, was ensured to match these constructs. Credibility was used to match internal validity; transferability to match external validity; dependability to match reliability and conformability for objectivity. These four constructs demonstrated trustworthiness (Guba & Lincoln 1995).

Credibility is the extent to which the researcher captures and represents the reality of how things really are from the participants' standpoints. This was achieved through establishing rapport and a close relationship, especially through visits to the participants' work environments and settings. This provided a very rich context and a grounded basis for hermeneutics for both empathy and suspicion. Member checking was also used during the interviews. It helped to check data accuracy right at the time it was given. Repeating the respondent's response for them to confirm was also used.

Transferability was achieved by vivid description of the methodology and the data analysis process. Thematic content analysis was the method used for data analysis to ensure methodological rigor.

If **Dependability** had it been a quantitative instrument, reliability would ensure repeatability, however in practice, demonstration of credibility largely ensures dependability. In this study, dependability was achieved through identification of ordinate and superordinate themes through thematic content analysis.

Conformability was achieved through an accurate exposure to the perceptions of the participants. These can also be found in the memoranda, annotations, relationships and classifications that provide, and stand as an audit trail to the whole process of how themes were extracted and how the interpretations were made.

3.11 Ethical considerations

The respondents (policy makers, engineers, architects and other built environment professionals and the public) participated on a voluntary basis and consequently not all prospective respondents responded to the questionnaires and interviews, but only those who were willing. Participants were informed of the purpose of the study, that their names and organizations were anonymous and that whatever they said in the interview was confidential. Factors that related to respect for autonomy (recognising the rights of individuals to self-determination), beneficence (having the welfare of individual as a goal) and non-maleficence (doing no harm to participants) and justice (moral rightness), were strictly observed. The participants were free to decline to participate and to withdraw from the research at any stage of the research without any loss of benefits. The researcher's contact details were provided in case participants had questions about the research later. The participants were also assured of confidentiality.

3.12 Methodological issues from the pilot (limitations).

Stakeholder consultations were through individual meetings/discussions with selected stakeholders in community, government ministries, regulatory boards, professional and trade

associations. Furthermore, consultations were conducted through workshops where the participants would break into thematic groups for discussions that would be presented in plenary sessions for further comments and possible subsequent discussions as originally proposed could yield additional rich data. This was particularly important for collecting qualitative inter-subjective data from stakeholders to complement subjective data collected through in-depth interviews in the absence of focus group discussions. This additional qualitative data collection procedure is recommended for consideration in the main research study.

No challenges were observed with; the self-administered questionnaires, both manually administered and the online version, in terms of understanding by the respondents. However, most respondents felt that all the three instruments the Diagnostic and Infrastructure Anti-Corruption Index Survey Questionnaire with 50 questions, Infrastructure Anti-Corruption Index Survey questionnaire with its open-ended questions and the interview guide were too long.

Some key informants were reportedly uncomfortable and nervous when the term anticorruption was mentioned when respondents introduced themselves and highlighted the objective of the interview. Consequently, more information emanated from the online open-ended responses compared to the face to face interviews as interviewees were more comfortable narrating their lived experiences alone. For future research, most data gathered from questionnaires should be collected via the Survey Monkey and manual collection should be only done to cover a select sample of key informants. The pilot project revealed that the Survey Monkey is more effective and less expensive than manually distributing the questionnaires.

3.13 How Limitations of the Study were Overcome

The researcher had to overcome the challenge of obtaining unqualified data using a structured questionnaire by making use of interviews. Using interviews, some unclear situations were clearly defined and an in-depth analysis of the problem and possible solutions were obtained.

3.14 Chapter Summary

The chapter summarized the methodological issues before presenting a detailed description of the design and the actual method used in the present study for both Zambia and Zimbabwe. The description of the actual method consists of the structure and design of the instruments, the sampling procedure, sample size and profile as well as data collection and analysis for both qualitative and quantitative data. Validity and reliability issues related to this study, including cognitive interviewing, were also discussed. The chapter ends by highlighting ethical issues that were considered in carrying out this pilot study, before summarizing observations from the pilot that are recommended for consideration in the main study.

CHAPTER FOUR

4 RESEARCH FINDINGS AND ANALYSIS

4.1 Introduction

This chapter presents the analysis, interpretation and discussion of the results of the baseline infrastructure Anti-Corruption survey which was carried out in Zambia and Zimbabwe. Section I discusses the Zambian results and Section II the Zimbabwean side. The survey was a pilot project which was awarded a grant by the Royal Academy of Engineering (UK). As outlined in the methodological section of the study, raw data was gathered through two questionnaires and analysed using the Survey Monkey method and Statistical Package for Social Sciences (SPSS version 21). Thematic content analysis was employed for analysing data from interviews and open-ended questions. Quantitative data is presented as frequency tables, graphs and figure illustrations.

TABLE 4-1: RESPONSE RATE OF ZAMBIA AND ZIMBABWE

Country	Number of Expected Respondents	Number of Respondents	Response Rate (%)
Zimbabwe	190	268	141%
Zambia	190	139	73.2%

The table 4:1 shows the total number of participants who were expected to take part in the survey in both Zambia and Zimbabwe. One hundred and ninety (190) respondents were expected from each country. A total of 268 respondents responded to the survey in Zimbabwe, representing response rate of 141%, and 139 responded in Zambia, representing a response rate of 73.2%. Response rates of these magnitudes are good and enable us to generalize the survey findings as the sample is a true representative of the population under study.

4.2 ZAMBIAN RESULTS, ANALYSIS AND DISCUSSION

The purpose of the Survey is the provision of empirical evidence based on actual corruption incidences in the Construction Industry in Zambia, which will inform key strategies and approaches that can be employed to reduce corruption, not only in the Construction sector but in other related sectors.

4.2.1 The Survey

The survey was conducted using a closed-ended questionnaire, with open ended questions where appropriate (Appendix I). The questionnaire was administered to respondents in both private and public institutions. Respondents were solicited for their experiences of corruption in the subject industry.

4.2.2 The Sample and the Sampling Approach

The questionnaire was administered to a sample comprising 30 respondents who were purposefully selected from the engineering, academic, policy and law enforcement fields. The respondents were drawn from across Zambia and were selected based on their experience in the design, procurement and implementation of construction projects. The experience of the law enforcement officers was vital as it provided an insight into the incidence and nature of corruption in the Construction Industry. The policy makers provided insight into available Anti-Corruption interventions and processes in the public and private sectors.

4.2.3 The Analysis

The data collection and analysis were constituted by approaches using excel pivot tables. Cross tabulations were used to disaggregate the data to provide an empirical evidence-base that can be used to enhance knowledge of the incidence, type and causes of corruption in the Infrastructure Sector.

4.2.3.1 Survey Respondents Characteristics

4.2.3.1.1 Number of respondents, Age group and Educational Level

The target number of respondents was 30 and 30 respondents answered the questionnaires giving us a 100% response rate. Seventy percent (70%) of the respondents were between 31 – 45 years old, twenty seven percent (27%) were between 46 – 60 years old and three percent (3%) were between 15 – 30 years old. The survey respondents' characteristics by level of Education are that fifty three percent (53%) had undergraduate degrees, thirty percent (30%) had postgraduate degrees and seventeen percent (17%) had diplomas/certificates in their fields of expertise.

4.2.3.1.2 Respondents' Professional Affiliation, Employment Sector, Department and Level

The analysis revealed that thirty nine percent (39%) of the respondents were affiliated with the Engineering Institution of Zambia (EIZ), thirteen percent (13%) were affiliated with the Law Association of Zambia (LAZ), nine percent (9%) were the Surveyors Institute of Zambia (SIZ), and four percent (4%) affiliated with the ACCA. The balance was affiliated to various other professional bodies not listed in the questionnaire such as the Economic Association.

From the respondents, thirty two percent (32%) were employed by the government, twenty eight percent (28%) were in Law Enforcement, twenty percent (20%) were working for Statutory Bodies, sixteen percent were in Regulatory/Oversight institutions, and four percent (4%) were from the Civil Society.

From the survey sample, forty two percent (42%) of the respondents were in middle management, thirty three percent (33%) were in senior management, seventeen percent (17%) were supervisors, four percent (4%) were in administration and four percent (4%) were support staff.

4.2.3.2 Incidence of Corruption in the Zambian Construction Industry

The incidence of corruption is being considered as how common the respondents thought corruption was in the construction industry across the various stages starting from: the project identification; planning and design; evaluation and selection; pre-qualification and tendering; project execution and; the operation and maintenance stages.

As evidenced from Figure 4.1, out of a total of 29 respondents who answered the question on how common corruption was in the Zambian construction industry, sixty six percent (66%) thought corruption was very common and thirty four percent (34%) thought it was common.

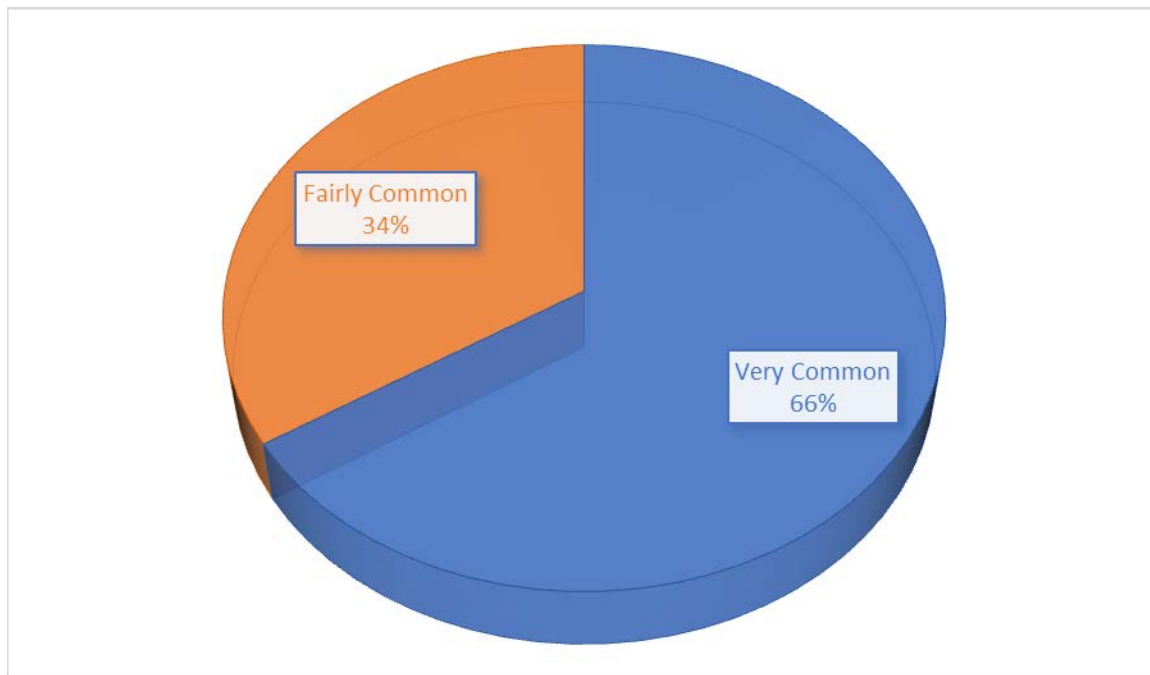


Figure 4-1: Corruption perception in the Zambian Construction Industry in general

As shown in Figure 4.2, out of 30 respondents thirty percent (30%) of the respondents thought corruption was not very common at the Identification, Planning and Design Stage, twenty seven percent (27%) thought it was very common, twenty seven percent (26%) thought it was not common and seventeen percent (17%) thought it was fairly common.

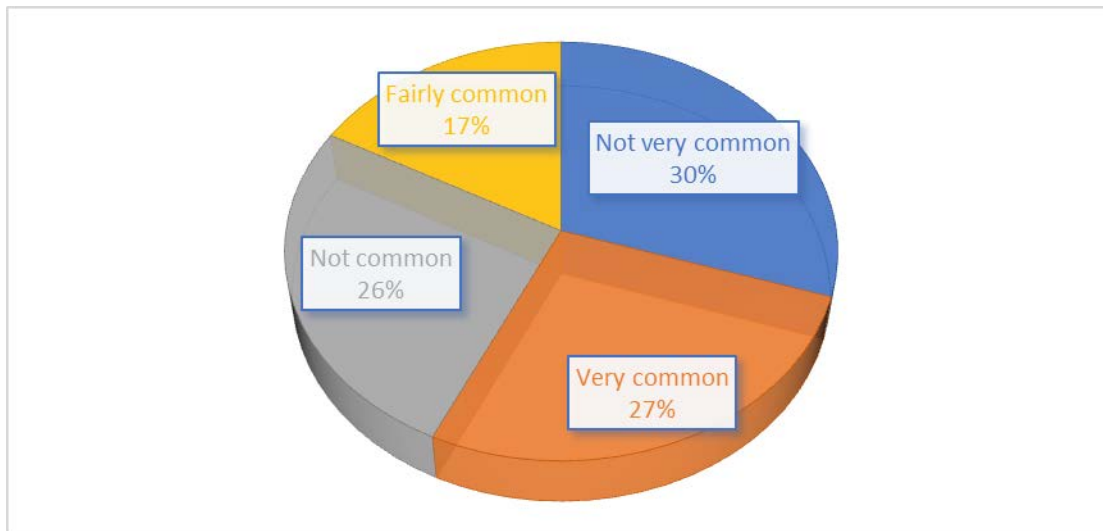


Figure 4-2: Corruption is at the Identification, Planning and Design Stage

As can be seen from Figure 4.3, out of the 30 respondents forty seven percent (47%) thought corruption was fairly common during the Evaluation and Selection stage, forty three percent (43%) thought it was very common, three percent (3%) thought it was not very common whereas seven percent (7%) thought it was not common.

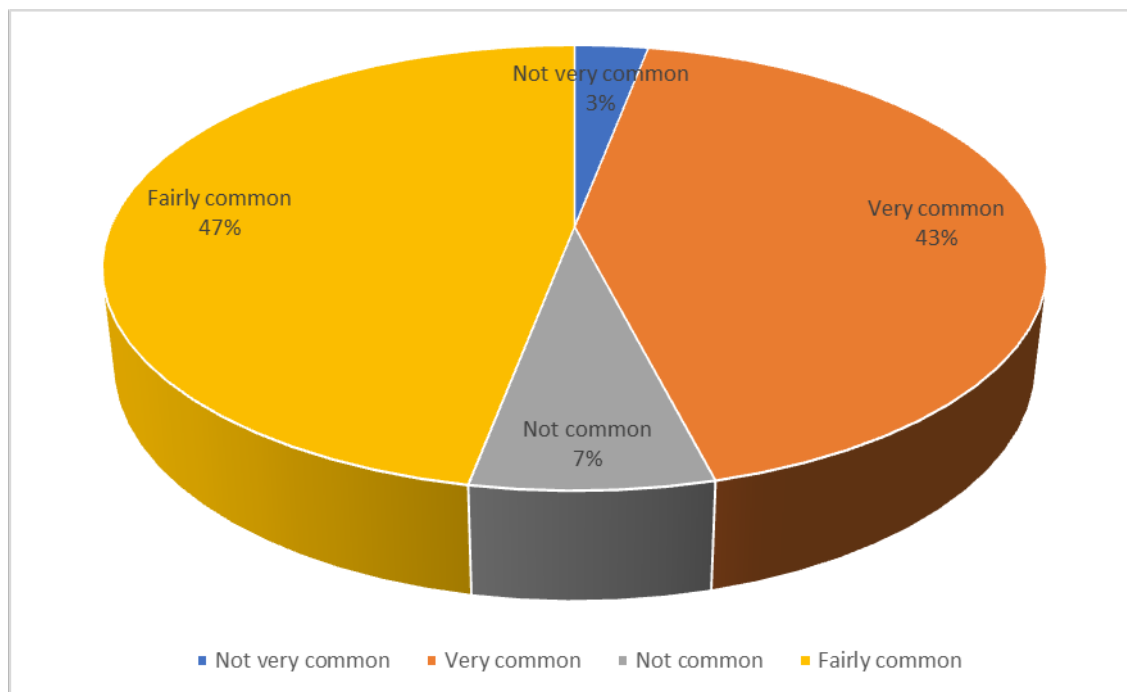


Figure 4-3: corruption at the Evaluation and Selection Stage

Figure 4.4 shows that out of 29 respondents fifty five percent (55%) thought corruption was very common at the pre-qualification and tendering stage, twenty eight percent (28%) thought it was fairly common and seventeen percent (17%) thought it was not very common.

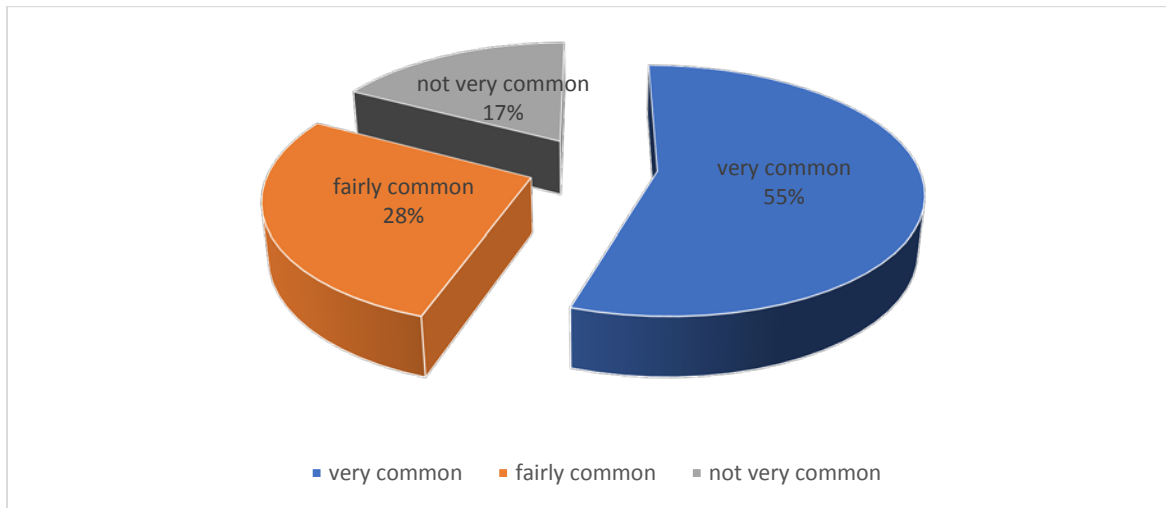


Figure 4-4: Corruption is at the Pre-Qualification and Tendering Stage.

Figure 4.5 shows that out of 29 respondents, forty one percent (41%) thought corruption was very common at the project execution stage, forty five percent (45%) thought it was fairly common and fourteen percent (14%) thought it was not very common.

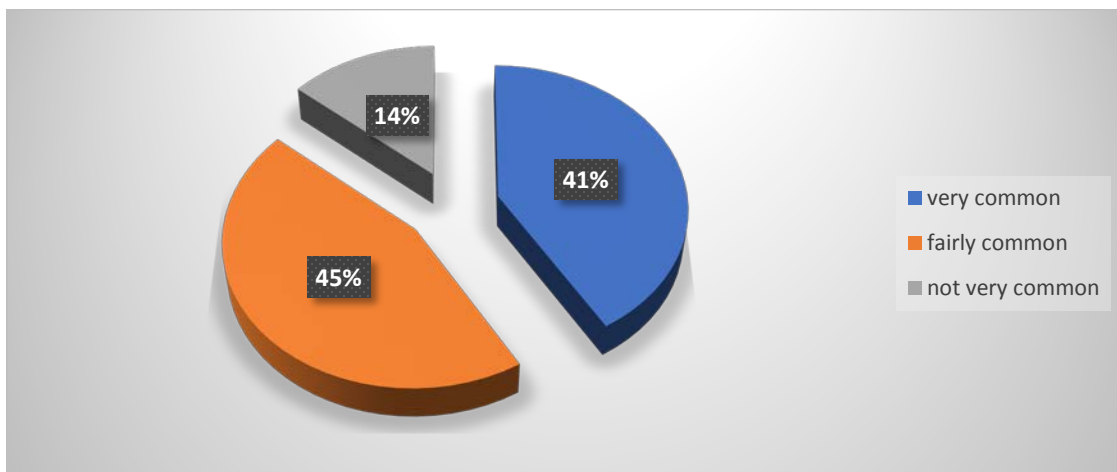


Figure 4-5: Corruption at the Project Execution Stage.

Figure 4-6 shows that out of 29 respondents, fourteen percent (14%) thought corruption was very common at the operational and maintenance stage, thirty four percent (34%) thought it was fairly common, twenty eight percent (28%) thought it was not very common and twenty four percent (24%) thought it was not common.

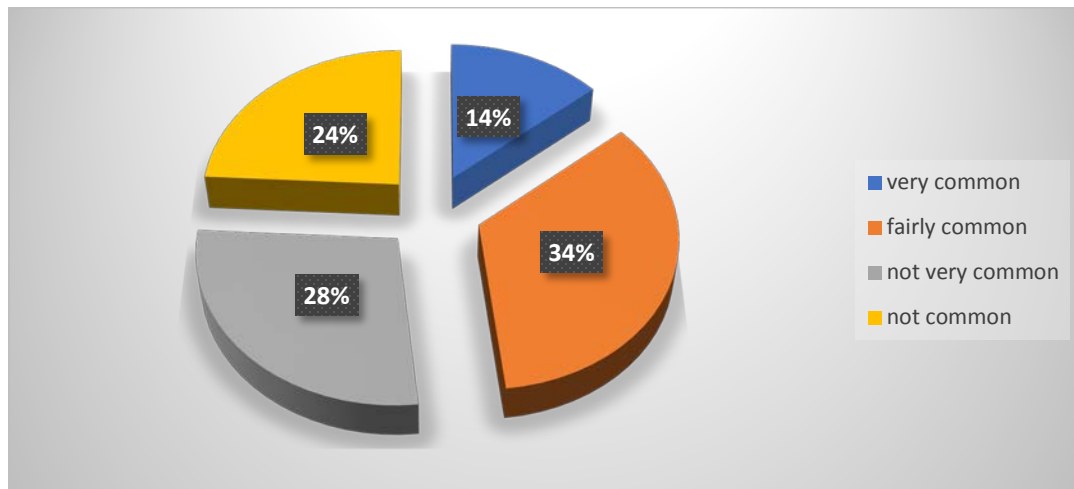


Figure 4-6: Corruption during Operation and Maintenance Stages.

4.2.4 Factors attributed to prevalence of corruption in the construction industry

Various factors have been linked to the high levels of corruption in the Construction Industry; the major ones include the high returns that can be gained through engaging in corruption as most of the construction projects are capital intensive and also the high likelihood of getting kickbacks due to their lucrative nature. The respondents were asked to what extent factors such as high bureaucracy, nepotism, bribery and high returns contributed to the presence of corruption in the Construction Industry.

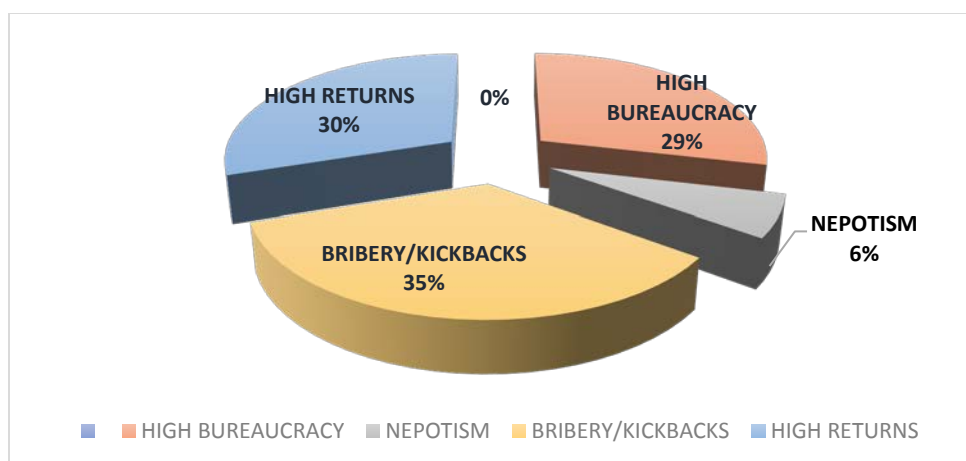


Figure 4-7: extent to which various factors contribute to prevalence of corruption.

In terms of the extent to which various factors caused corruption, out of the 30 respondents, thirty five percent (35%) thought bribery/kickbacks caused corruption, thirty percent (30%) thought the high returns in the industry caused corruption, twenty nine percent (29%) thought the high levels of bureaucracy caused corruption and six percent (6%) thought nepotism caused corruption.

TABLE 4:2: CORRUPTION RELATED OFFENCES IN THE CONSTRUCTION INDUSTRY

Offence	Very Common	Fairly Common	Not Common	Very Not Common
Fraud	58%	17%	17%	8%
Concealment of Bribes	57%	40%	3%	
Employment of Illegal Workers	10%	47%	37%	7%
Collusion Between Bidders	33%	43%	17%	7%
Leakage of Information	43%	40%	7%	10%
Cover Pricing	40%	53%	3%	3%
False or Exaggerated Claims	50%	43%	3%	3%
Inclusion of Extra Costs	47%	40%	10%	3%

Table 4.2 shows that fraud was considered to be very common in the industry by fifty eight percent (58%) of the 30 respondents, followed by concealment of bribes as perceived by fifty seven percent (57%), fifty percent (50%) thought false or exaggerated claims were very common, forty seven percent (47%) thought Inclusion of extra costs was very common and so was Leakage of

information (43%). The results in the table reveal that all the listed offences were common in the construction industry although in varying degrees.

4.2.5 How corruption has been detected

In instances where corruption has been uncovered, seventy three percent (73%) of the respondents stated that it had been through tip-offs; seventy seven percent (77%) said it was through regular checks and thirteen percent (13%) said it was discovered by chance.

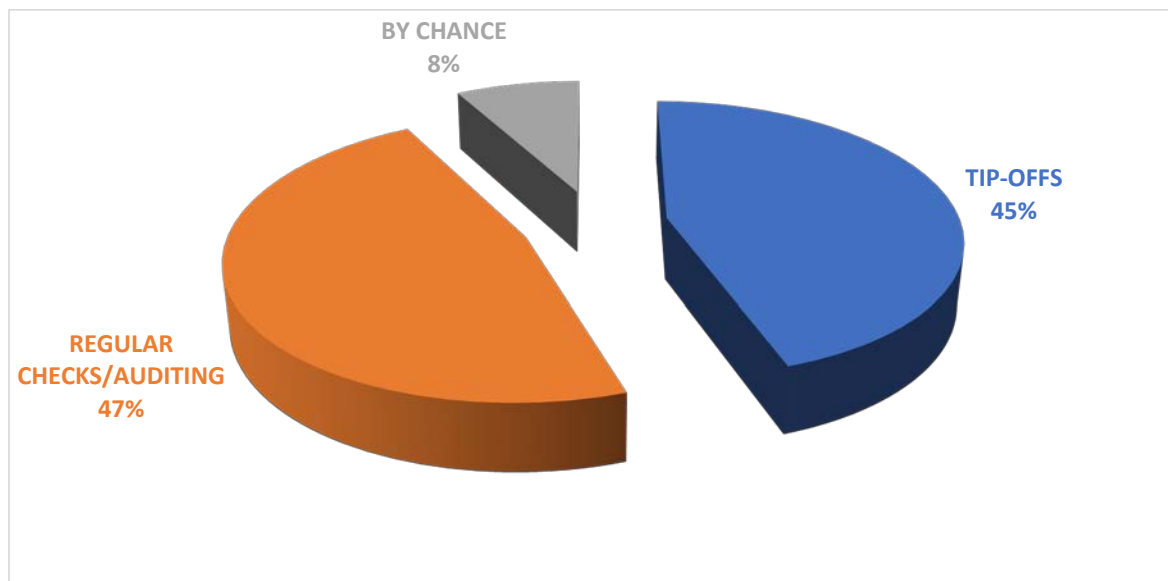


Figure 4-8: How Corruption has been detected.

4.2.6 Frequency of High Value Hospitality Gifts in the Construction Industry

When the incidence of giving of high value gifts is considered, the survey findings show that most of the respondents thought that they were fairly common and that the most prevalent was the giving of high value vehicles.

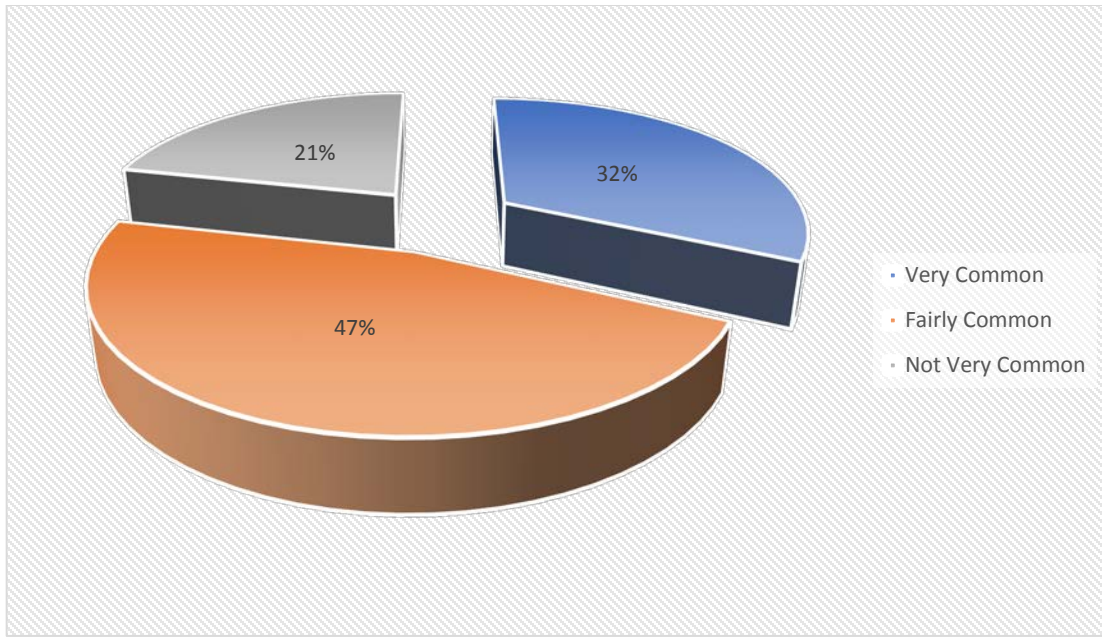


Figure 4-9:Frequency of High Value Hospitality Gifts and Nature of Gifts.

As evidenced in Figure 4.10 thirty two percent (32%) of the 28 respondents who answered the question thought corruption was very common, forty six percent (46%) thought it was fairly common and twenty-two (22%) percent thought they were not very common.

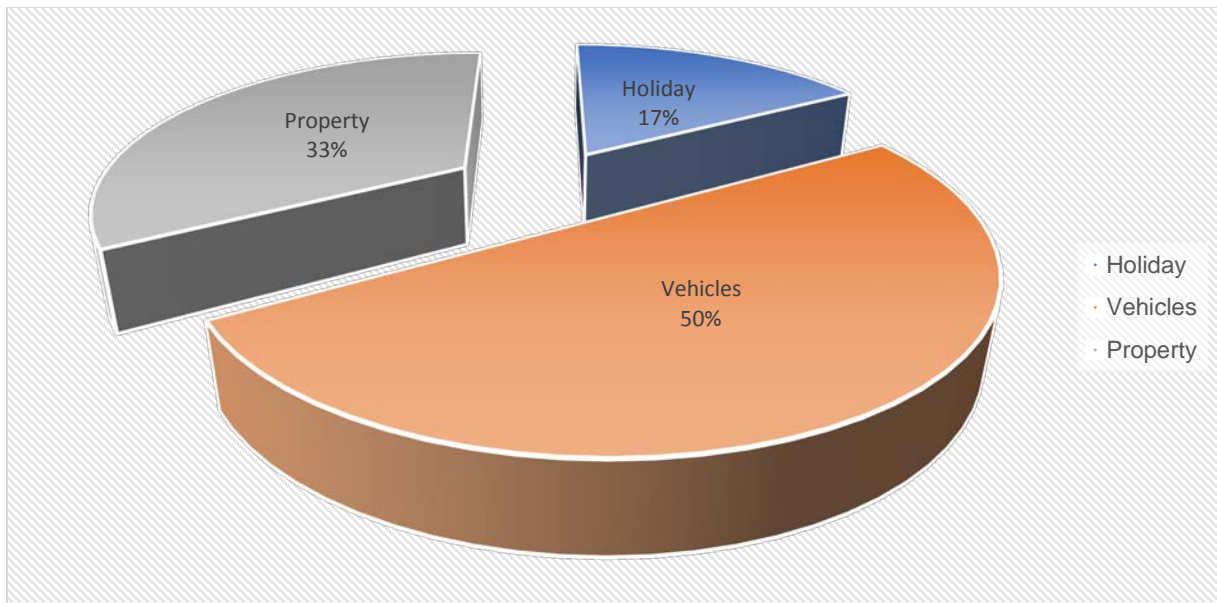


Figure 4-10 : Nature of High Value Gifts

Figure 4.10 shows that the most common high value hospitality gift is a vehicle (fifty percent, 50%), followed by property, which includes building materials and houses (thirty three percent, 33%) and then holidays with all expenses paid for, which stood at seventeen percent (17%).

4.2.7 Organisational and Socio-Economic Factors Perceived to Cause Corruption in the Construction Industry.

These are factors contributing to incidences of corruption if left unchecked. These include, amongst others, lack of laws, weak regulations, failure to enforce laws, poor accountability and bad governance. The respondents were asked which factors they considered to be sources of corruption.

The Tables below are derived from the percentage of respondents who considered a factor in question to be a cause of corruption. Respondents were required to tick all the factors they thought led to corruption.

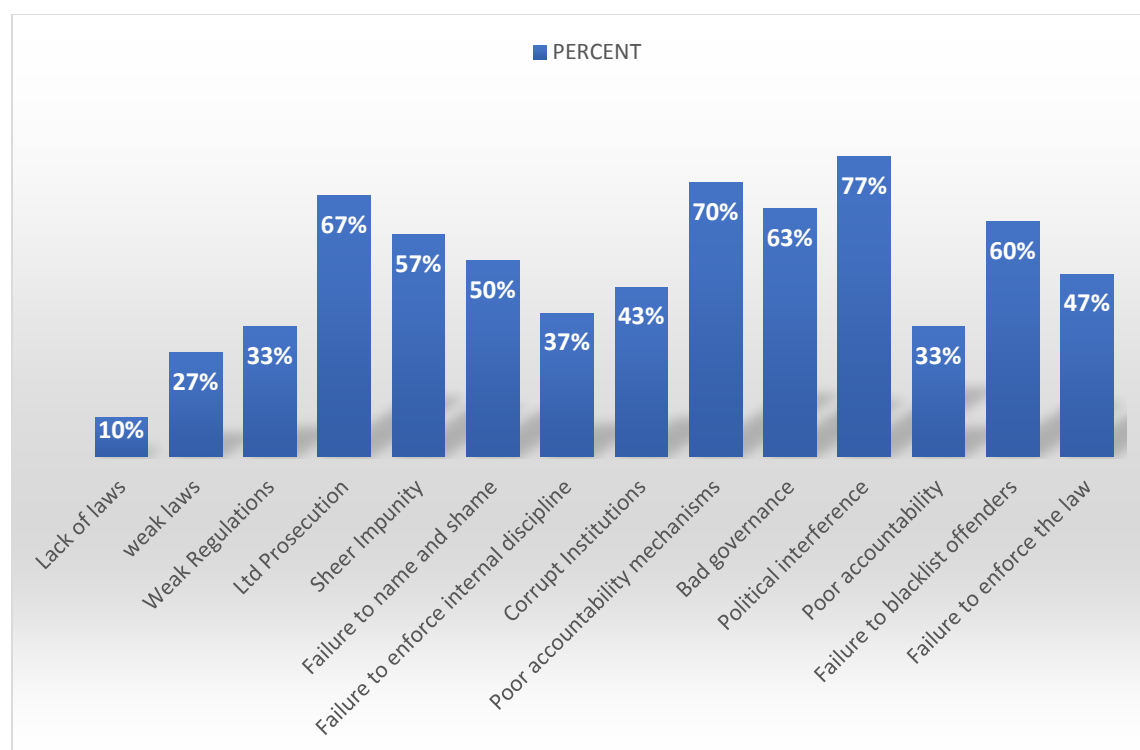


Figure 4-11: Organisational Factors

From Figure 4-11, it can be seen that most of the respondents considered limited prosecution (67%), poor accountability mechanisms (70%), political interference (77%) sheer impunity (57%),

failure to enforce internal discipline (50%), bad governance (63%) and Failure to Blacklist Offenders (60%) as the organizational factors that caused corruption.

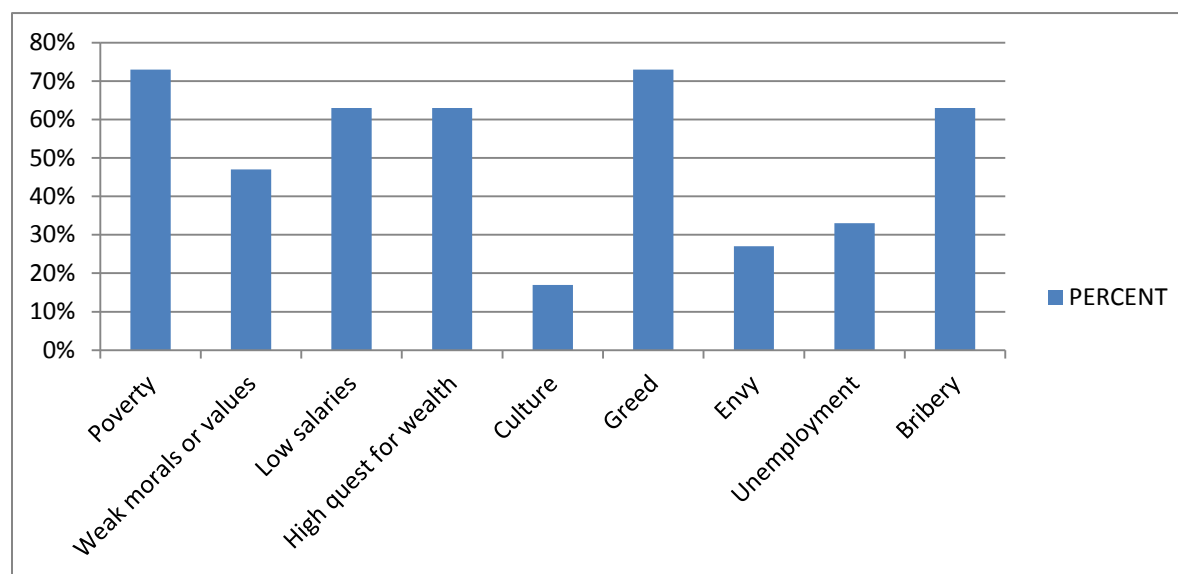


Figure 4-12: Socio – Economical Factors

With respect to socio-economic factors, seventy three percent (73%) of the respondents thought poverty and greed caused corruption, followed by low salaries, high quest for wealth and bribery (63%). Forty seven percent (47%) thought weak morals or values caused corruption and only seventeen percent (17%) thought culture caused corruption.

4.2.8 Prevalence of Bribery and Personal Contact with Cartel Activity in the Construction Industry

Prevalence of bribery is the number of respondents who had been offered a bribe or incentive to engage in corruption. Out of the 30 respondents, the survey findings show that thirteen percent (13%) had been offered a bribe once, sixty Percent (60%) had been offered a bribe more than once. Whereas Twenty seven percent (27%) stated that they had never been offered a bribe.

When it came to the question of how many of the respondents had personal experience of any cartel activity in the industry, forty three percent (43%) said ‘yes’ and fifty seven percent (57%) said ‘no’.

4.2.9 Availability and Types of Institutional Channels of Reporting Corruption

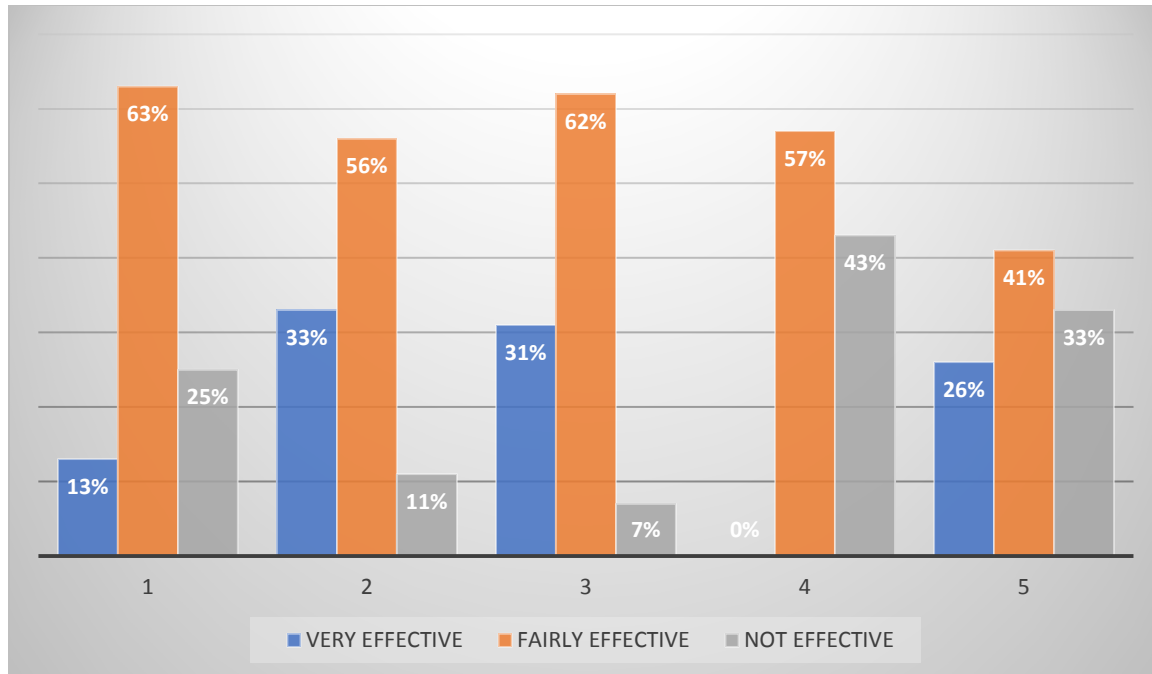
The respondents were asked whether there were channels of reporting corruption in their individual institutions and, if present, to name what type of channel. Ninety six percent (96%) said they had institutional channels of reporting corruption and four percent (4%) had none. Eighty three percent (83%) stated that they had integrity committees and seventeen percent (17%) had other channels such as suggestion boxes, toll-free lines and anonymous emails.

However, out of 28 respondents who attempted the question, eighty five percent (85%) confirmed that they had integrity committees whilst sixteen percent (16%) stated that they did not have or were not sure. Eighty six percent (86%) had codes of ethics whilst eleven percent (11%) did not have and four percent (4%) were not sure. Eighty nine percent (89%) had disciplinary committees, seven percent (7%) did not have and four percent (4%) were not sure.

Out of 20 respondents, forty five percent (45%) had whistle blower policies, ten percent (10%) did not have whilst forty five percent (45%) were not sure. Out of 25 respondents, seventy six percent (76%) had declaration of interest procedures, eight percent (8%) did not have whereas sixteen percent (16%) were not sure.

4.2.9.1 Efficiency of Internal Measures Dealing with Corruption

Respondents were asked to rate how effective the available institutional Anti-Corruption strategies were. The findings are described in Figure 4.13.



KEY: 1=Integrity Committee, 2=Code of Ethics, 3=Disciplinary Committee,
4=Whistle Blower Policy and 5=Declaration of Interest Procedures.

Figure 4-13: Effective Institutional Anti-Corruption Measures

When it came to rating how effective the above-mentioned measures were, all the measures were considered fairly effective though in varying degrees. The percentage of respondents who considered the measures to be fairly effective; Integrity Committee (63%), Code of Ethics (56%), Disciplinary Committee (62%), Whistle Blower Policy (57%) and Declaration of Interest Procedures (41%).

4.2.10 Identifying the prevailing regulatory framework in the Construction Industry and the Challenges

This section deals with the assessment of the available challenges of the government's Anti-Corruption efforts i.e. laws and regulations; assessment of the levels of awareness among the target group and; assessment of the respondents' rating of their effectiveness. The survey was also aimed at establishing the respondents' views on the weaknesses of the available Anti-Corruption institutions and laws together with their opinions on how these could be strengthened.

4.2.10.1 Awareness of Anti-Corruption Laws

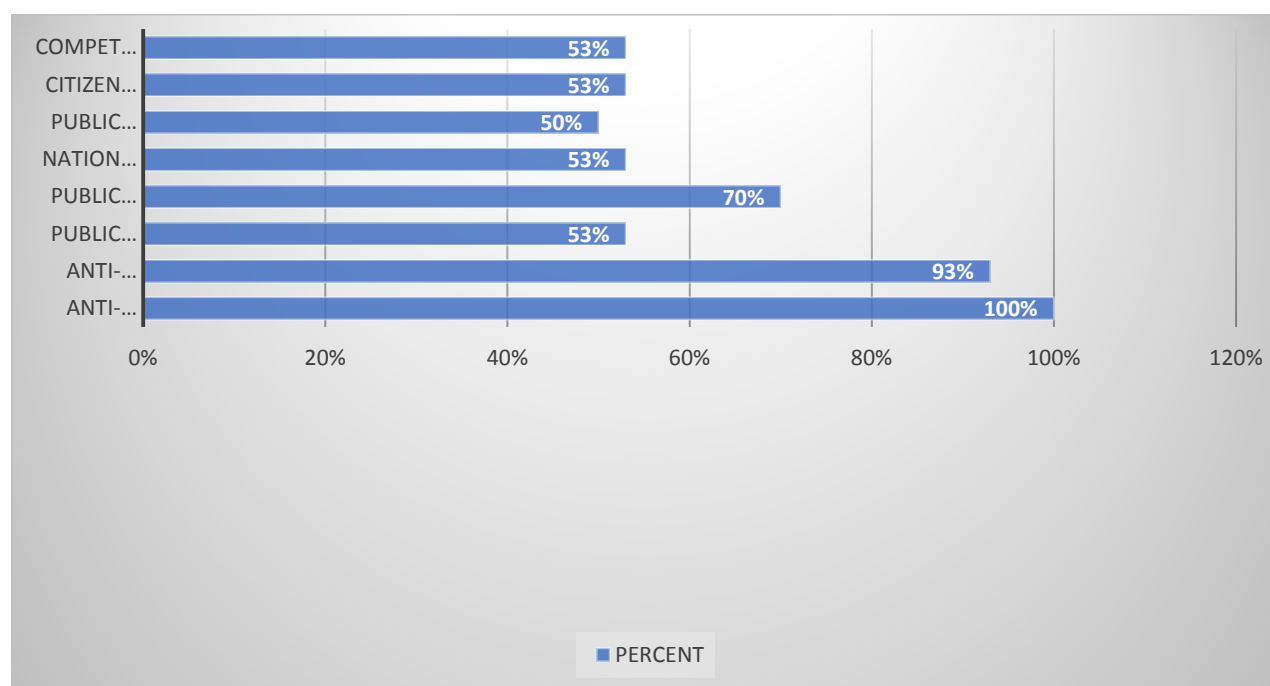


Figure 4-14: Anti-Corruption Laws awareness

Of the thirty (30) survey responses (**Figure 4-14**) aimed at assessing the awareness levels, hundred percent (100%) of the respondents were aware of the Anti-Corruption Act, ninety three percent (93%) were aware of the Anti-Money Laundering Act, fifty three (53%) were aware of the Public Disclosure (Protection of Whistle Blowers) Act, seventy percent (70%) were aware of the Public Procurement Act, fifty three percent 53% were aware of the National Council For Construction Act, fifty percent (50%) were aware of the Public Finance Act, fifty three percent (53%) were

aware of Citizen Economic Empowerment Act and fifty three percent (53%) were aware of the Competition and Consumer Protection Act.

4.2.10.2 Perceptions on the Effectiveness of the Available Anti-Corruption Laws

The survey findings from the thirty (30) respondents, on the assessment of the current Anti-Corruption Laws in dealing with the issue of corruption, shows that sixty seven percent (67%) of the respondents feel that the Anti-Corruption Act has been effective whereas thirty seven percent (37%) feel it is not effective; sixty eight percent (68%) feel the Anti-Money Laundering Act is effective whilst 32% feel that it not effective; 45% feel that the Public Disclosure (Protection of Whistle Blowers) Act is effective whereas 55% feel that it is not effective; 48% feel that the Public Procurement Act is effective whereas 52% feel it is not effective; 58% think the National Council for Construction Act is effective whereas 42% feel it is not effective; 44% feel the Public Finance Act is effective whereas 56% feel it is not effective; 32% feel the Citizens Economic Empowerment Act is effective whereas 68% feel it is not effective and; 45% feel that the Competition and Consumer Protection Act is effective whereas 55% feel it is not effective.

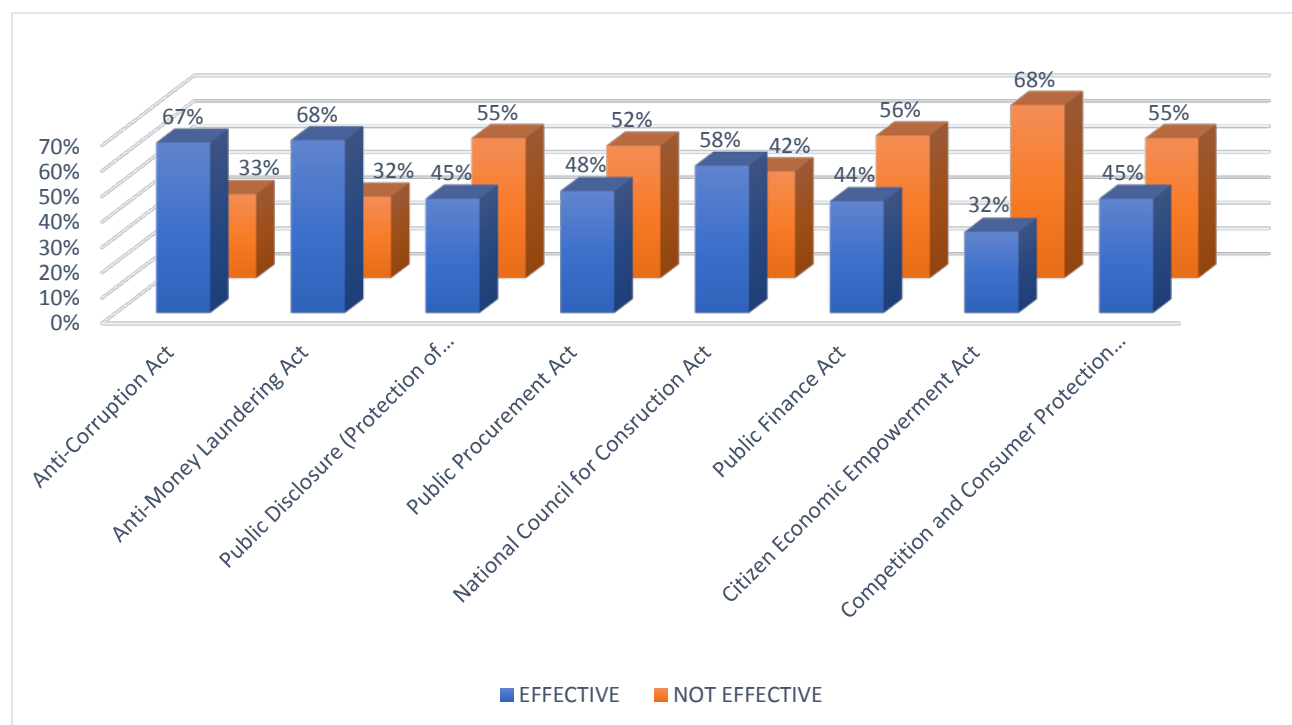


Figure 4-15: Perceived Effectiveness of the Anti-Corruption Laws

4.2.10.3 Perceived Weaknesses in the Anti-Corruption Laws and how they can be strengthened

The survey findings show appreciable differences as regards the responses on the weaknesses in the Anti-Corruption legislation as shown in Figure 4.16. Among the perceived weaknesses are: lack of public awareness/sensitisation, inadequate application, lack of autonomy, selective application of the law and lack of the mandate to effect punishment.

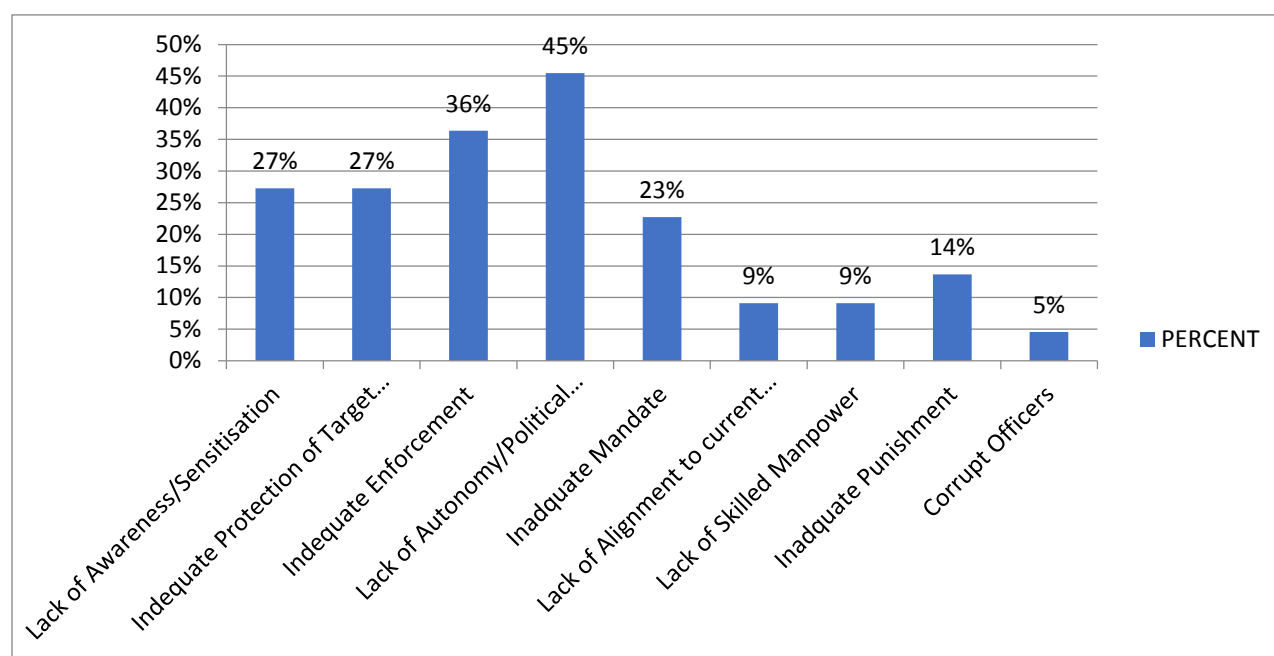


Figure 4-16: Weaknesses in the Anti-Corruption Laws

Of the 30 respondents only 22 answered the question on the weaknesses which made the Anti-Corruption laws ineffective and how the said laws could be strengthened. As shown in Figure 4.17, 45% of the respondents thought lack of autonomy/political inference made the laws ineffective (laws referred to include: The Anti-Corruption, Anti-Money Laundering, Public Procurement, Citizen Economic Empowerment and the Public Disclosure (Whistle Blowers) Acts. Thirty six percent (36%) thought inadequate enforcement made the laws weak (Anti-Money Laundering, National Council for Construction, Public Procurement, Competition and Consumer Protection, Public Finance, and the Citizen Economic Empowerment Acts). Twenty seven percent (27%) thought Lack of public awareness/sensitization and inadequate protection of the target group made laws such as the Anti-Corruption, Public Disclosure (Whistle Blowers), Competition and

Consumer Protection, Citizen Economic Empowerment and the National Council for Construction Acts ineffective and; 23% thought the inadequate mandate i.e. lack prosecution powers made the laws ineffective. The findings show that lack of autonomy and political interference has a significant impact on the performance of the Anti-Corruption Laws. Unfortunately, none of the respondents offered suggestions on how the legislations can be strengthened.

4.2.10.4 Awareness of Available Anti-Corruption Institutions

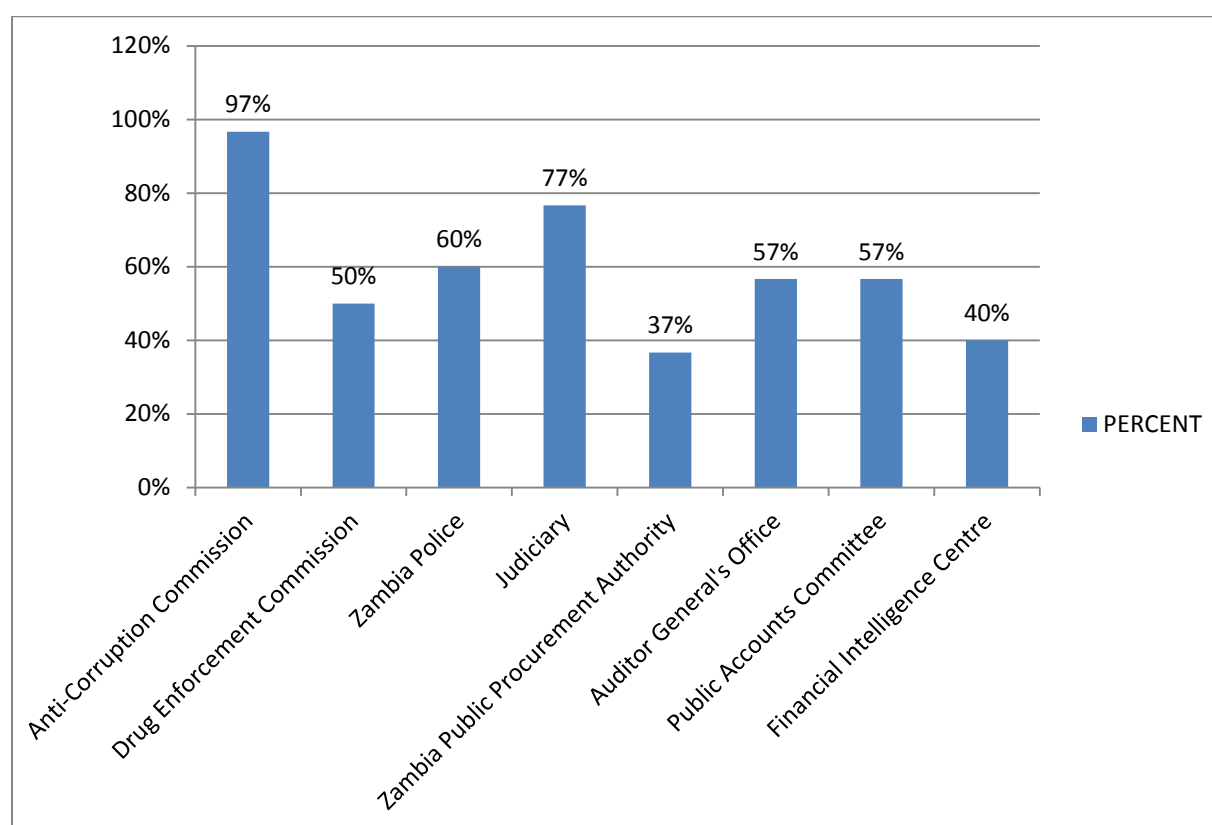


Figure 4-17: Level of Awareness of Anti-Corruption Institutions

Figure 4.17 shows that 97% of respondents knew that the Anti-Corruption Commission was responsible for fighting corruption, 50% knew that the Drug Enforcement Commission dealt with corruption, 60% knew that the Zambia Police was responsible for fighting against corruption and 77% knew that the Judiciary was also responsible for combatting corruption. The results show that 57% considered the Auditor General's Office and the Public Account Committee as Anti-

Corruption Institutions. Very few (17%) considered the Competition and Consumer Protection Commission to be also responsible for fighting against corruption.

4.2.10.5 Measure of Whether the Anti-Corruption Institutions were effective or not

The respondents were asked to state whether they thought the Anti-Corruption Institutions were effective or not; the response rate was not very good for most of the listed institutions except on the Anti-Corruption where 28 responded and; 20 on the Drug Enforcement Commission and the Judiciary. The response rate is reflected in Figure 4.20.

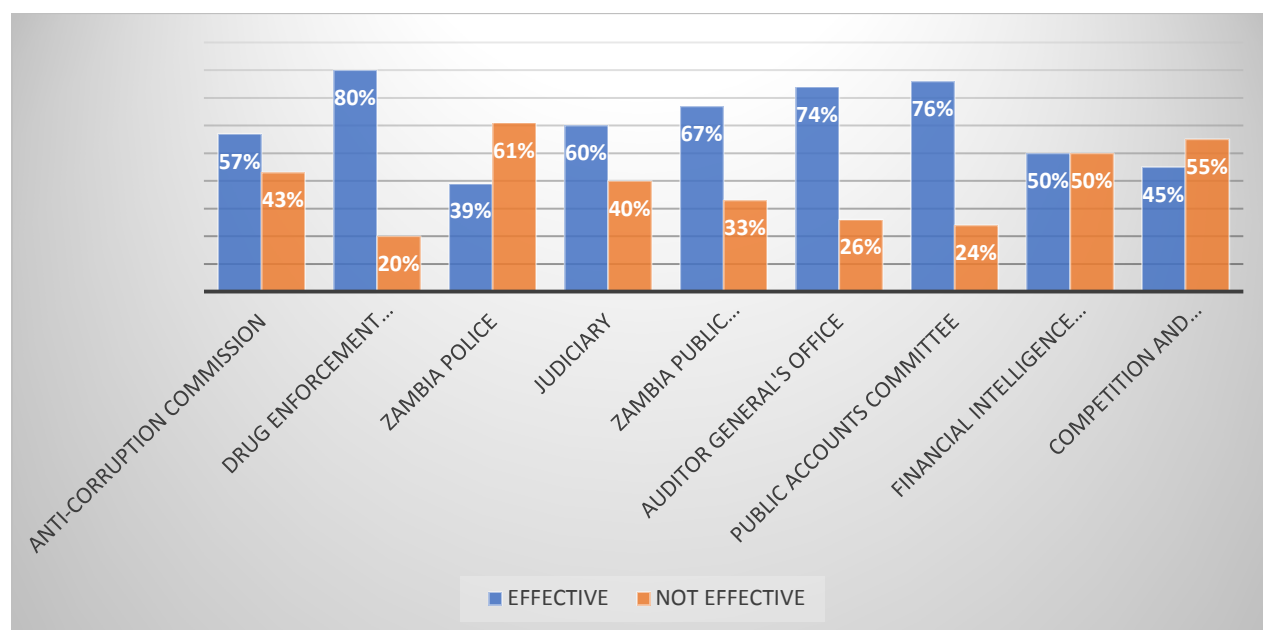


Figure 4-18 :Rating of the performance of the Anti-Corruption Institutions

The findings show that most effective institutions as perceived by the respondents were the Drug Enforcement Commission (80%), Public Accounts Committee (76%) and the Auditor General's Office. The least effective are the Zambia Police (67%), Competition and Consumer Protection Commission (55%) and the Financial Intelligence Centre (50%).

4.2.10.6 Perceived Weaknesses in the Anti-Corruption Institutions and how the Institutions can be strengthened

With regards to the Anti-Corruption institutions, 22 out the 30 respondents answered the question “what they thought made the Anti-Corruption Institutions weak” but none offered any suggestions as to how they could be strengthened. The survey findings are as reflected in Figure 4.19.

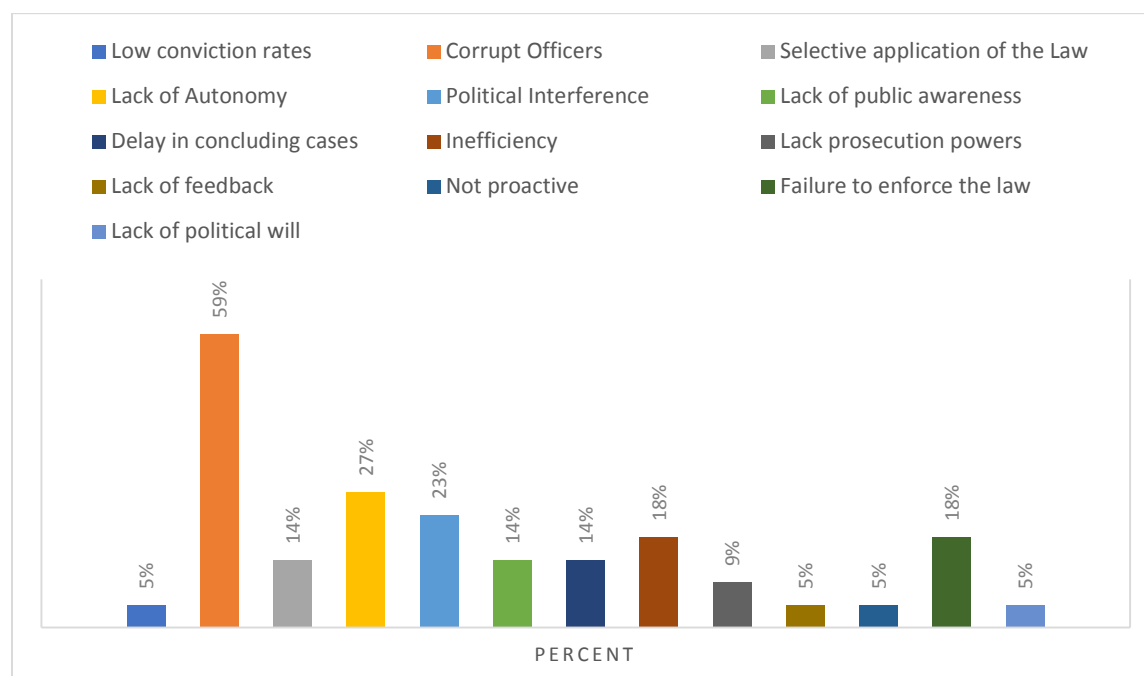


Figure 4-19: Perceived weaknesses affecting the Anti-Corruption Institutions

The findings indicate that 59% out of 22 respondents thought that the presence of corrupt officers made the affected institutions weak (Zambia Police, Judiciary, and the Drug Enforcement Commission); 27% thought lack of autonomy affected the performance of the Anti-Corruption Commission, 23% thought political interference affected the performance of the Anti-Corruption Commission, the Zambia Police and the Judiciary whereas 18% thought inefficiency and lack of enforcement of the law weakened the Auditor General’s Office and the Financial Intelligence Centre.

4.3 ANALYSIS AND DISCUSSION FOR THE ZIMBABWEAN SURVEY

4.3.1 General Information for the Zimbabwean Questionnaire

This section analyses responses that were received from respondents who completed the questionnaire, in terms of the relevant demographics and other general variables. Responses solicited from the interviews that were conducted with members of the middle management team will be used throughout the discussions to buttress the findings from the questionnaires.

4.3.2 Composition of respondents

Figure 4.20 represents the total number of respondents who completed the questionnaires that were received back and analysed according to the respondents' positions in the organizations they work for.

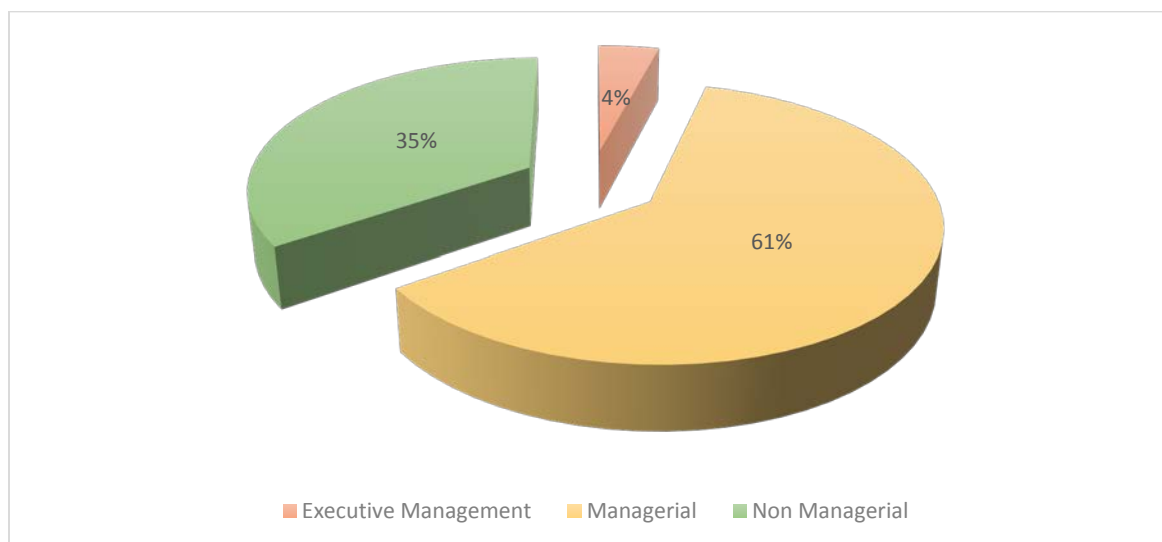


Figure 4-20- Composition of respondents by position in the organization

Well over sixty one percent of the respondents represent managerial employees whose responses are expected to be somewhat credible and more reliable. This is because, unlike non-managerial employees most of whom are not users of the company's ICT system, managerial employees are among the majority of the employees that extensively use and are knowledgeable about the company's IT system. The results of the study will therefore show a bias towards the views held by managerial employees owing to the fact that most of the responses received were from this

group of employees. Although Executive Management makes up slightly over four percent of the total respondents, members of the Executive Management were however adequately represented in the responses that were received back.

4.3.3 Respondents' Length of Service

Figure 4.21 represents the total number of respondents who completed the questionnaires and indicated the length of service in years. About sixty-two percent had worked for their respective organizations for at least six years. Of these, 30.6% had been working for their organization for more than ten years.

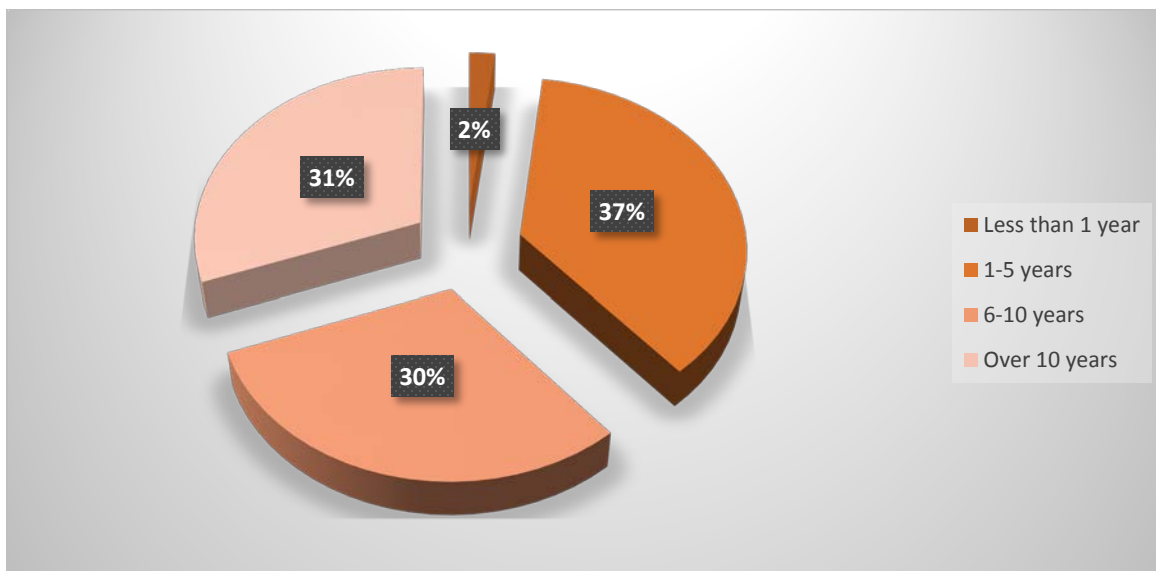


Figure 4-21: Respondents' length of service

The vast experience of the respondents might imply that the responses obtained could be credible and more reliable as the respondents are assumed to be knowledgeable about the subject matter.

4.3.4 Respondents' Understanding of Corruption

4.3.4.1 Definition of Corruption

Respondents gave several versions and examples of their understanding and definition of what constitutes corruption. Corruption is any unethical, unprocedural, criminal and dishonest conduct or behaviour which is prejudicial to an employer, customer or other stakeholders. It is a form of white collar crime which involves abuse of one's position and authority such as demanding bribes in order to award tenders or to execute one's duties. Corruption involves criminal gain by using one's position of influence to get undue proceeds through demanding or paying for favours in order to get some required action or paying either to change the outcome of a decision or to speed up or slow down standard procedures and processes. It is therefore dishonest, fraudulent, unprofessional, unethical, unjust and unfair behaviour employed in order to get business one does not deserve or get substandard work approved. There are also situations where two or more people connive to devise strategies to disproportionately benefit from projects or compromise the standards and quality of work. The latter is especially a widespread practice in construction projects. Unfair awarding of tenders such as awarding of tenders to incompetent entities and soliciting for favours in exchange for project tenders were also practices viewed as corruption. Acquiring things by favour or through bribes is corruption. It was also noted that for one to be able to supply drugs to health institutions one has to pay kickbacks first.

Corruption can also take the form of inflation of prices usually for financial gain by undeserving elements or dishonest or fraudulent conduct by those in power typically involving bribery and other favours which might not be in monetary form. Doing things that are not above board and unfair and unethical practice by parties to gain advantage over others on the business platform are also prevalent corrupt practices. Favours requested or demanded for services or opportunities that are not due such as getting a kickback for service that one is paid to do, or diverting proceeds to a different use are also instances of corruption.

Some respondents noted that doing any unethical practice for personal benefit such as violation of good corporate governance practices, price inflation, soliciting and acceptance of undeserved gifts, money or any favours from clients are also forms of corruption. So is getting things done using

undue influence exerted in return for favours like money, material goods, or services. Other practices associated with corruption include kickbacks, preferential treatment of some companies, connivance to prejudice a company between clients and employees, employment of unqualified people at the expense of more deserving candidates and acceptance of gifts offered in a non-transparent manner and unknown to the organization.

Other respondents see corruption in cases where money changes hands to ensure that benefits accrue to the party that pays, including post-transaction payments such as when a person induces another to buy from him/her by promising future favours. Giving undue favours such as employing one who is least qualified simply because he or she is a relative, illegally influencing decisions as well as knowingly supplying sub-standard goods to unsuspecting buyers were also cited as examples and forms of corruption. Other examples of corrupt practices include benefitting through abuse of office or position in an organization for personal gain, manipulating procurement processes for individual gain, misuse of resources or position in order to benefit a few individuals whilst disadvantaging a larger number of people, nepotism and accepting bribes, payment to influence someone to do a job quicker, jumping the queue and skewed decisions and commitments due to bribes, tribalism, nepotism or political connections and soliciting for undeserved payment. There was a common perception that corruption ultimately erodes business and is a major source of leakages in any organizations.

4.3.4.2 Causes of, and Conditions Leading to, Corruption

As to the causes of corruption, it was observed that although the harsh economic environment has exacerbated the situation generally, corruption has to be seen as involving two or more parties who are willing to cooperate on their corrupt activities such as at road blocks where both the Police and those with defective vehicles end up exchanging money. Other, respondents pointed out that corruption is inherent in individuals although sometimes it might be innate. It was argued that when one is offered a bribe and falls for it, it is because there are already corruption traits in that individual's blood. In such cases corruption might have been externally induced by other people but ultimately it would have been in the individual. There are also situations where service

providers are corruptly induced to enter into bogus deals only to realise later that they would have been duped.

The general macro-economic environment, especially economic decline and poor remuneration, poverty, greed and selfishness, laziness, a widespread profit maximization mentality and lack of moral uprightness, were identified as the primary drivers of corruption. A respondent noted that the cake is becoming too small yet everyone wants to have a share of it. In addition to the above, it was also observed that hiking of spot fines and other charges by law enforcement agents often leads to bribery as bribing the officials sometimes end up being cheaper for some members of the public. The respondents in this survey concurred with the observations made by the Chartered Institute of Building in the United Kingdom, that linked *the increase in the number of companies folding, to encourage the directors to engage in certain practices as a necessity for survival, regardless of whether they are corrupt, ethical, or legal.* (CIOB 2013).

It was also observed that corruption occurred wherever there was trade and monetary transactions such as within the business sector and the Police force. Incompetence and poor workmanship also leads to corruption such as in situations where contractors are unable to perform to desired standards or do not have enough materials and equipment. In such situations, the contractors feel that the only way to get contracts, in a competitive environment, is to bribe tender or contract adjudicators.

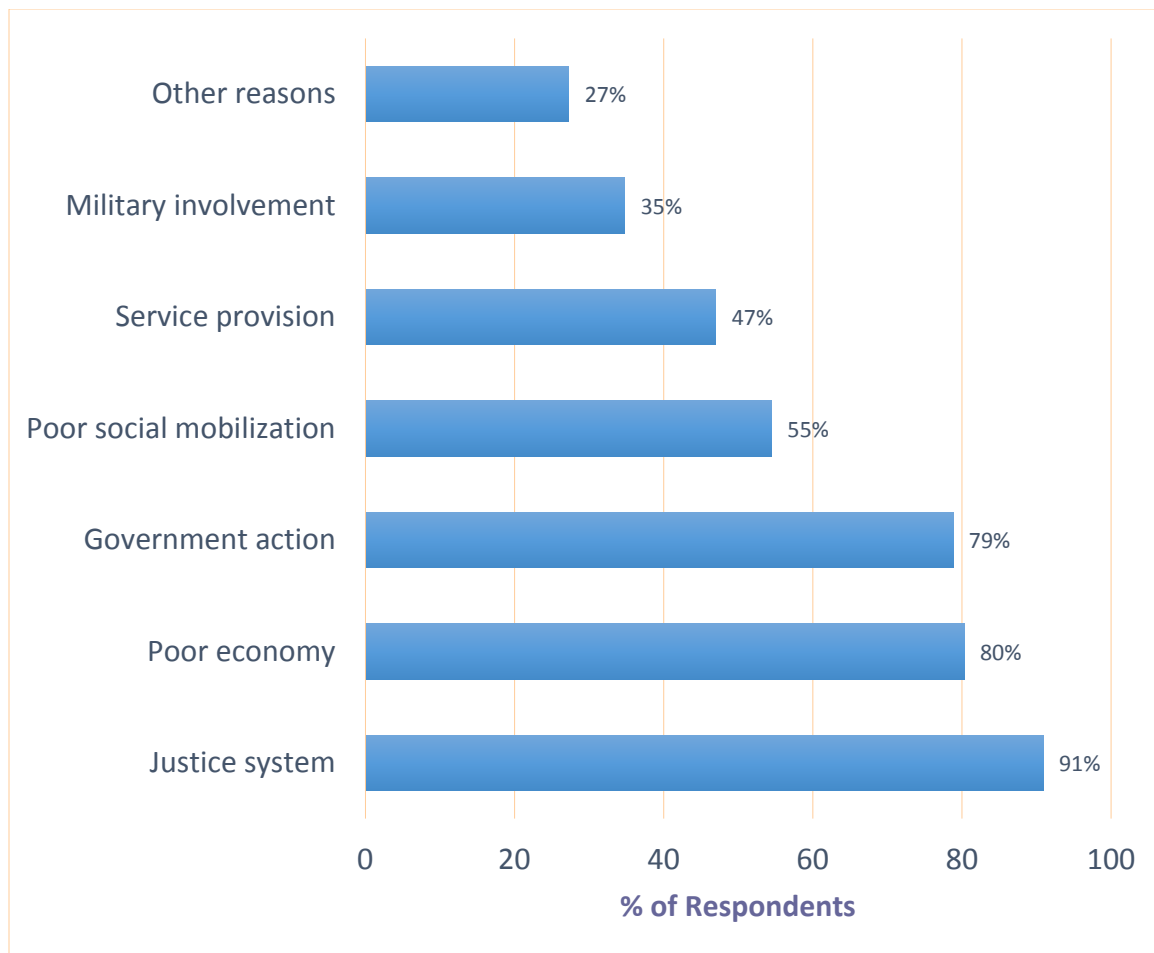


Figure 4-22 - Conditions that Lead to Corruption (n=68)

Loopholes in tendering processes at organizational and institutional levels, lack of stringent or tight measures to prevent corruption, lax supervision from would-be authorities as well as a general lack of integrity and ethical considerations also tend to encourage corruption. Figure 4.22 illustrates factors that lead people to corruption in Zimbabwe, the justice system being the most influential factor, followed by the economic situation in the country and Zimbabwean Government actions.

Most of the reasons advanced by the respondents are very close to results of a similar survey by the Chartered Institute of Building in the United Kingdom in which respondents suggested that embedded cultural practices and the economic climate are the main reasons for the prevalence of corruption, noting that squeezed tender margins and reduced workloads have pressurized some professionals into engaging in corruption as a means to survive (CIOB 2013).

4.3.5 Liability and Cost of Corruption

Respondents were unanimous that corruption is a cancer in society that damages the reputation of enterprises and the country. Corruption is a cancer and a rot that hinders and stifles economic growth in society. It is a major risk factor in running businesses with a potential of crippling an entire economy if not dealt with accordingly. It bleeds governments and organisations of resources that could be used to develop the nation. It is not good business practice as it is destructive and erodes profits and comprises the quality of products and services of enterprises and governments.

Corruption is a significant cost factor in Zimbabwe because it increases the cost of goods and services, increases lead times, inflates the overall cost of projects and services thus making projects more expensive than they should be. It affects trust and hinders the smooth running of government and business operations while eroding investor confidence since no serious investors want to invest in corrupt organizations and economies. It compromises product and service quality, promotes laziness and is detrimental to creativity, innovation and productivity.

Corruption also promotes poor workmanship resulting in shoddy work output due to giving work to charlatans and non-compliant companies. It was observed that insistence on quality was one of the most effective ways out of corruption. Striving for best quality ensures increased profits and quality improves through repetition. Without the scourge of corruption, companies expand thereby leading to employment creation and growth in gross domestic product (GDP). Generally, corruption is costly to the nation, it erodes citizen enterprise and national confidence, it is unjust to the general citizenry and does not result in fairness. Perpetrators should be given lengthy custodial sentences or face capital punishment.

An example was given by the respondents where potholes appear on roads shortly after their construction or repair. A respondent complained:

Corruption results in poor quality of services delivered and wasting of money which could be used elsewhere productively. If a person demands a 10% kick back from the proceeds of a contract, the implications are that the contractor will reduce either the quality or quantities of raw materials to accomplish the same task, thus compromising quality.

Alternatively, he is forced to inflate the quotation/prize, resulting in the cost prize being more than the actual cost. (Respondent of the WFEO CAC Survey)

Lack of transparency and misuse of funds meant for development projects does not benefit society but impacts negatively on the economy and causes underdevelopment. In addition to that, many projects are implemented for the benefit of society in general e.g. road construction. If such projects are delayed due to corruption then it is society, in particular the low classes in society, that will be negatively affected. Yet another example is given:

“For example, a tender was awarded for the construction of Gwanda Mortuary about 4 years ago (2012), the contractor was paid inception fees, but today (2017) construction has not commenced). The contractor person who won the tender did not have the capacity. So, the people of Gwanda do not have a mortuary up to today”.

Ultimately corruption is not good for the country’s prosperity as it retards development and damages the national economy as a whole through government having a bloated civil service, economic underperformance and over expenditure, diminished investments, dilapidated infrastructure and negative growth of GDP. It also distorts issues such as resource allocation and revenue collection and defeats the principle of equality and justice with those in positions of authority thinking that they are more important than the rest of the population. The majority of the people suffer due to lack of equitable distribution of national resources and wealth. Frustration may arise and may lead to civil unrest, revolts, wars and unnecessary costs resulting in projects taking longer than expected and even failing to be completed.

Citizens must be encouraged to be upright and learn to follow proper procedures and to share national resources equitably instead of dwelling on shortcuts. In addition, they should be encouraged to fight the evil practices.

4.3.6 Why Corruption is Rampant in Developing Countries' Infrastructure Projects

Corruption has been found to be pervasive in the infrastructural development projects especially in developing countries such as Zimbabwe mainly because that is where huge sums of money are expended (huge capital). There is also stiff competition in the construction industry for the little amount of work available which leads to stiff competition for tenders.

Respondents indicated that infrastructure development projects also involve large amounts in terms of financial gains to be made on projects. When adjudicating, many people are likely to lean towards where they reap benefits.

“There are billions of dollars in infrastructure projects and people will think of stealing a million from a billion, but ultimately all the money has to be accounted for in the project. In trying to compensate, companies sometimes utilize cheap materials e.g. in rail construction projects installations are easily destroyed”.

Decision making processes in the infrastructural development sector are also mostly based on politics as opposed to competence. Resource scarcity, lax legislation and weak regulatory mechanisms have also been cited as some of the factors contributing to corruption. In addition to that, lack of proper structures and poor project management as well as the appointment of unqualified and incompetent people compound the problem. Furthermore, lack of a strong ethical and moral fibre, a growing culture of corruption, poor remuneration, poverty, ignorance and egocentrism do contribute to the malaise as alluded to earlier. As one respondent put it:

“Big wigs are involved in infrastructure development in order to win tenders, there are big sharks involved in Infrastructure development, there is more money in roads and rail construction”

The findings from the study are corroborated by Transparency International. According to Transparency International's Bribe Payers Index Report from 2011 the construction industry was the most corrupt sector around the world. The complex and fragmented nature of the industry provides an environment for corruption, with numerous participants in the supply chain competing for high value contracts. Corruption can take many shapes and forms within the industry; cases of

bribery to obtain planning permission, the overstating of budgets, the manipulation of payment applications, and collusion to share and divide the market. Furthermore, issues in tracking payments and varying legal regulations can facilitate corrupt behaviour internationally.

In the current study, corruption was reported to be rife in the infrastructure development industry in Zimbabwe just as it was found to be in Britain where a study concluded that the majority believed that corrupt practices existed in the UK construction industry, particularly in relation to fraud and bribery. As to why corruption was rife in the infrastructure development sector in Zimbabwe, several reasons were given. These included, *inter-alia*, that decision making processes in the infrastructural development sector are mostly based on politics as opposed to competence, resource scarcity, lax legislation and weak regulatory mechanisms and the awarding of tenders to middlemen and charlatans.

A United Kingdom study found the issue of gifts and hospitality to be problematic. The respondents in that study indicated that corporate hospitality and gifts were acceptable, so long as they were 'reasonable' and not 'overly extravagant'. They should also be 'infrequent', occurring only once or twice a year. However, these must not interfere with the tendering or negotiation phases of a project, and they are more appropriate at the end of a contract, upon completion of all works, and when the accounts have been finalised. In the same study, a number of respondents felt that gifts and corporate hospitality have led to the blurring of boundaries. They believed these issues create confusion and an environment for shady business practices that should be avoided at all costs. Some respondents even suggested that practices often seen as common courtesy, such as refreshments at meetings or business lunches, can be interpreted as a possible bribe or a way to influence a decision. Overall, there was consensus that the use of gifts and corporate hospitality is a grey area.

4.3.7 Actions Deemed Corrupt and their Prevalence

4.3.7.1 Use of Public Position to Collect Gifts and Financial Reward

Respondents noted that the use of one's public position to collect gifts and financial reward is one of the most rampant forms of corruption in Zimbabwe and there is a lot of collusion in this practice between those in public positions and those who run enterprises. The use of gifts as a way to gain favours is very widespread.

One respondent felt that the practice should not be taken as corruption if at the end the organization is going to benefit although it is corruption if it is strictly for personal gain. It was noted that decisions are manipulated even after a person is a small inducement such as a soft drink.

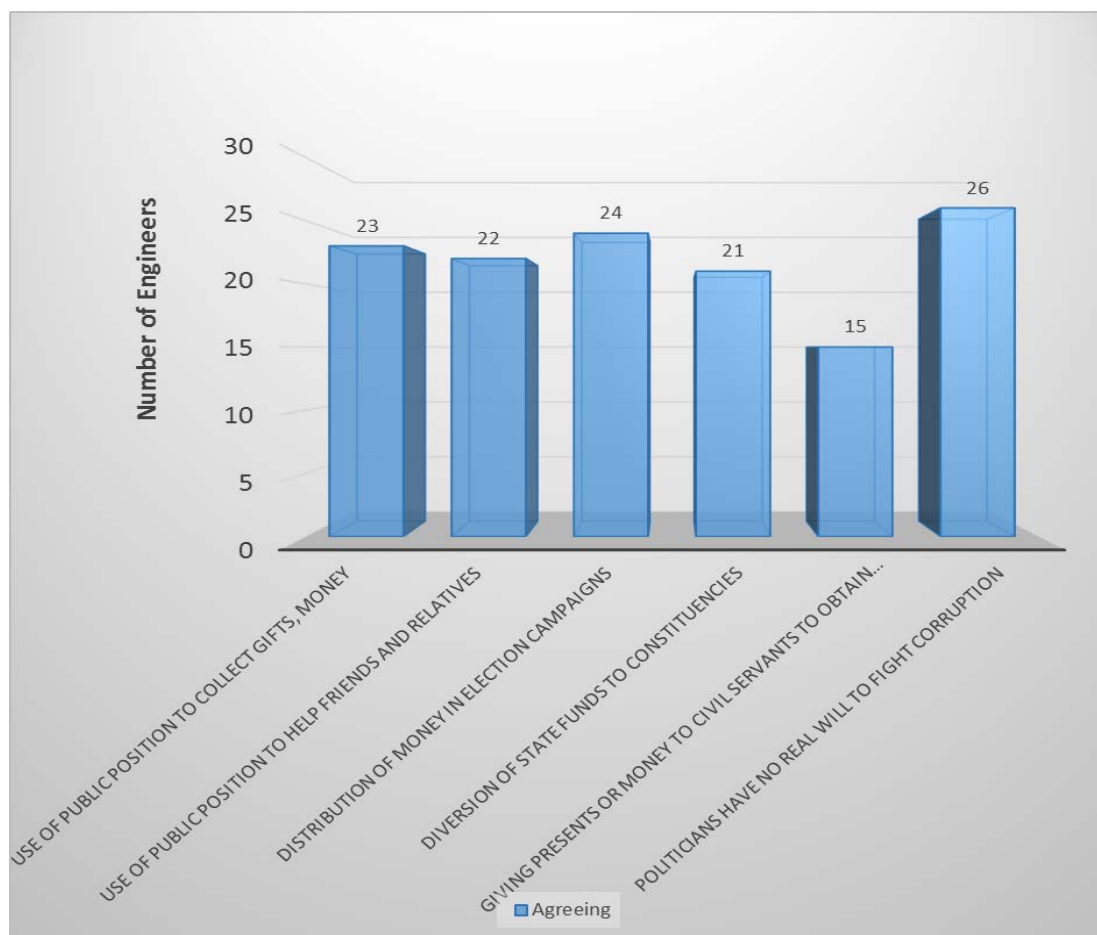


Figure 4-23: Actions Considered as Corruption (n=26)

One respondent acknowledged the practice of gift giving to sway decisions in a suppliers's favour, although noting that it was not that rampant while another pointed out that the practice is used for strengthening relations. It was also pointed out that some Chinese companies were wrestling business opportunities from locals and this was negatively affecting SMEs although big businesses were not affected much. Respondents stressed the need for transparency.

4.3.8 Use of Public Position to Help Friends and Relatives

Just as the use of one's public position to collect gifts and financial rewards was considered to be corruption, so was one's use of his or her public position to help friends and relatives such as giving friends or relatives jobs or licences or favouring them in bids. This practice was also described as very rampant in the country. It was observed that after assisting a person in any of these ways, the person in the public position still expects something in return from the assisted person and the practice was also described as commonplace.

The phenomenon has become more widespread because of the current economic environment in which few companies are operational and therefore limited employment opportunities available. This tempts people to employ relatives or even their own tribesmen especially in engineering and construction industries and the Vehicle Inspection Department (VID). It was noted, however, that this compromises quality, merit and standards. Life spans of projects are extended as unprofessional people are often engaged leading to cost overruns and diminished efficiency. It was also observed that there was more corruption in all areas that were developing as people opted to work with relatives and friends.

Respondents expressed personal disdain of corruption as evidenced by their responses to the question about what they would do if directly asked for a bribe by a public official. A respondent noted that since the public official would be using only relations through his or her own position and not competence, he would refuse to participate in corruption but if the official persists he would report to the authorities. Another also said he would refuse if asked for a bribe. The other responses were emphatic as sampled from the survey:

"No, thank you, I don't want that language"

"I will tell him point blank that I will sue him and that it will cost me"

“I will report to the Police and to the supervisor of the person contemplating corruption. I need to be clean. Whistle blower platforms can also be utilised and to increase efficiency, whistle blowers have to be rewarded handsomely, although rewarding is in itself a form of corruption as well”

Another responded that if directly asked for a bribe by a public official, he would give the bribe and report to the Police and the Anti-Corruption Commission with evidence later while yet another responded:

“I do not give bribes but reporting is not a solution because the system is saturated with corruption”.

TABLE 4-3: COUNTER ACTION WHEN DIRECTLY AFFECTED BY CORRUPTION

Years worked for Company	Response		
	Other (please specify)	Yes	No
Less than One year		100.0%	
One –Two years		77.8%	22.2%
Three –Four years	7.1%	64.3%	28.6%
Five years and above	26.3%	68.4%	5.3%
Total	16.7%	71.2%	12.1%

Respondents were asked what counter action they would take when directly affected by corruption. Table 4.2 shows that 71.2% of them would act to counter corruption. The number of years an individual worked for a company was found to have a bearing on the actions one would take if affected by corruption, Chi-square (σ)=11.95, $p=0.05$. The less the number of years an engineer worked for the company the more likely he/she would act to counter corruption. All respondents (100%) who had worked for less than one year and those between one and two years (77.8%) would act to counter corruption compared to 64.3% and 68.4% of those who have worked for three to four years and at least five years respectively.

Most of the respondents indicated that they would refuse to take part in any corruption although it is difficult to take counter action due to the fear of racial or political reprisals. Others observed that action to be taken depended on the availability of structures to go through when fighting

corruption. Some respondents indicated that they would report such cases anonymously to the Police or confront the perpetrators head-on. One respondent said there was little one could do except walking away from corruption since there are no strong civil societies or courts with competent investigative skills to deal with complaints while interference in corruption involving big figures can leave one in a worse position.

4.3.9 Distribution of Gifts and Money During Election Campaigns

All except two respondents considered the distribution of gifts and money during election campaigns to be a form of corruption in that it is vote buying and it influences election results. However this is a very common practice as evidenced by Zimbabwe Broadcasting Corporation (ZBC) programmes during election periods. Members of Parliament (MPs) use this strategy to influence decisions by making people forget what they want from the MPs and vote for them because they want the money being given by the MPs. A respondent pointed out that this practice is essentially bribery, which is a form of corruption.

4.3.10 Diversion of State Funds by Politicians to their Constituencies

The diverting of state funds by politicians to their own constituencies was also overwhelmingly considered a form of corruption by the respondents in that diversion of funds means that the funds will be used for purposes other than meant for the funds quoted below:

“Politicians diverting state funds, once you use the word divert it becomes corruption (not being used for intended or budgeted purposes)”.

Another respondent noted that corrupt practices depend on policy clarity: if the policy does not allow it then it becomes criminal, although the practice is very common. Diversion of funds does not result in development and so there is need to weigh and prioritise things to get them done not to divert state funds. We cannot fail to construct bridges because state funds have been diverted by politicians. Politicians divert state funds because they want to stay in power corruptly.

4.3.11 Conflict of Interest by Public Servants

This form of corruption is very common. Very often you find civil servants working in a ministry and at the same time running businesses which are in the same line of business as their ministries. It was noted that some get into such situations unknowingly while others will be trying to impress. Some respondents observed that the practice is widespread and examples were given of the Ministry of Transport and Infrastructure Development, where deals at the Ministry, Zinara and the National Railways of Zimbabwe (NRZ) by senior officials were said to have damaging effects on the national road system, NRZ, Air Zimbabwe and Civil Aviation. Very often civil servants are interested parties and they should follow the procedures once they get into office and declare their assets and goods. However, by virtue of them being public figures they are often brought to book sooner rather than later.

4.3.12 Political Will to Fight Corruption

Some respondents warned that whilst it is true that some politicians join politics for personal gain and are weary about fighting corruption, we should not generalize because not all of them condone corruption. Another observed that there are both professionals and charlatans within the ranks of politicians. Professionals get into politics to help others, but charlatans get into politics to benefit and get free things. Some politicians are there to benefit themselves but others are clean and honest and work for the common good.

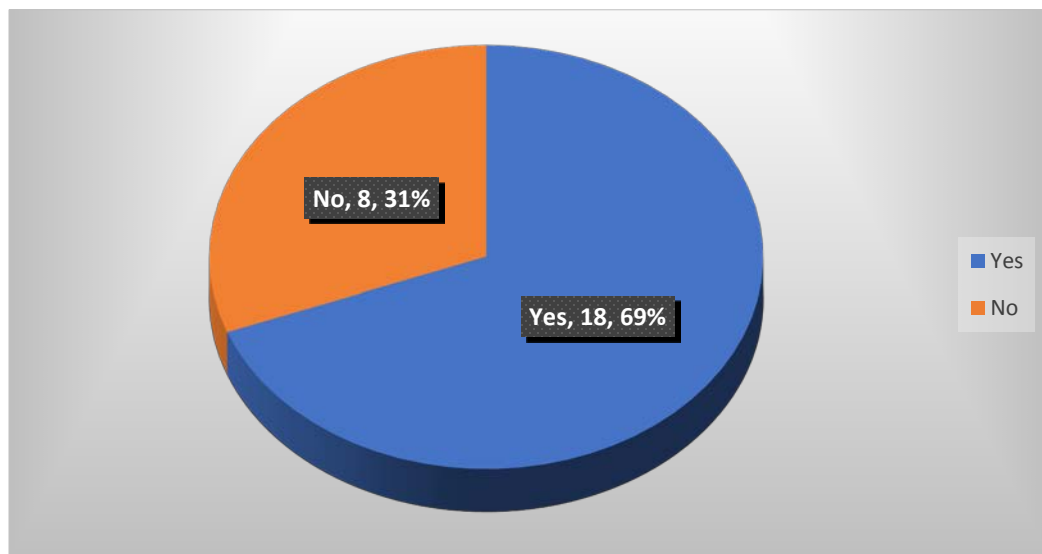


Figure 4-24: Perceptions on whether politicians have a will to fight corruption (n=26)

Some respondents, giving the example of the Higher and Tertiary Education Ministry, observed that politicians are involved in corruption although there are some clean politicians. Yet another respondent noted that not all politicians condone corruption but the majority do and actually participate in vice because they are protected by the law.

In summary, all of the following practices were deemed corrupt: using a public position to collect gifts and money, using a public position to help friends and relatives such as giving jobs or licences, or favouring in bids, distribution of gifts and money during election campaigns, politicians diverting state funds to their own constituencies, giving presents or money to civil servants to obtain public services as well as conflict of interest by civil servants. All of these practices were found to be very widespread in the country although there was near consensus that corruption is not good for business and the country's prosperity at large as it retarded development and drained the national economy as a whole through government having a bloated civil service, through economic underperformance and over expenditure, diminished investments, dilapidated infrastructure and negative growth of GDP.

4.3.13 Insitutions Most Affected by Corruption

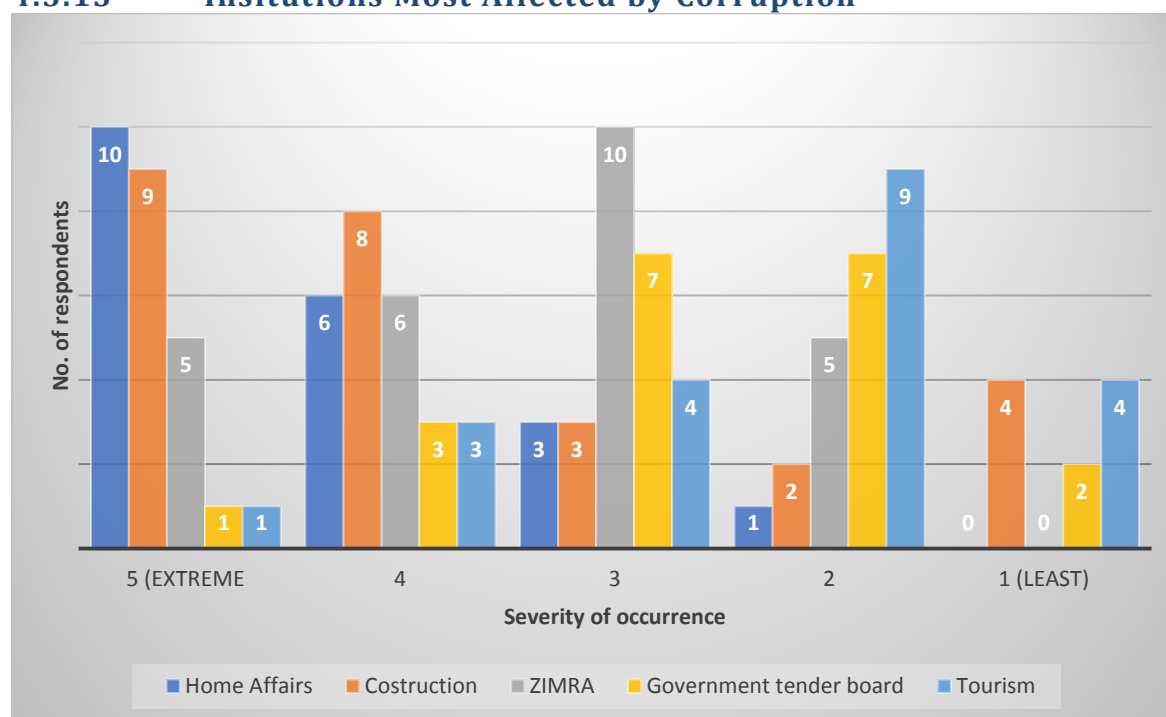


Figure 4-25: Ranking of Institutions According to Extent of Corruption. (n=26)

Figure 4.25 is a summary of institutions ranked according to the extent they are affected by corruption. The Ministry of Home Affairs, the police, immigration: Registrar General's offices and the Judiciary were rated as the most corrupt institutions in the country. The Judiciary was fingered for letting some criminals go unpunished after paying bribes. The construction sector was seen as the second most affected sector due to the large sums of money involved. In nine (9) out of twenty six (26) responses, respondents indicated the level of corruption as very extreme (5/5) and nearly the same number of respondents, 8 out of 26 also rated it as (4/5). In the third, fourth and fifth position were ZIMRA, Tourism and State Procurement Board respectively. The last was mainly blamed for influencing tenders in the Construction Sector in Government Construction projects, although it was indicated by the respondents that, this has since changed after the SPB reforms, where it now plays a regulatory role to procurement entities.

Corruption was also reported in other sectors such as health, education, parastatals, private sector and non governmental organisations, due to the poorly performing economy. The transport sector was also implicated where vehicles e.g., unroadworthy commuter omnibuses owned by law enforcement agents are allowed to move on the country's roads immune from prosecution; some citizens pay bribes at roadblocks and police stop motorists for petty issues as a means of soliciting bribes. Results suggest that corruption is rampant in all sectors in Zimbabwe, though the construction sector appears to be one of the most affected.

4.3.14 Areas Most Affected by Corruption

As illustrated in Figure 4.26, most respondents felt that SMEs were more negatively affected by corruption compared to larger companies. Reasons for this are varied. Some respondents observed that SMEs are more affected because they have to compete with bigger companies. In addition to that, SMEs are more vulnerable because they do not have diverse sources of capital. When processes and procedures are slow and cumbersome small businesses are affected more as they are less capable of sustaining such processes.

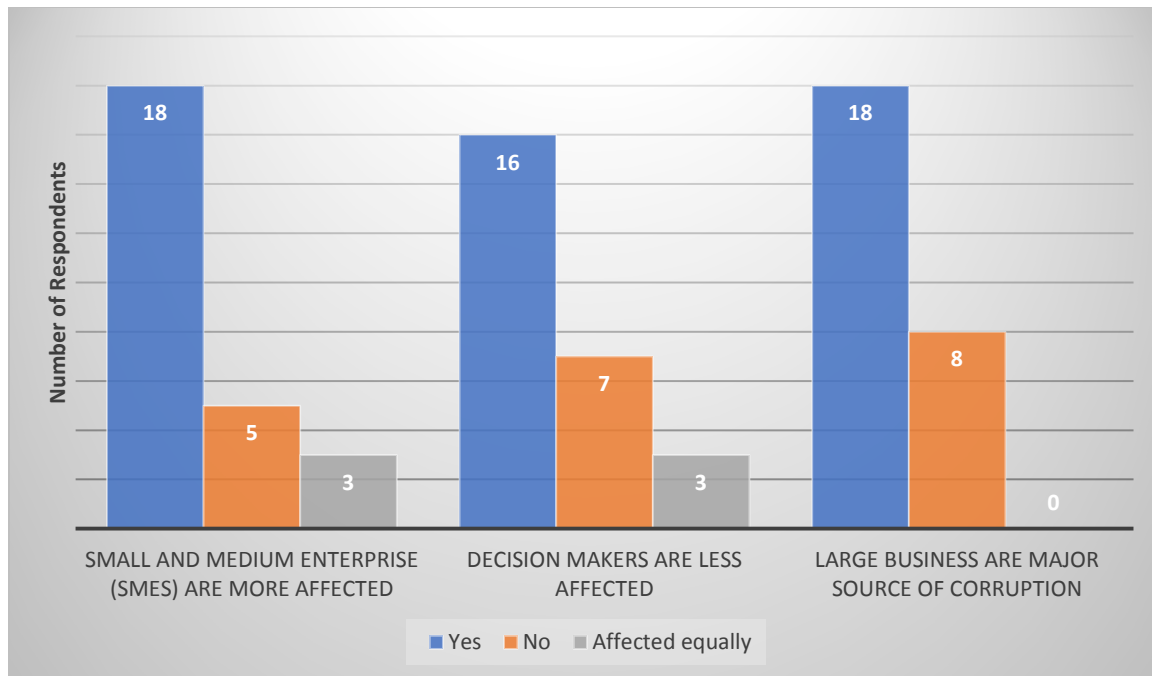


Figure 4-26: Areas Affected by Corruption (n=26)

4.3.15 Corruption in Small to Medium Enterprises and Big Business

Others respondents, however, do not agree. Instead they feel that SMEs are the major drivers and participants in corruption:

“SMEs are the major source of the problem of corruption as they act as middlemen during tendering processes and can acquire tenders without capacity and then subcontract those tenders to bigger companies and then dictate terms thus fueling corruption even further”

One respondent observed that SMEs benefit more than large businesses because some of them are related to corrupt officials and politicians and as such they skip protocols, do not pay taxes and do not comply with statutory instruments. Large businesses pay taxes but SMEs in most cases have higher chances to evade taxation. At the same time big businesses are already established and even have a stake in international markets, their audits are thorough and done by reputable companies such as Ernest and Young and therefore are not involved in corruption as much as small businesses.

It was also observed that big businesses are more affected because demands are more on them compared to small businesses. For example, large enterprises are forced to donate to government without consideration of the state of the economy. At the same time big businesses are forced to

retrench a lot of people when times get tough. Another example cited is that of the collapse of the giant Zimbabwe Iron and Steel Company (ZISCO). Others, however, felt that both small and big businesses are affected equally.

4.3.16 Impacts of Corruption on Decision Makers and Ordinary People

Most respondents felt that decision makers are less affected by corruption than the ordinary people because they have the ultimate say. Decision makers have the money and capacity to pay bribes in the event that they are caught on the wrong side of the law and therefore are not affected at all. Some respondents however felt that decision makers can be greatly affected by corruption as well because, for them, personal reputation is at stake and the consequences of their actions affect everyone. In fact, other respondents even felt that decision makers are more affected by corruption because they must always be accountable. An example is given of ministers who may make faulty decisions and yet the blame for the faulty decisions ends up with chief executive officers (CEO) or managers as they are the signatories of the companies and ministries and thus can not implicate the ministers.

Others however contended that decisions made by the leadership do not affect them but end up negatively affecting ordinary people. Ordinary people are affected in that they lose jobs and some of the retrenched people become thieves. Some respondents observed that ordinary people can smuggle goods at borders or escape bank queues but companies cannot do the same because of the fear or loss of reputation.

4.3.17 Large Businesses as Source of Corruption

Most respondents were of the opinion that large businesses are the major source of corruption. Some respondents were of the opinion that big companies influenced the award of tenders. As expressed by one respondent:

“the bigger the entity the more corrupt because of bureaucracy”.

Other respondents however do not believe that large companies are the major source of corruption because big businesses have the ability to reduce profit margins. At the same time to some corruption depends on the ownership structure of the business: a business might be large but very

straight forward. Others respondents believed that corruption was more rampant in government compared to large businesses. Still others believed corruption was everywhere, in big and small enterprises and really depends on the attitudes of people.

4.3.18 Types of Bribes

The most common forms of bribery known to the respondents were: kick backs, paying for favours, donations, paying to influence decisions, paying to be given tenders, paying to get payments for services rendered e.g. in government, land assets, favour money, cars, houses, stands, suits, dinner, lunch, and holidays gifts e.g. being flown to holiday resorts or abroad with family. In addition to that the respondents mentioned sexual favours which were said to be very common in the form of offers of positions and employment and psychological bribes.

4.3.19 Selective Acceptability of Corruption

Respondents were unanimous that there is no level of corruption which is acceptable and they expressed their opinions in various ways. Corruption destroys and is cancerous – no level of corruption should be accepted. Corruption is corruption no matter how small it is. If one accepts it then one is rewarding and reinforcing it in the process. Accepting a certain level of corruption sets a wrong precedent in society; corruption starts small until it becomes a cancer as people become conditioned to the behaviour. According to one respondent, all things start small; there must be zero tolerance to corruption. Corruption is a bad practice and everyone must just remember that corruption is corruption.

Public and private sector respondents, and those from civil society and those who work for regional and international organisations, were asked whether there were situations or circumstances in which corruption could be considered a good thing. Nearly all respondents who participated in the survey (95.5%) felt that corruption is bad and can never be good under any circumstances. All (100%) construction sector participants working in the private sector condemned corruption and indicated that it can never be a good thing. An issue of concern is the 6.2%, 5.0% and 4.5% of the Government Engineers, Civil Society Engineers and Regional or International Organizations respectively, who felt that under certain circumstances corruption may be considered as “good”.

Various reasons were advanced for this position. Corruption is a deadly cancer that destroys trust and makes services more expensive than they should be. Corruption can never be good for society because it disadvantages the uncorrupted and righteous people and is advantageous to the few involved parties only. Decisions should be made on their own merit. If one bribes someone for a service, one's credentials or workmanship becomes highly questionable. The respondents reign forced that corruption always prejudices someone.

One respondent was emphatic:

“Corruption is dangerous to development. It is a disease that once it starts its very difficult to eradicate. Nothing is achieved fairly in a corrupt world. Life should be fair. It is a symptom that brings to light underlying issues e.g. suppressive law makers or unruly population”.

Corruption results in business closures, provision of sub-standard and dangerous infrastructure; it distresses and weakens the economy and is counter progressive. There is always a chain of people that stand to be disadvantaged through one act of corruption.

4.3.20 Payment of Bribes to Overcome Bureacratic Hurdles

According to respondents, acceptance of any bribe should not be tolerated, no matter how small, because that will mark the beginning of corruption. It is wrong because everything must be done transparently. There is need to improve systems and bureacratic hurdles should be minimised. Instead, the one-stop-shop concept should be used. There is need to follow the system. Bureacratic hurdles allow certain people not to work, making the short process longer. There is therefore need to award and pay people on the basis of competence. For one respondent, the idea is to curb corruption, but some people put hurdles in order to create corruption. Hurdles are not procedures, but something created to facilitate corrupt activities. Payment of bribes is not necessary; people should get the proper service they deserve at the appropriate time.

On whether it is justifiable to pay bribes in order to overcome regulations, respondents were emphatic as above. This does not solve the problem. No form of bribe is acceptable. There can never be a situation in which corruption can be deemed or classified as advantageous. In safety

or health issues it can never be justified. It is financially advantageous to the person taking the bribe but not to the general public.

4.4 Cultural Elements in Corruption

Figure 4.27 illustrates whether corruption has a cultural element; the majority, 65.2% of the respondents suggested so, while the remainder felt otherwise. All respondents employed in Civil Societies in Zimbabwe disagreed with the assumption that corruption has a cultural element in it. A statistical and significant difference was found to exist between position at work place and perception of cultural bias in corruption, Chi-square (σ)=8.1, $p < 0.043$. Most of those in executive positions, (57.1%) and a significant number of those in non-managerial positions argued that no element of corruption is cultural. The Figure 4.26 and Table 4.4 indicates this.

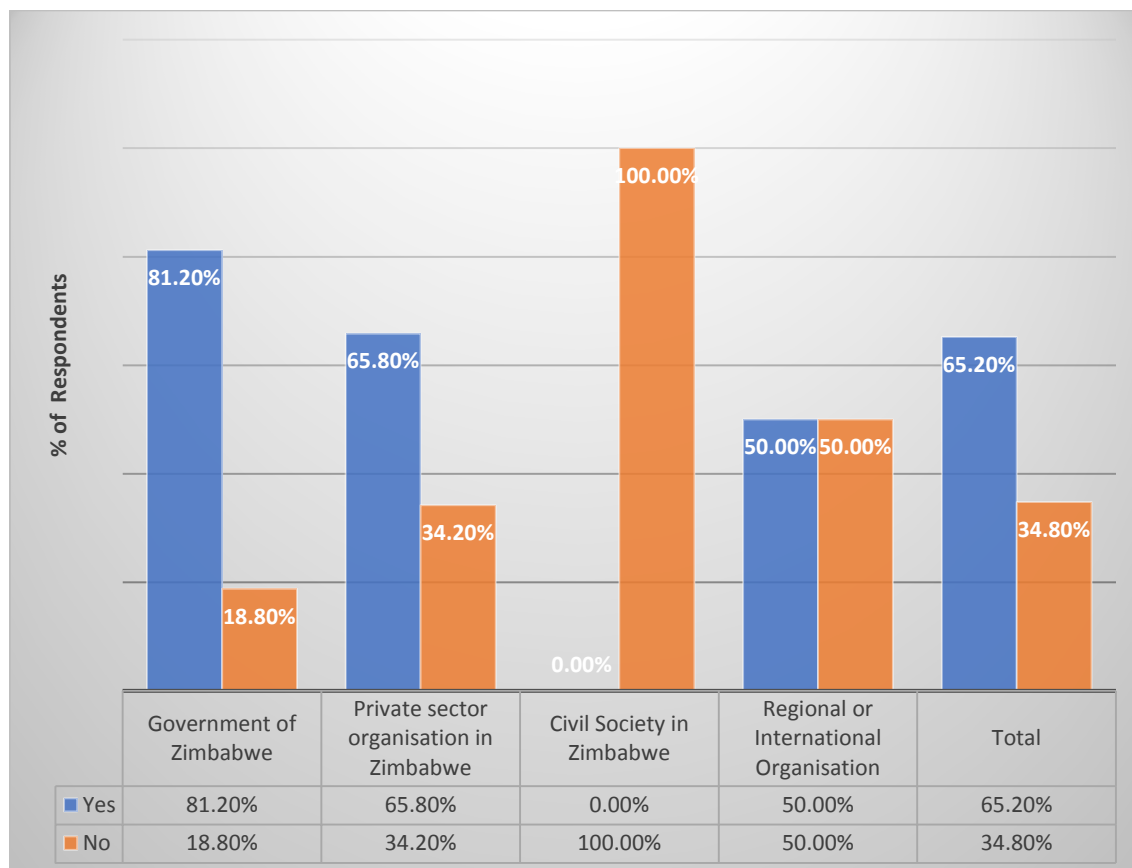


Figure 4-27: Cultural Element in Corruption (n=68)

TABLE 4-4: PREVALENCE OF CULTURAL ELEMENT IN CORRUPTION

Position	Response		Total
	YES	No	
Executive Management	42.9%	57.1%	100.0%
Senior Management	92.9%	7.1%	100.0%
Middle	68.2%	31.8%	100.0%
Non-managerial	60.0%	40.0%	100.0%
Total	66.2%	33.8%	100.0%

Most respondents were of the opinion that any person can be corrupt regardless of race and cultural background. Culture is basically a loose set of beliefs, practices and permissible behaviour adopted by a certain grouping, usually subconsciously over time. From that perspective corruption can therefore be said to have a cultural element. It was strongly indicated that culture shapes the way people behave but it never teaches people to be corrupt. People tend to behave in the way they were taught from childhood. Some respondents felt that corruption is more an ethical issue than a cultural one and also more sector and job related.

However, others believe that there are certain ethnic groups that are more easily involved in corruption than others owing to what is acceptable in their cultures. People will tend to participate in corrupt practices if that is tolerated in their cultural beliefs, but overall, they do it in the hope of personally gaining something. Culture is also dynamic and can be influenced by the economic situation in an area, resulting in corruption. Once the economic situation deteriorates, there will be changes in the social and cultural environment, a corrupt culture might emerge which, once in place, will be difficult to change. The research findings showed that, Cultures with poor values (dishonesty, lack of integrity, etc) are susceptible to the cancer of corruption, and if not nipped in the bud, corruption spreads and eventually becomes an acceptable part of life. If one is groomed in a corrupt society then one is prone to assume that corruption is right.

In some societies, it is customary to pay homage to the chief and corruption is praised in such cultures. Nepotism is common in African cultures and this is really another facet of corruption. People tend to help their associates and relatives while others want to get rich quickly so as to

show society that they have 'made' it in life. Some communities also believe that tips are a natural way of doing business while some cultures are secretive, greedy and promote underhand dealings as a way of doing business. Some cultures revere gifts or tokens of appreciation but these should be given in public rather than in private.

Other respondents believed that the personal integrity of the individual determines whether or not they can be swayed by corruption. As such they argued that there is no cultural element in corruption but people are creating a culture out of it. The results of the survey also showed that those involved are generally greedy or are lazy or both.

The findings showed 66.2% of the respondents indicated that corruption can be innate and has some cultural influence, though some felt that corruption is influenced by the environment in which individuals live, including childhood experiences. Some respondents perceived corruption as more of an ethical issue than a cultural one and also more sector and job-related whilst others viewed corruption as something adopted from the various world governance systems rather than from culture. The implications of the findings could be that corruption can be influenced by culture but is not a function of culture itself.

4.4.1 Culpability for Reducing Corruption

Most respondents were of the opinion that the President of the country should lead the fight against corruption although ultimately it is everyone's responsibility. The fight against corruption should start with the individual and every one else will follow. The self (ego) is more important in fighting and reducing corruption as it was alluded that zero tolerance to corruption starts by accepting your status and also respecting other views. Others opined that politicians should start by demonstrating to the world that they are not corrupt.

There should be checks and balances and the state should spearhead Anti-Corruption activities by way of putting statutes in place so that there is zero tolerance on corruption. Community leaders, the police, judiciary and business leaders as well as professional engineering organisations should also take a leading role in the fight against corruption. The first person to be offered a bribe must be the one to overcome corruption. The police force and companies should also install hotlines for

whistle blowing but the question is who is going to protect the whistle blowers when those supposed to do so are also involved in corruption. There should be no sacred cow or selective interpretation of the law when it comes to corruption.

4.4.2 Corruption Prevention Measures

People engaged in corruption should be dealt with severely and punitive action should be taken without fear or favour. Any perpetrator of corruption should be arrested irrespective of his/her stature in life, starting from the top. There is need for our national policies to be updated and to be made more effective. Statutes and stringent measures together with the necessary punitive penalties should be put in place or strengthened. The Zimbabwe Anti-Corruption Commission (ZACC) is there but needs further ammunition. Heavy custodial sentences (stiffer penalties) should be given to offenders. Anti-Corruption institutions should be given adequate resources to do their work. At the same time, there is need to simplify or reduce bureaucratic hurdles. Education and awareness campaigns can also be used to sensitise the general public on the negative consequences of corruption. Moral education should be incorporated into the educational curriculum starting from early childhood education to University. Churches should also play their part in inculcating morality and there should be respect for institutions that promote morality.

4.4.3 Citizen Participation in Fighting Corruption

There was unanimity that citizens should play a central role in the fight against corruption. According to the respondents if citizens say no to corruption then it will be drastically reduced. It was emphasised that “corruption begins and ends with me, prosecution is the answer, those caught in corruption should be prosecuted”. It was unanimously agreed that people must lead by example. The citizens should always report corruption. If everyone shuns corruption, people will do their best to minimise it. There is corruption even in getting death certificates; people must stick to the normal and rightful ways of doing business instead of promoting corruption.

4.5 Chapter Summary

This chapter presented a discussion and analysis of the research findings from both the questionnaire and the interviews. It emerged that most respondents understood what corruption

was and its major causes in both the Zambian and Zimbabwean contexts. The level of corruption in the public-sector construction industry in both countries was found to be high due to big value projects, bribery/kickbacks, bureaucracy and nepotism. The identification, planning and design stages of the public-sector construction projects in both countries were found to be heavily influenced by corruption. Other forms of petty or grand corruption were also recorded in other sectors such as the judiciary, the Police, and ZIMRA in the case of Zimbabwe. Ways of reducing corruption were identified and highlighted. Chapter five (5) presents the detailed analysis of the infrastructure anticorruption index.

CHAPTER FIVE

5 INFRASTRUCTURE ANTI-CORRUPTION INDEX

5.1 Introduction

This chapter presents the Infrastructure Anti-Corruption Indices for Zambia and Zimbabwe. The chapter highlights the prevalence of corruption in public sector construction projects in Zambia and Zimbabwe based on the results of the baseline infrastructure Anti-Corruption index which was carried out in Zambia and Zimbabwe. The results for Zambia are presented first followed by those from Zimbabwe. As earlier mentioned in the methodological section of the study, the survey monkey method was employed to capture, analyse and compute the Anti-Corruption index of the respective countries. Data were presented as frequency tables, graphs and figure illustrations.

5.2 Infrastructure Anti-Corruption Index Analysis and Results for Zambia

5.2.1 Prevalence of Corruption in Zambia's Construction Sector

Figure 5.1 indicates that the Infrastructure Anti-Corruption Index as perceived by Zambian respondents in the public-sector construction projects in Zambia is 67% (335/500points), which falls short of 13% of the minimum threshold value of 80%, for a country to be considered as acceptable in terms of corruption. The corruption index scale ranges from zero (0%) to hundred percent (100%) with zero being the most corrupt and 100% representing a corruption free sector of the country. The result, 67% corruption rating, implies that there is corruption in the construction industry in Zambia though some inroads have been made when the results are compared to Zambia's neighbour, Zimbabwe, whose corruption index score is 53%.

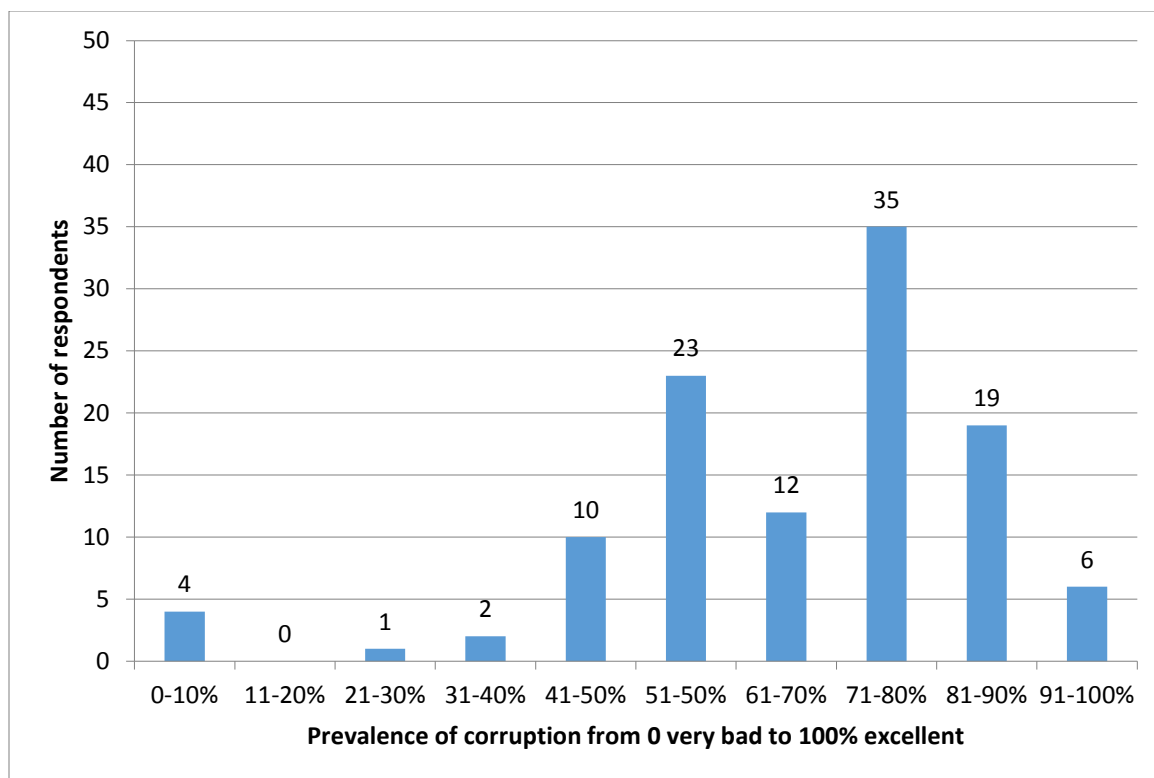


Figure 5-1 Corruption Index of Zambia's Construction Sector (n=112)

Statistics

Minimum	Maximum	Median	Mean	Standard Deviation
0%	97%	73%	67%	20%

5.2.2 Factors which Influence Corruption in Zambia's Construction Industry

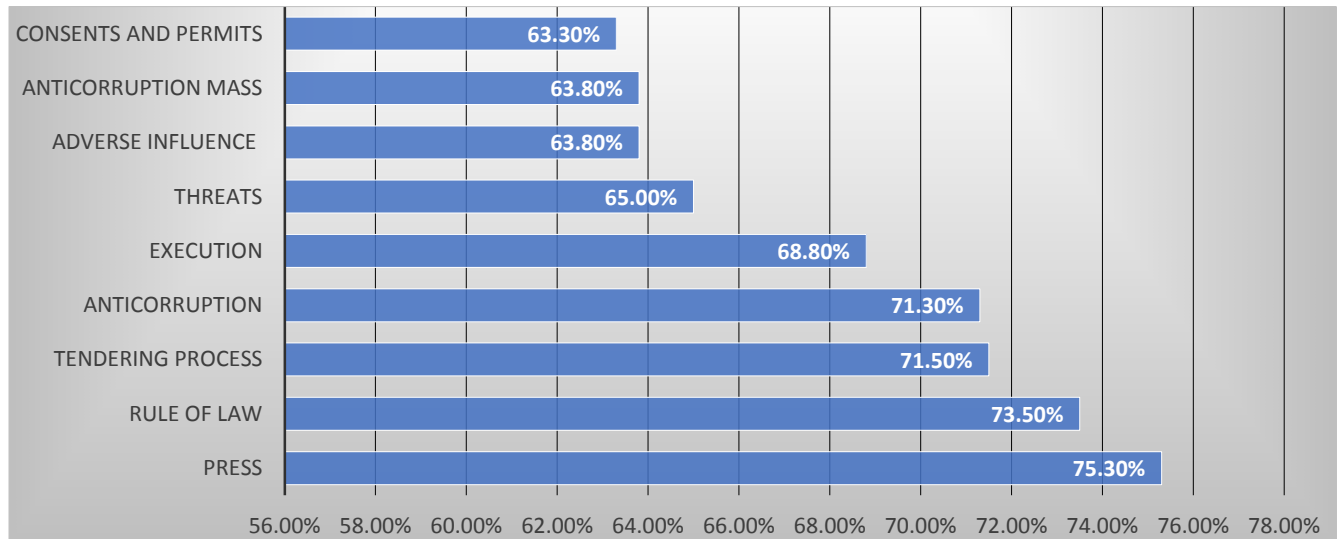


Figure 5-2: Ranking of Adverse Influence Factors of Corruption in Zambia's Construction Industry (n=112)

Figures 5.2 shows adverse influences on corruption in Zambia's construction sector ranked. "Adverse influence" means influence which is intended to benefit a minister, politician, public official, political party or a favoured bidder rather than the public. This adverse influence may be exercised, for example, as a result of the payment of a bribe, or in order to extort a bribe, or in connection with a vested interest.

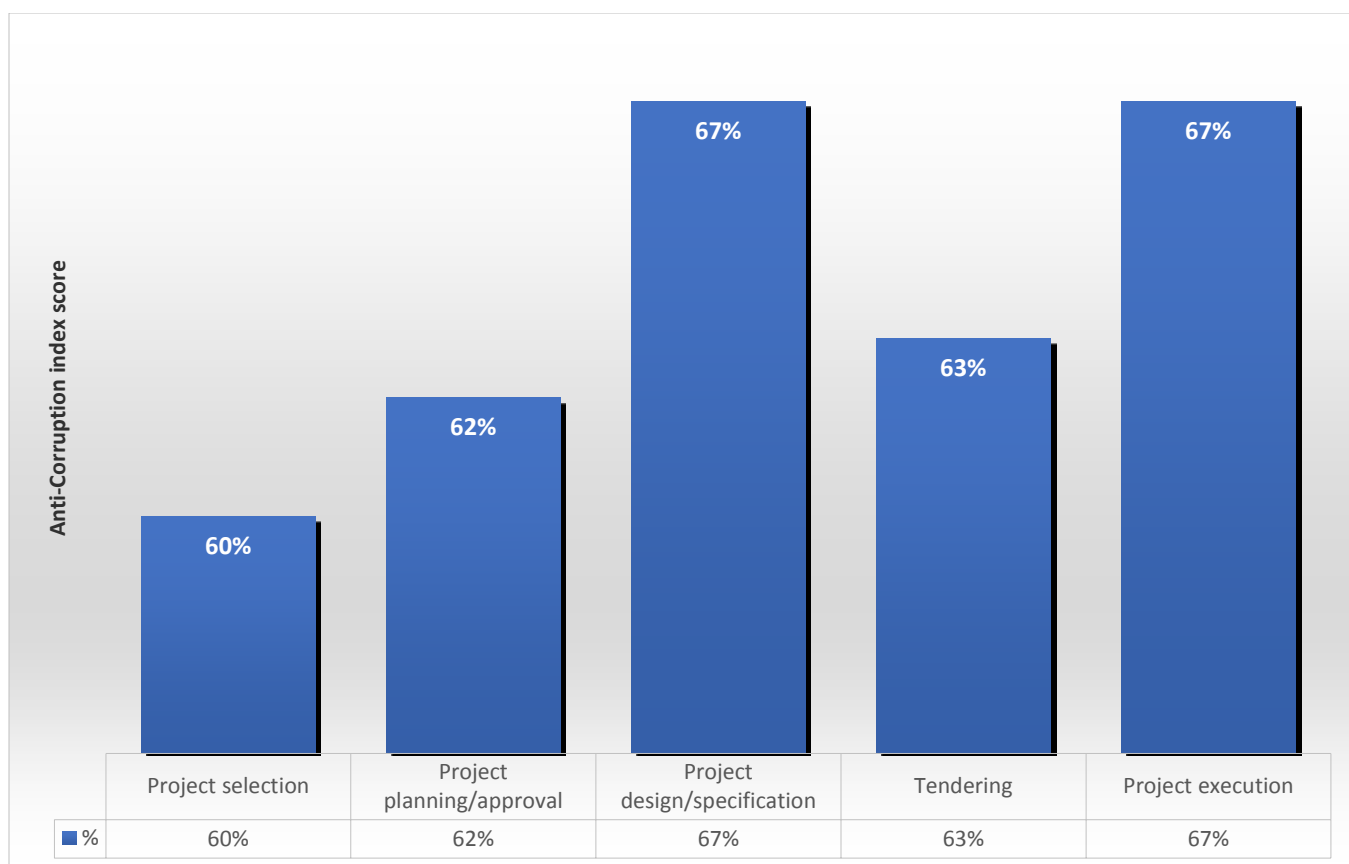


Figure 5-3 Adverse Influence on Corruption in Zambia (n=112).

All adverse influence factors appear to fuel corruption in the construction sector in Zambia as indicated by an average score of 63.8%. However, adverse influence on project selection (average score 60%), project planning and approval (62%), and tendering (average score 63%) were found to be more prone to corruption in the public-sector construction industry than the project design and execution stages (average score, 67%). Overall results point to the fact that some inroads have been made in terms of addressing corruption at the design and execution stages of public construction projects, despite their index score being lower than the minimum threshold score of 80%.

5.2.3 Corruption in the Tendering for Public Sector Projects

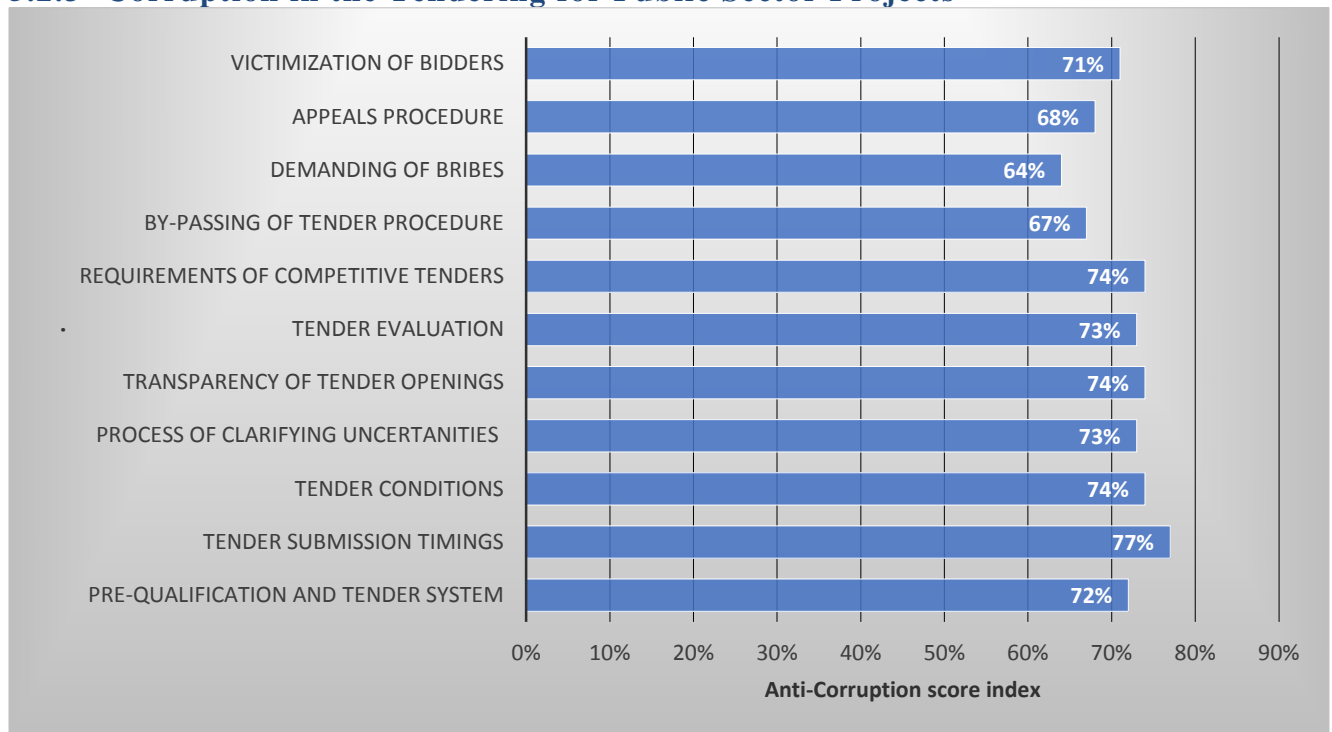


Figure 5-4 Tendering for Public Sector Projects in Zambia (n=112)

In terms of tendering for public sector projects in Zambia, results indicate that measures to combat corruption are to some extent inadequate and somewhat ineffective (71.5% score). The issue of demanding of bribes for the award of public sector construction contracts (64%) and by-passing of tendering procedures on questionable grounds such as declaring unjustifiably that a project is an emergency purchase, and therefore does not require competitive tenders (67%) and the non-existence of fair and reasonable appeals procedures under which a bidder who believes that he has unfairly lost an award can appeal the decision (68%) were the areas of concern. Issues concerning pre-qualification and tender systems, tender submission timings, tender conditions, clarification of uncertainties, tender opening times, tender evaluations, requirement of competitive tenders and victimisation of bidders (who challenge the award) were found to be done to some extent fairly and transparently though more needs to be done to reach the ideal 80% or more in these areas.

5.2.4 Corruption in the Execution of Public Sector Projects

An assessment was made of the effectiveness of measures in place that could help in preventing corruption during the project execution phase of public sector projects in Zambia. The overall score of this aspect was 68.8%, 11.2% below the 80% minimum threshold. Survey results indicate the prevalence of corruption in the execution of public sector projects.

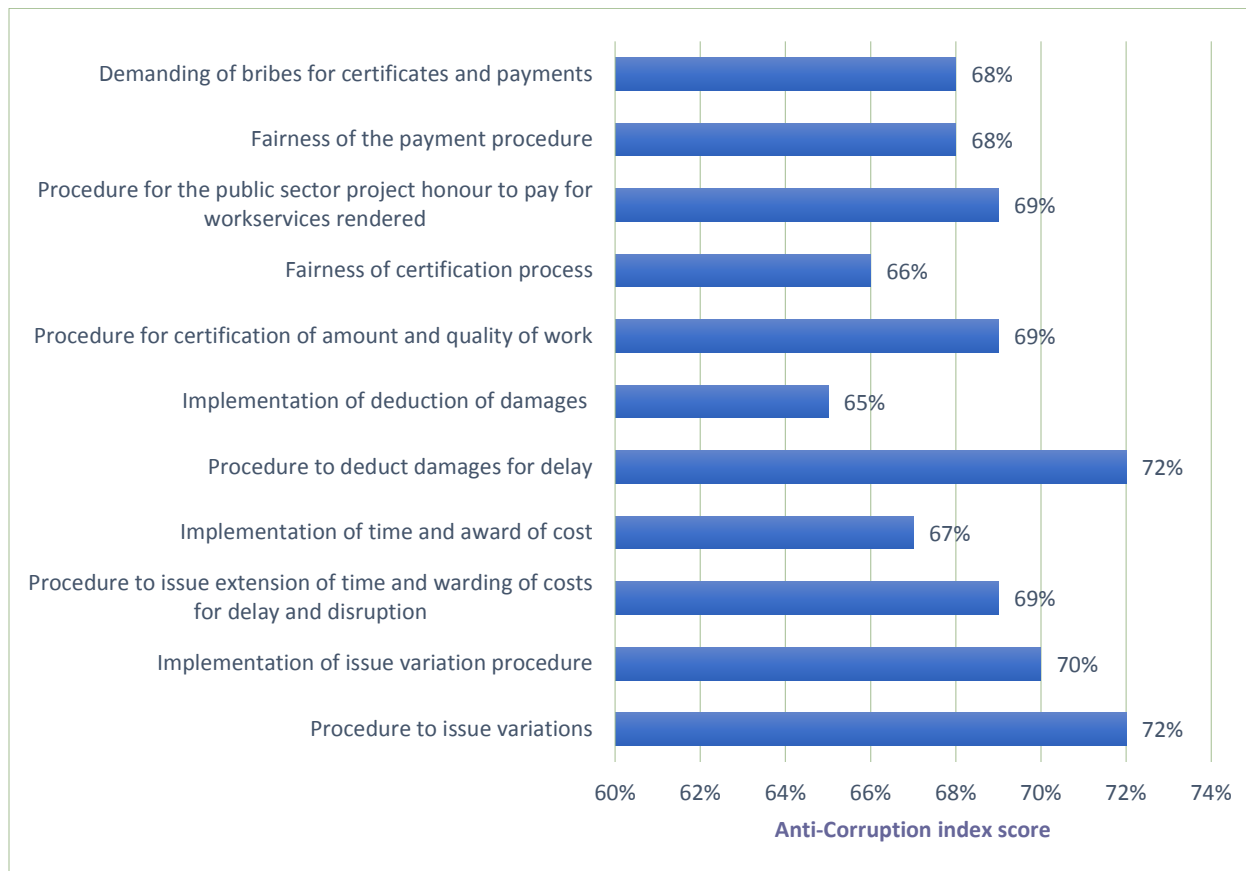


Figure 5-5 Execution of Public Sector Projects in Zambia (n=112)

The most affected area in this regard relates to the demand and acceptance of bribes in return for certificates and payments (65%) and procedures for the certification of amounts and quality of work and services undertaken as well as equipment and material supplied (66%). All the other procedures such as those required in the issuance of variations, extensions of time, and awarding of costs for delays and disruptions, deductions of damages as well as implementation of payment, were also found to be negatively affected by corruption though to a lesser extent.

5.2.5 Anti-Corruption Management Systems in Zambia

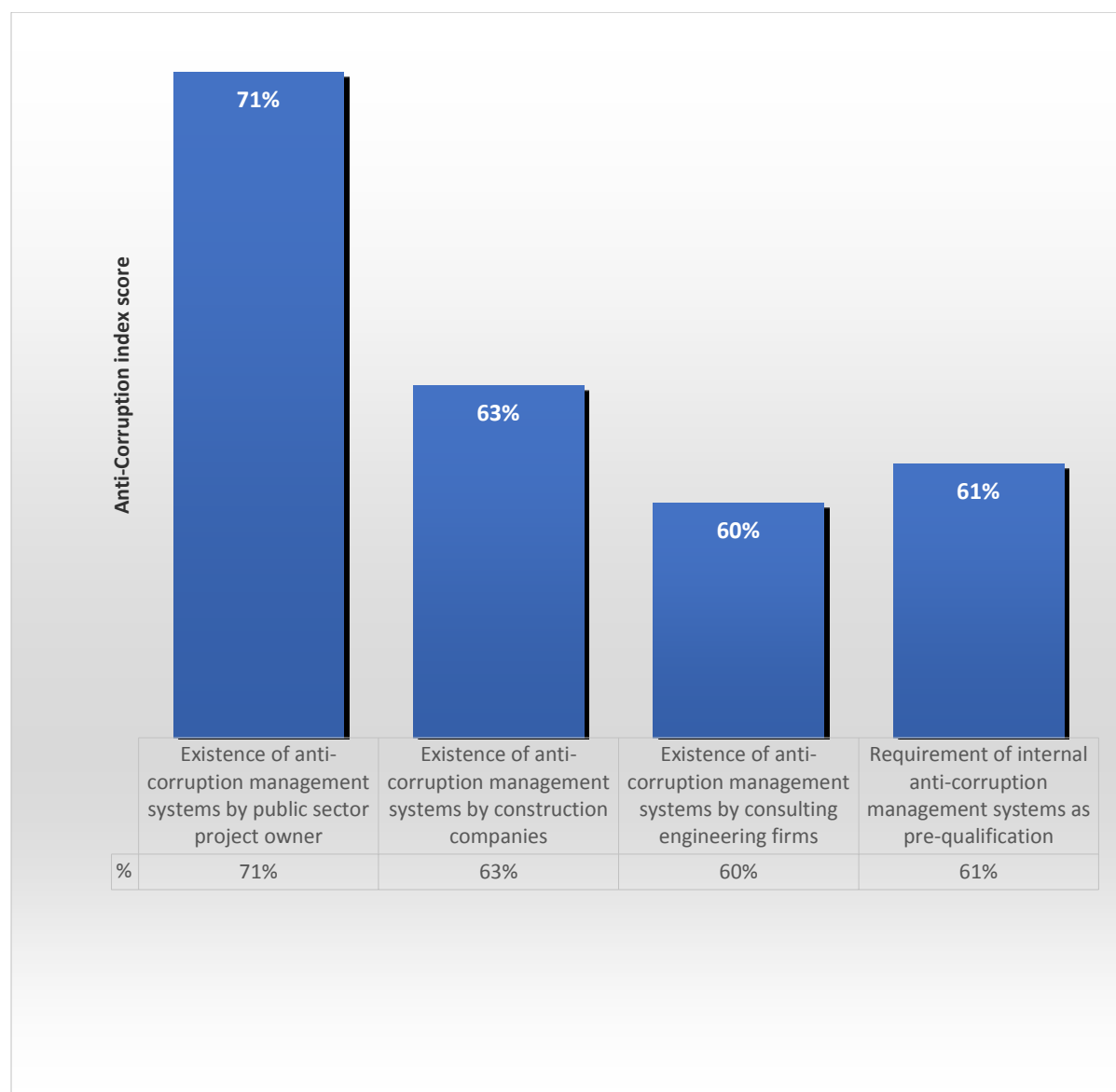


Figure 5-6: Anti-Corruption Management Systems in Zambia’s Public Sector Construction Projects (n=112)

Results indicate the absence of Anti-Corruption management systems in public sector construction projects in Zambia (63.8% score). The systems evaluated included Anti-Corruption codes of conduct within both the contracting organizations and the project executing organizations, Anti-Corruption training for employees, controls over gifts and hospitality, controls over the use of cash, the requirement to undertake due diligence on business partners to assess the risk or potential of

their entering into corrupt practices on behalf of or against the organization as well as corruption reporting systems. The Government does not require companies or firms working on its projects to have internal management Anti-Corruption management systems in place as a condition of pre-qualification or award of tenders (61% score) and this fuelled corruption the most. The government does not also give positive value to those companies or firms working on its projects which have internal Anti-Corruption management systems in place in the tender evaluation process. It has however made some progress in putting in place Anti-Corruption management systems designed to prevent corruption within its own organizational structures as the owner of most public-sector construction projects (71% score).

5.2.6 Obtaining Consents and Permits

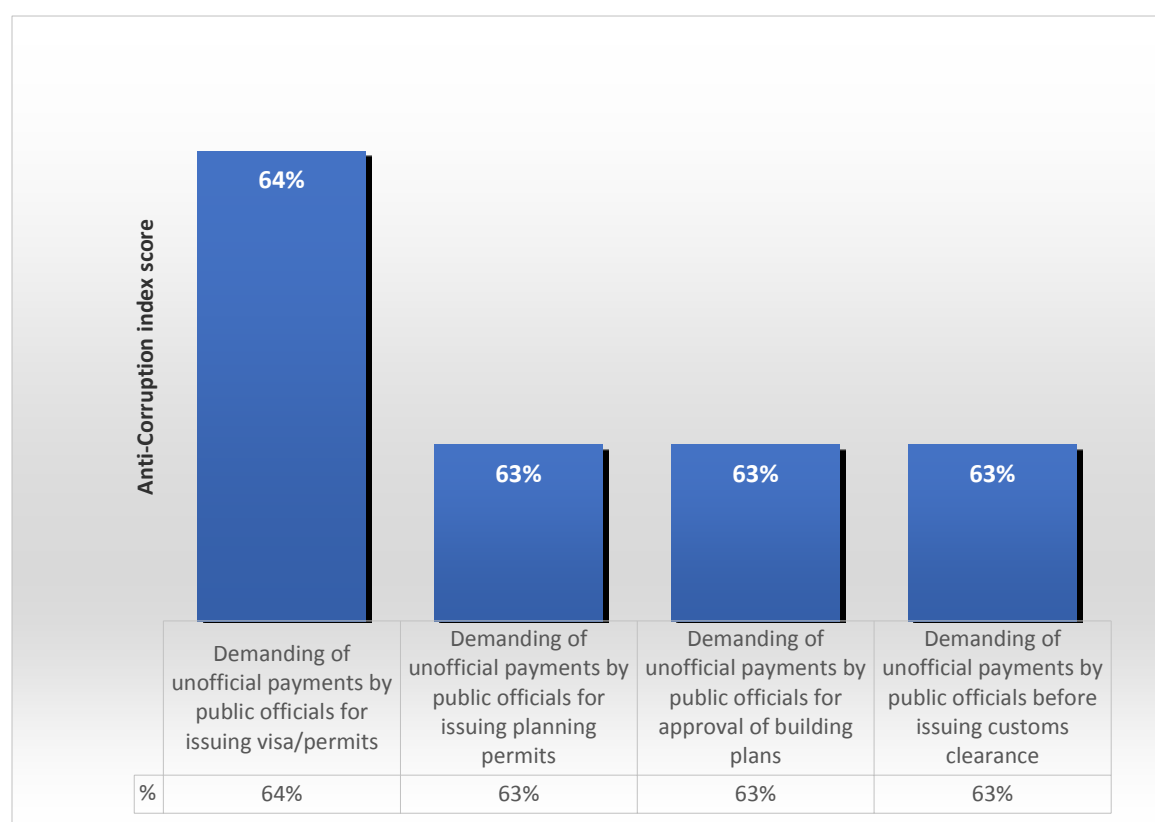


Figure 5-7: Obtaining Consents and Permits in Zambia's Public Sector Construction Projects (n=112)

Measures in place to curb corruption were found to be ineffective with respect to the granting of consents and permits (63% score). Indications are that unofficial payments either in cash or other means are demanded or expected by public officials before issuance of visas, work permits planning permissions, approval of building designs as well as customs clearance certificates.

5.2.7 Threats/Extortions

Figure 5.8 provides evidence that gang members who demand unofficial payment were a threat to the eradication of corruption. However, cases of corruption involving police officers demanding or expecting bribes are low (74% index score). Results may imply that gang members are the major culprits in fuelling corruption in Zambia's public sector construction projects.

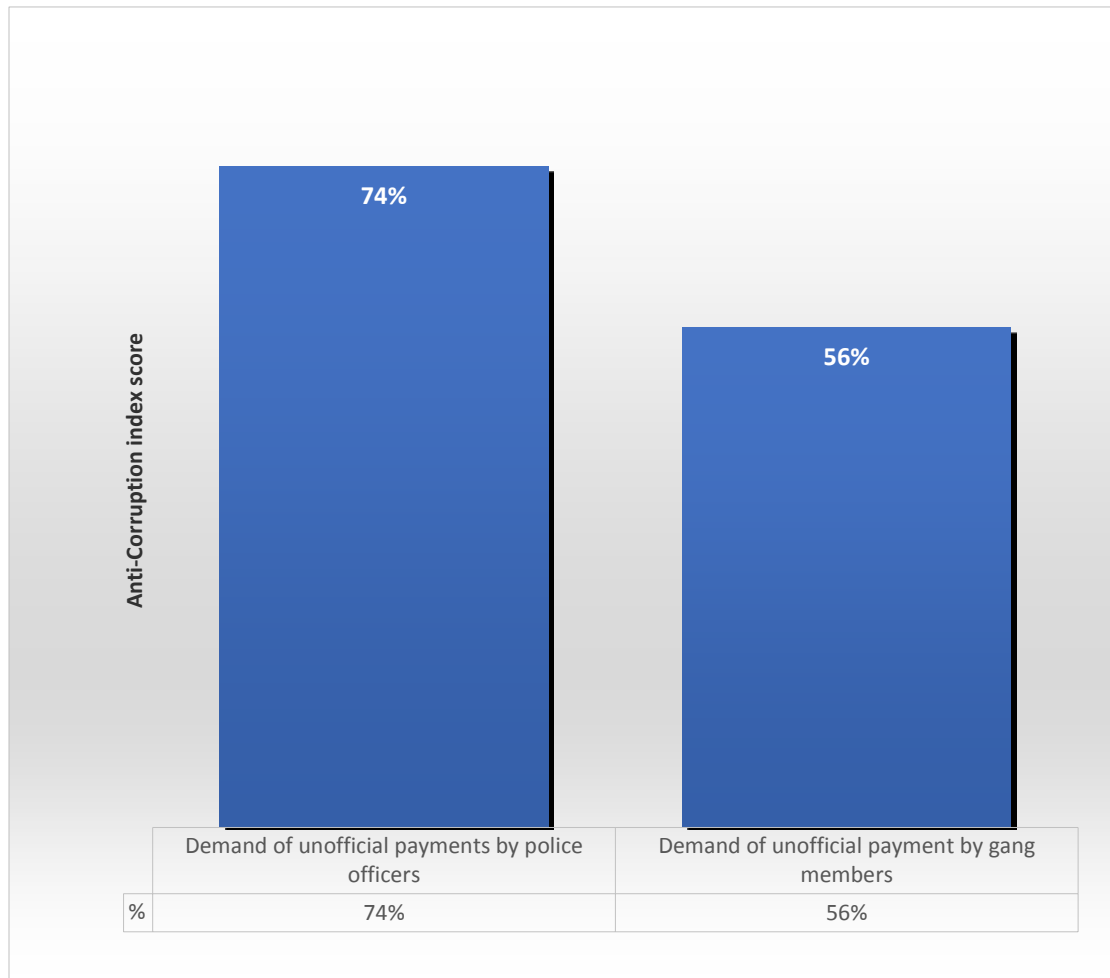


Figure 5-8 : Threats or Extortions (n=112)

5.2.8 Anti-Corruption Leadership by Professional Institutions and Business Associations

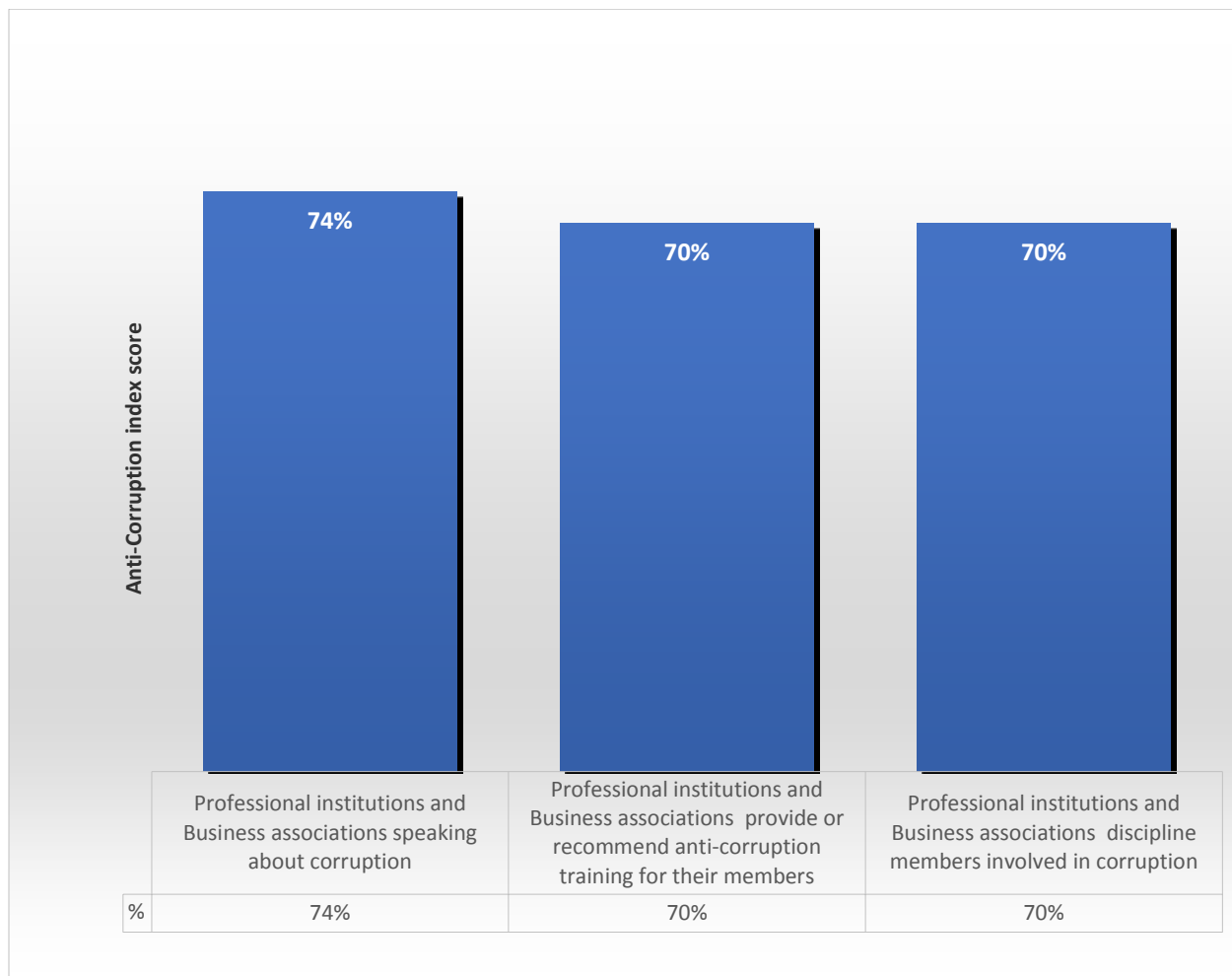


Figure 5-9: Anti-Corruption Leadership by Professional Institution and Business associations (n=112)

An assessment of the extent to which Anti-Corruption leadership is provided by professional Engineering Institutions responsible for certifying, affiliating or regulating professional engineers, architects, quantity surveyors as well as business associations protecting the interests of construction companies and consulting engineering firms revealed that scores in this regard were fair, amounting to 71.3%. On the a more positive note, professional institutions and business associations were found to be publicly speaking out against corruption (74% score). This points to the fact that bodies which represent professionals and business organizations know the negative impact corruption can have on their endeavours.

5.2.9 Rule of Law

In terms of measures in place to uphold the rule of law, including investigation, prosecution and the court system, the government has made some inroads in combating corruption (75%, mean score) although a lot of effort is needed to improve in terms of fairness and independence of the courts in hearing cases (64%, mean score).

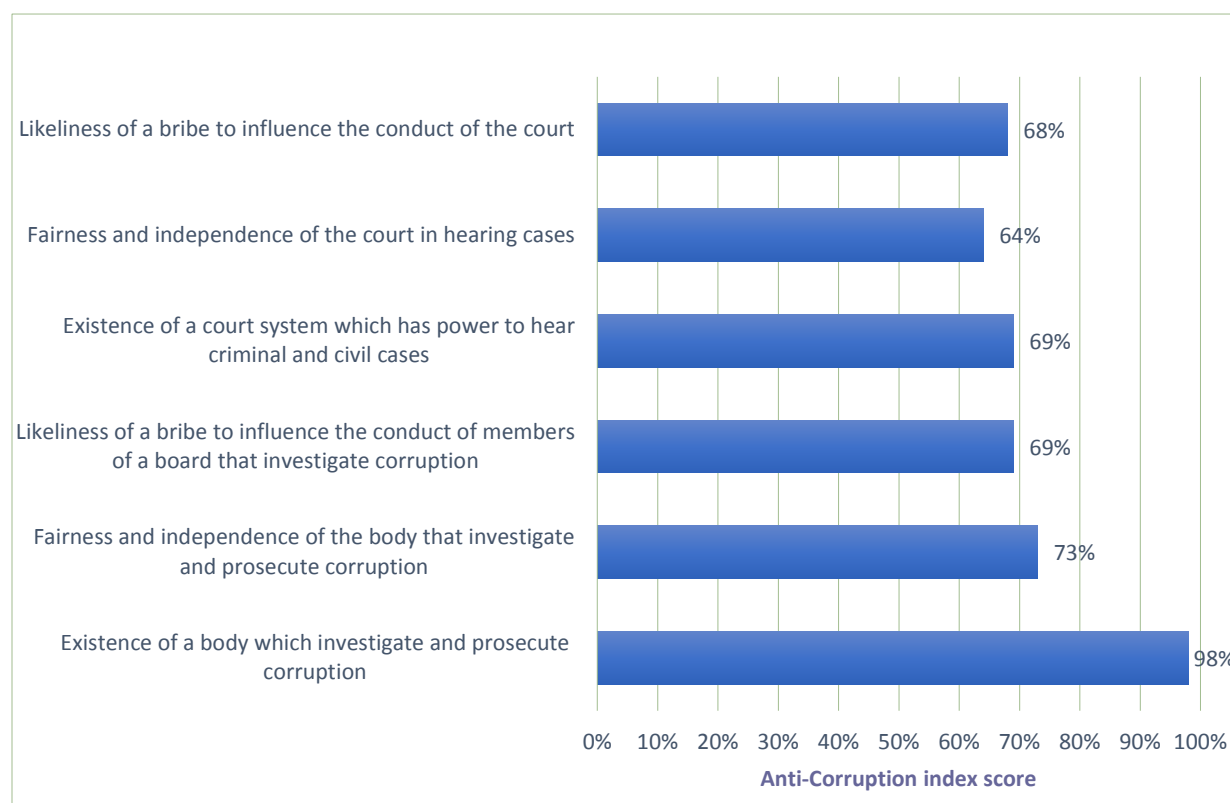


Figure 5-10 : Rule of Law (n=112)

The Zambian government has in place an Anti-Corruption Commission (98%, mean score) and a court system which deals with criminal and civil cases (69%, mean score); however, the transparency and fairness of these bodies is questionable.

5.2.10 Press Freedom

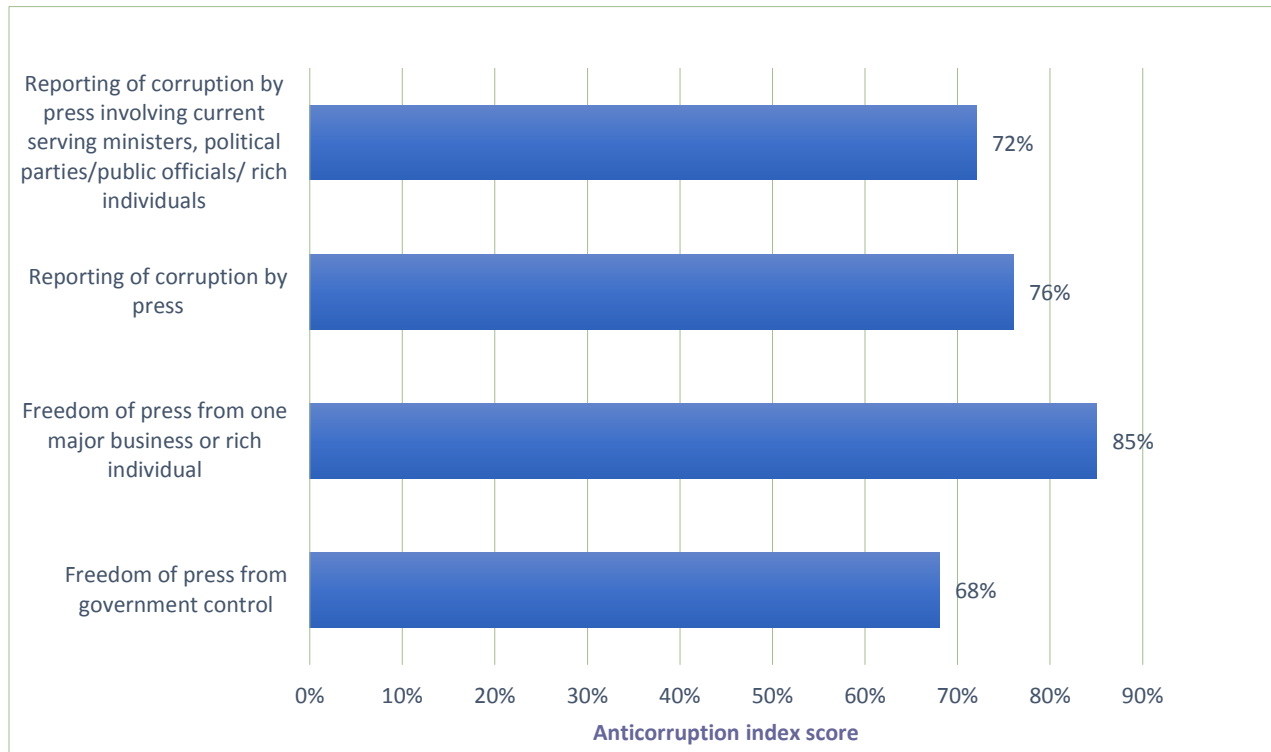


Figure 5-11: Press (n=112)

An assessment was also made of how free the press is from government control including how willing the press would be to report on alleged corruption by ministers, political parties, public officials and powerful businessmen since a free, independent and confident press can be a valuable Anti-Corruption tool. The overall mean score of 75.2% suggests that respondents feel that there is some independence of the press in the country. Inroads have been made in terms of reporting corrupt activities of high profile members of the society, political parties and even serving members of the cabinet and ruling party. However, a point of concern is that the media is still controlled by the government to some extent. Results suggest that there is press freedom in Zambia as the press is able to publish reports alleging corruption by powerful members of society without interference or arrests from the political leadership.

Out of a range of factors which have an adverse influence on corruption within the construction sector in Zambia, the issues of consents and permits (mean score, 63%), Anti-Corruption

management systems (mean score, 63.3%) and adverse influence (33.8%) negatively influenced corruption the most.

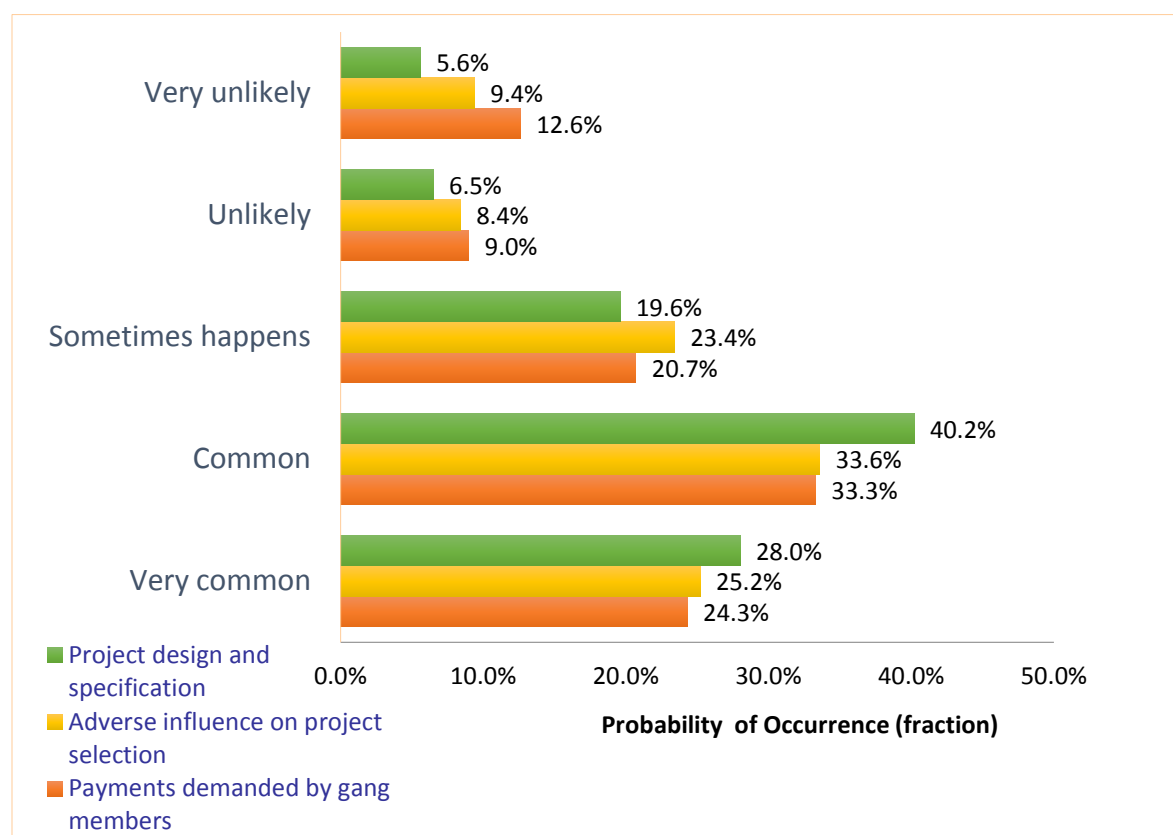


Figure 5-12 : Most Ranked Items on Adverse Influence on Corruption (n=112)

On project selection, research participants indicated that ministers, politicians or public officials interfered with the selection process or supported the building of projects or types of projects which primarily appeared to favour them or their associates at the expense of public interest. Respondents felt either that the practice was very common (25.2%) or common (33.6%) whilst 28.3% indicated that the practice sometimes did occur.

In terms of payments being demanded by gang members' respondents revealed that such practice frequently happened (24.3%), while 28% shared similar sentiments on project design and specification. Survey findings suggest that all factors appear to fuel corruption in public sector construction projects in Zambia as none of the factors achieved a score of 80%. However, adverse influence on selection and tendering, and design and specification stages of project development

were more prone to corruption than any other stage because they are directly linked to the acquisition of the tender.

5.3 Infrastructure Anti-Corruption Index Score for Zimbabwe

5.3.1 Prevalence of Corruption in Zimbabwe’s Construction Sector

Zimbabwe performed less than Zambia in the pilot survey study. It scored 265 out of 500 possible points, giving it a 53% score-line.

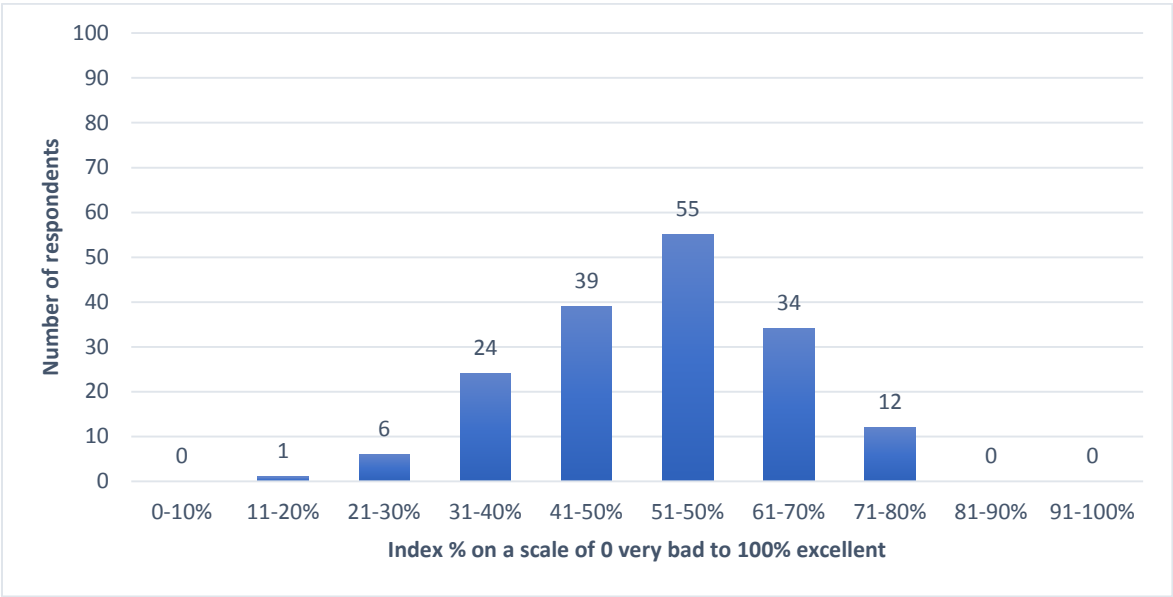


Figure 5-13:Corruption Index of Zimbabwe's Construction Sector (n=184)

Statistics

Minimum	Maximum	Median	Mean	Standard Deviation
11%	79%	53%	53%	13%

Figure 5.13 indicates that the Infrastructure Anti-Corruption index as perceived by Zimbabwean respondents in the construction sector is 53% (265/500points), which is nearly in the middle on a

scale zero (0%) to hundred percent (100%) with zero being the most corrupt and 100% representing corruption free sector or country. Countries with a score of 80% and above are considered as acceptable in terms of corruption levels. The result, 53% corruption rating, implies that there is widespread corruption in the construction industry in Zimbabwe.

5.3.2 Factors which Influence Corruption in Zimbabwe's Construction Industry

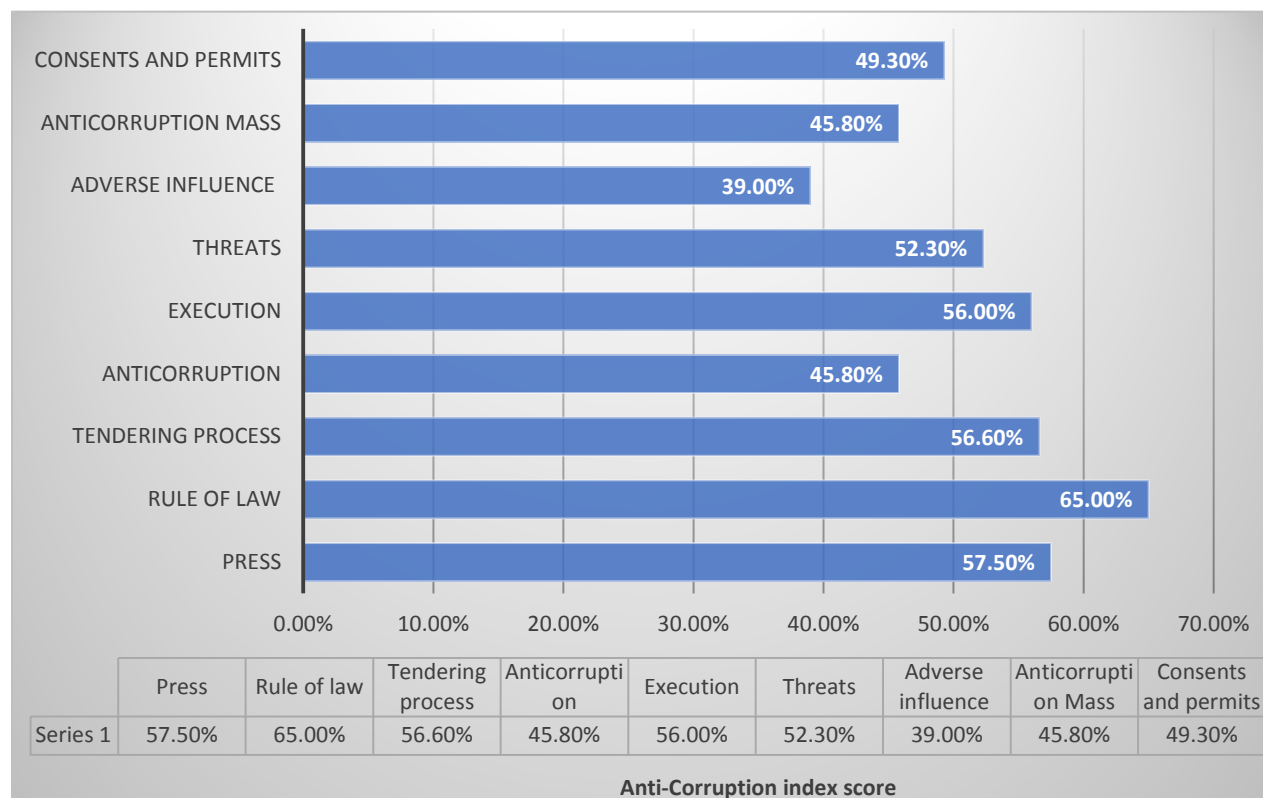


Figure 5-14 : Ranking of Adverse Influence Factors of Corruption in Zimbabwe's Construction Industry (n=184)

Figures 5.14 shows adverse influences on corruption in Zimbabwe's construction sector ranked. "Adverse influence" means influence which is intended to benefit a minister, politician, public official, political party or a favoured bidder rather than the public. This adverse influence may be exercised, for example, as result of the payment of a bribe, or in order to extort a bribe, or in connection with a vested interest.

5.3.3 Adverse Influences on Corruption

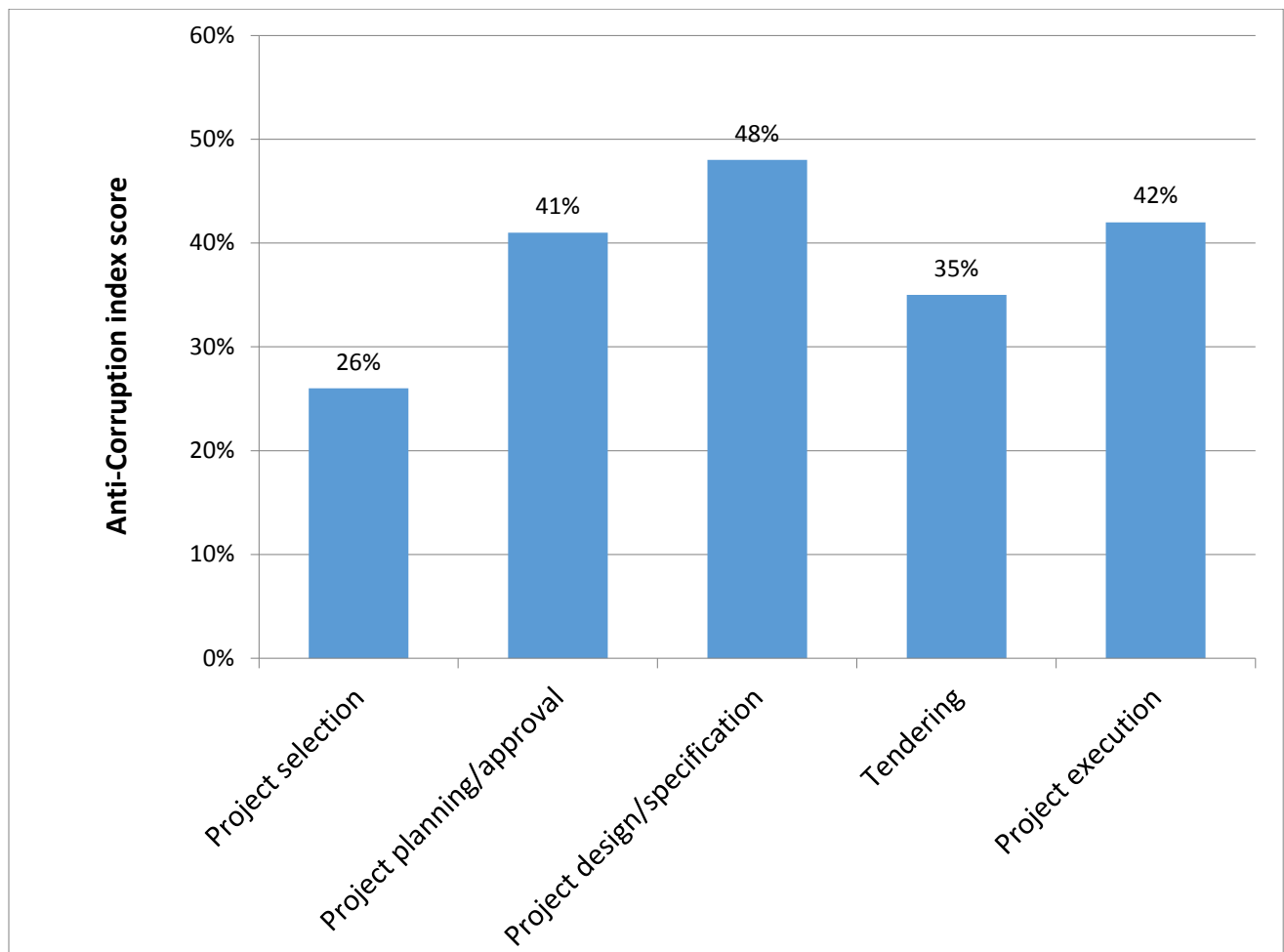


Figure 5-15 : Adverse Influences on Corruption (n=184)

Overall, all factors appear to fuel corruption, though adverse influence on the selection, design, award and execution of public sector construction projects seem more influential in this regard. The average score for adverse influences was found to be 39% with the worst (26%) being in the selection process followed by tendering (35%). Project planning/ approval processes and execution followed with a 42% score each. Project design or specification scored 48%. Findings suggest that adverse influence has negative connotations in terms of fuelling corruption in the country.

5.3.4 Corruption in Tendering for Public Sector Projects

Figure 5.16 shows the results of the survey in the tendering for public sector projects.

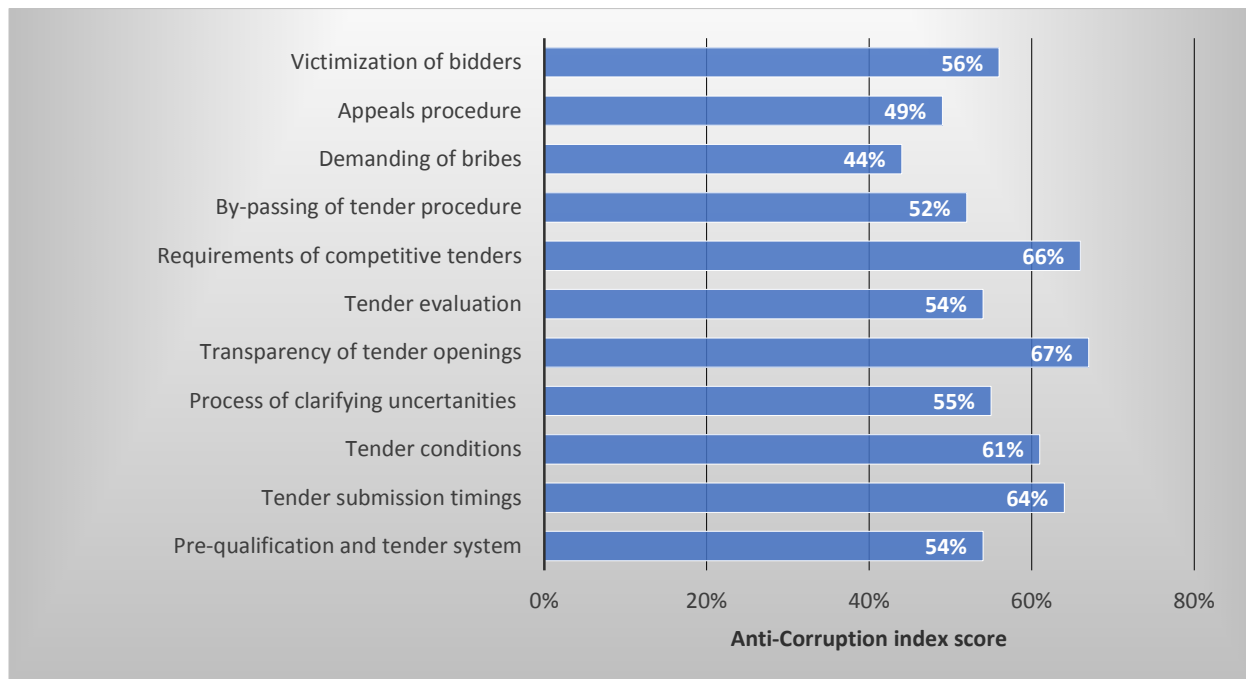


Figure 5-16 :Tendering for Public Sector projects (n=184)

In terms of tendering for public sector projects it was found that measures in place to prevent corruption were neither adequate nor effective (56.6% score). The issue of demanding bribes for the award of public sector construction contracts (44%) and the non-existence of fair and reasonable appeals procedures under which a bidder who believes that he has unfairly lost an award can appeal the decision (49%) and the by-passing of tender procedures on questionable grounds such as unjustifiably declaring that a project is an emergency and there does not require competitive tenders (52%) are the areas of most serious concern. It was also indicated that systems which enable bidders to prequalify for public sector projects or to win tenders for public sector projects were considered to be unfair and unreasonable (54%). This includes pre-qualification systems or tender evaluation under which bidders have to satisfy the project owner according to financial, technical, quality, safety and other non-priced parameters. In addition, tender evaluations for public sector projects were carried out in a manner which was not fair and was unreasonable (54%), and in most cases the process of clarifying uncertainties in bidding was not transparent

(55%). There is also need for improvement in tender submission timings, tender conditions and transparency in tender opening systems.

5.3.5 Corruption in the Execution of Public Sector Projects

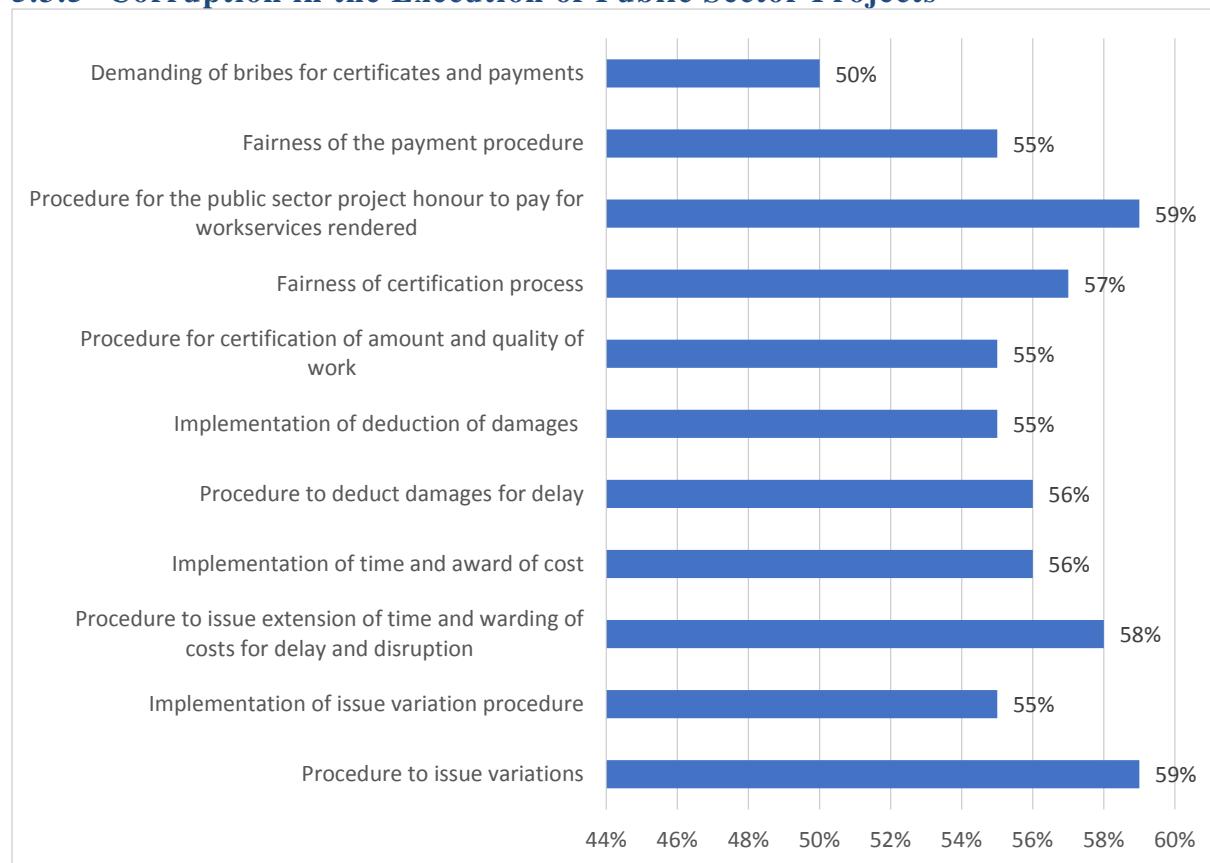


Figure 5-17: Execution of Public Sector Projects (n=184)

An assessment was made of the effectiveness of measures in place that could help in preventing corruption during the project execution phase. The overall score of this aspect was 56%, far below the acceptable 80% threshold for corruption meaning that there is corruption in the execution of public sector projects. The most affected area in this regard relates to the demand for and acceptance of bribes in return for certificates and payments (50%). All the other procedures such as procedures in the issuance of variations, extensions of time, and awarding of costs for delays and disruptions, procedure for deduction of damages and procedures for the certification of amounts and quality of work and services undertaken and equipment and material supplied as well as implementation of payment procedures were also found to be negatively affected by corruption as well.

5.3.6 Anti-Corruption Management Systems

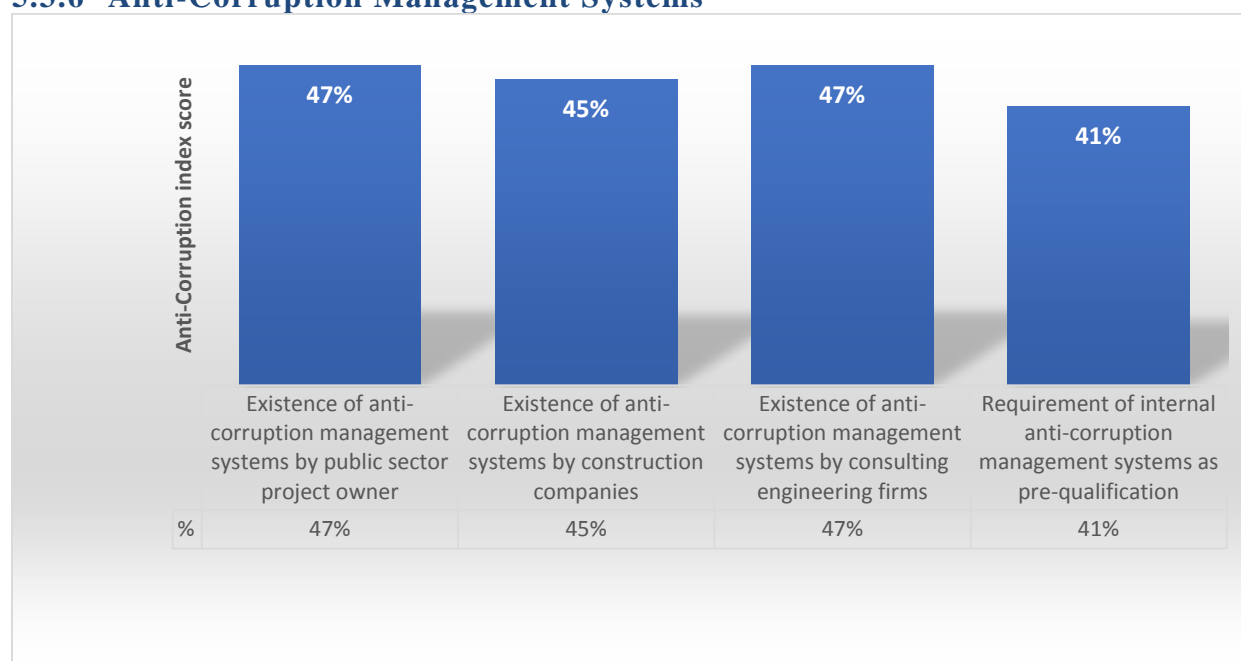


Figure 5-18 : Anti-Corruption Management Systems (n=184)

Anti-Corruption management systems were found to be very weak (45.8% score). The systems evaluated included Anti-Corruption codes of conduct within both the contracting organizations and the project executing organizations, Anti-Corruption training for employees, controls over gifts and hospitality, controls over the use of cash, requirement to undertake due diligence on business partners to assess the risk of them entering into corrupt practices on behalf of or against the organization as well as corruption reporting systems. The Government does not require companies or firms working on its projects to have internal anticorruption management systems in place as a condition of pre-qualification or award of tenders (41% score) which fuelled corruption most. It does not give positive value to companies or firms working on its projects which have internal anticorruption management systems in place in the tender evaluation process. It was also found that most companies and public sector project owners do not have anticorruption management systems (48% score).

5.3.7 Obtaining Consents and Permits

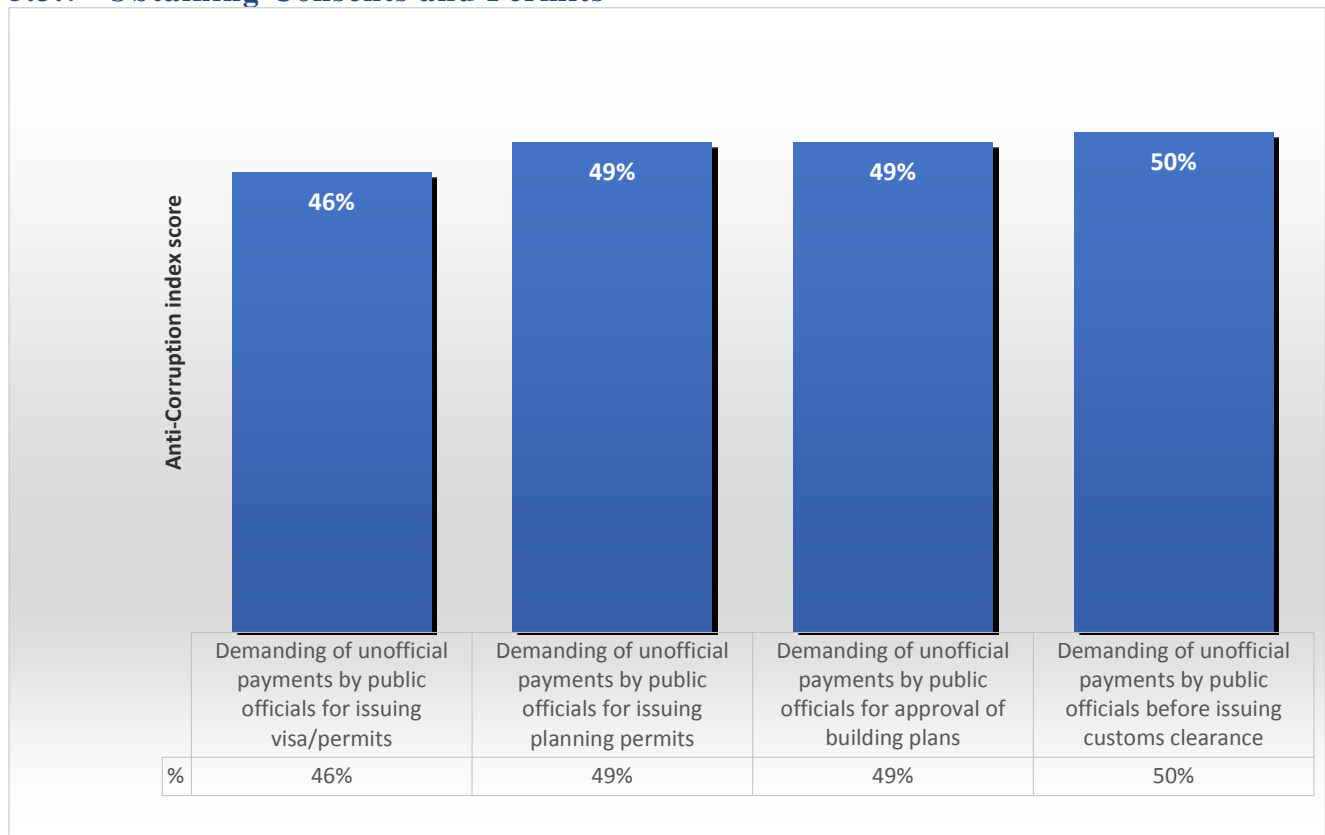


Figure 5-19: Obtaining Consents and Permits (n=184)

Measures in place to curb corruption were also found to be ineffective with respect to the granting of consents and permits (49.3% score). Indications are that unofficial payments are demanded or expected by public officials before issuance of visas, work permits, planning permissions, approval of building designs as well as customs clearance certificates.

5.3.8 Threats/Extortions

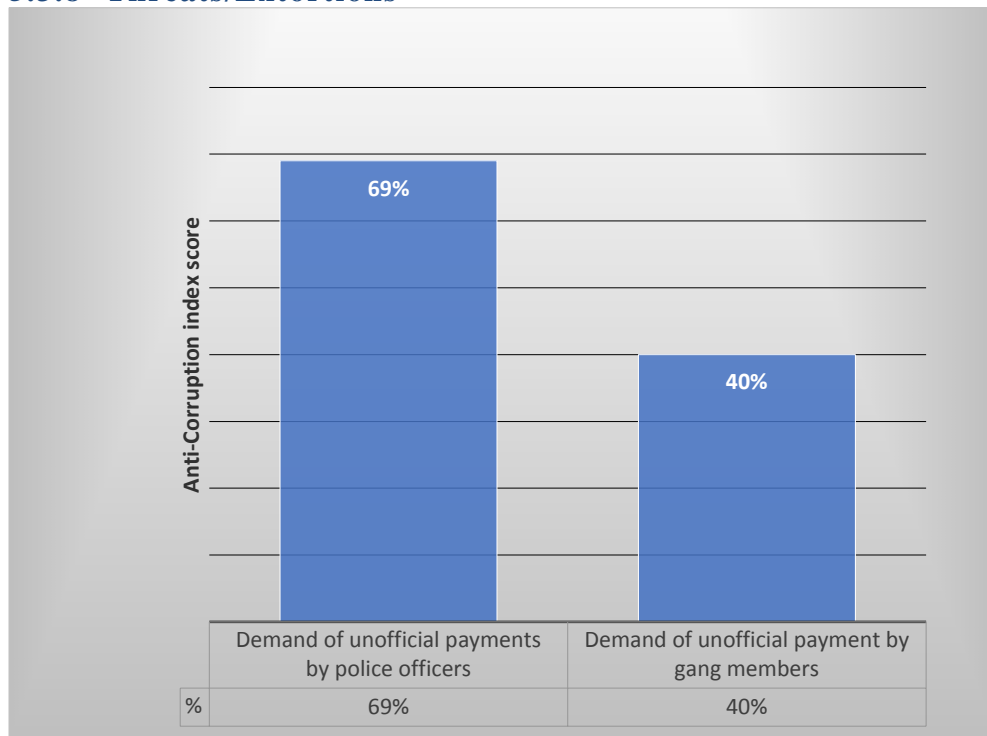


Figure 5-20 :Threats or Extortions (n=184)

It was observed that threats and extortions were rampant and measures to curb such practices were not effective (52.3% score). It emerged that police officers demand or expect to receive bribes or unofficial payments for letting vehicles pass road blocks or in return for exempted from prosecution for alleged or real traffic offences.

5.3.9 Anti-Corruption Leadership by Professional Institutions and Business Associations

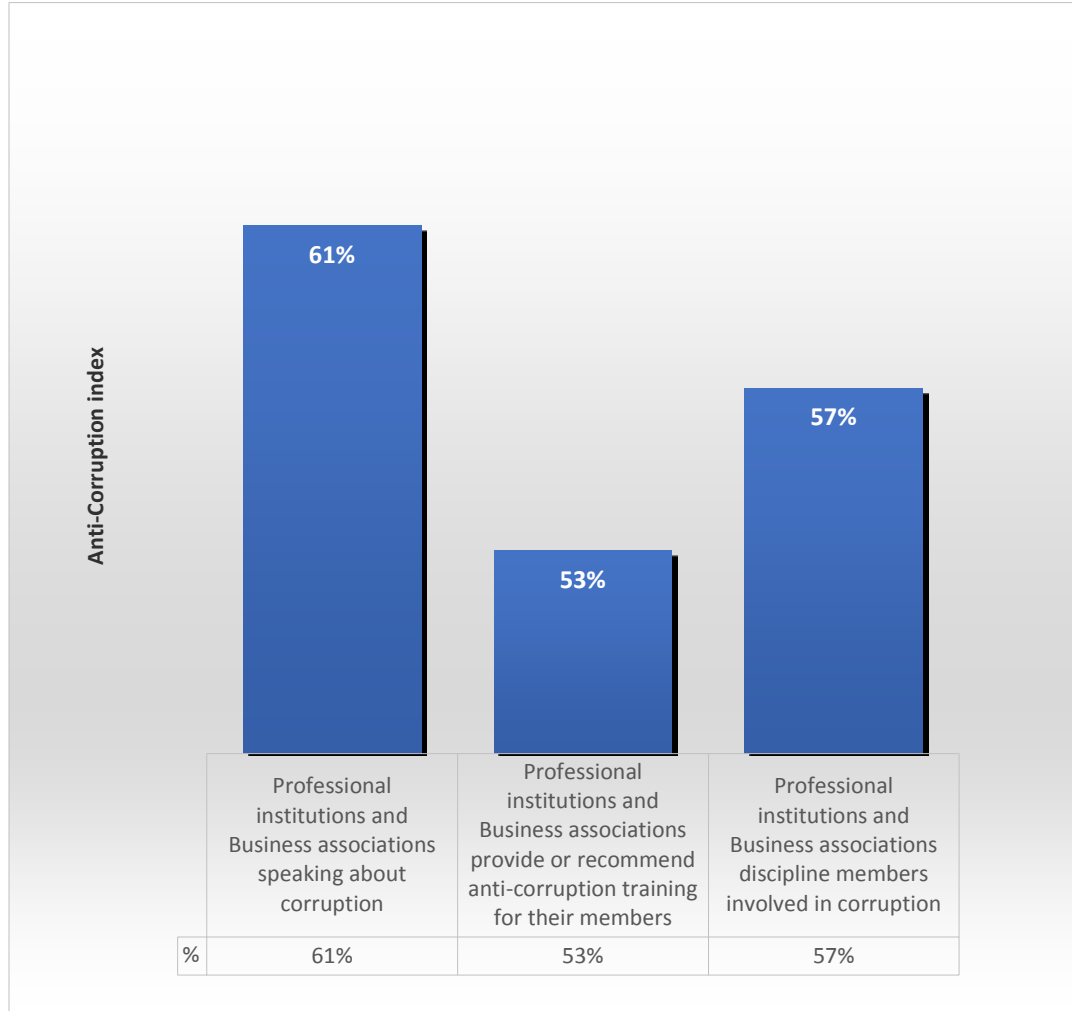


Figure 5-21: Anti-Corruption Leadership by Professional Institution and Business associations (n=184)

An assessment of the extent to which Anti-Corruption leadership is provided by professional Engineering Institutions and by business associations representing construction companies and consulting engineering firms revealed that scores in this regard were far below the acceptable score (80%). These included professional institutions and business associations, publicly speaking out against corruption (57% score), professional institutions and business associations providing or recommending anticorruption training for their members (53% score) or disciplining their members who would have been found having been involved in corruption by way of fines, suspensions or termination of membership (61% score).

5.3.10 Rule of Law

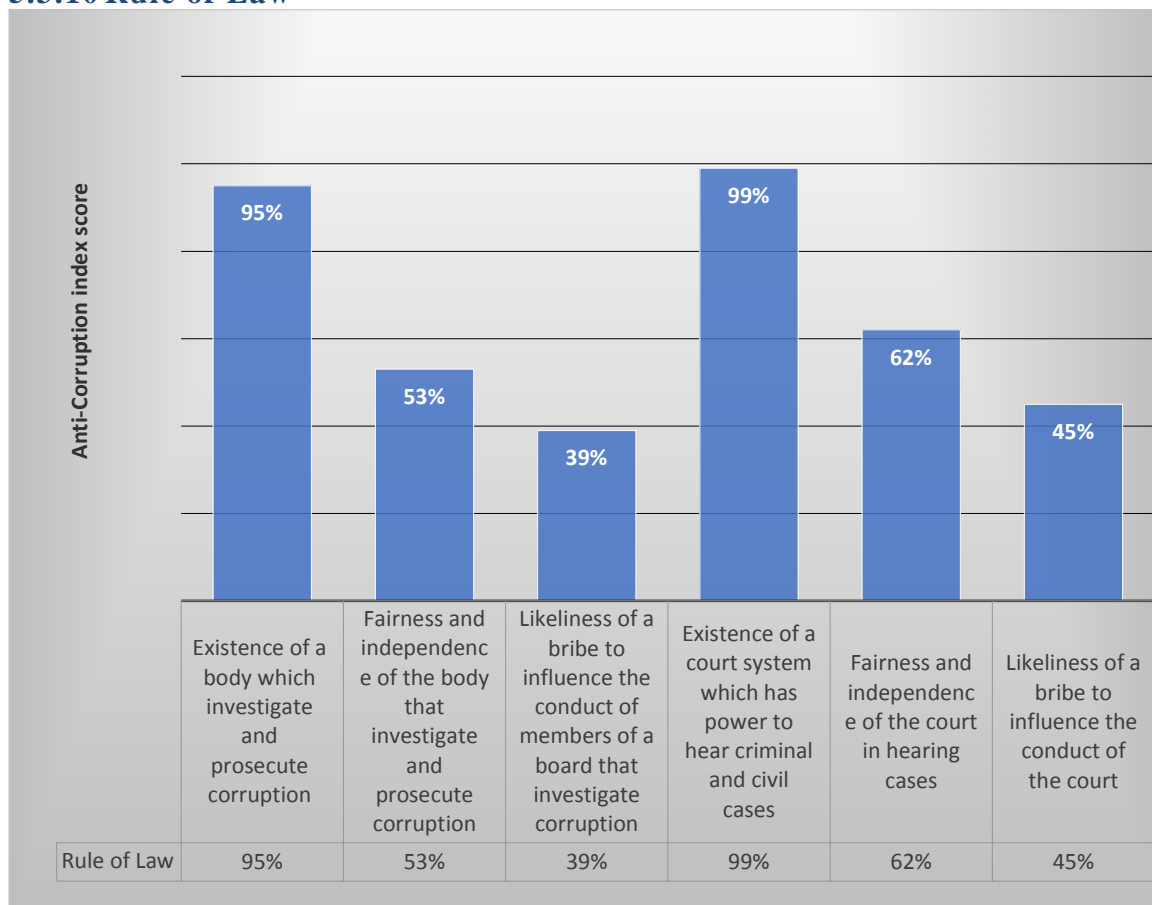


Figure 5-22 : Rule of Law (n=184)

In terms of measures in place to uphold the rule of law, including investigation, prosecution and the court system, the government has made some inroads in combating corruption (65% mean score), although a lot of effort is needed to improve this aspect to more acceptable levels. Whilst, the absence of the rule of law is not necessarily due to corruption, and does not necessarily cause corruption, it can be caused by corruption, and can allow corruption to take place unchallenged, it is a corruption indicator. The government has put in place the Zimbabwe Anti-Corruption Commission (95% mean score) and there is a sound court system which deals with criminal and civil cases (99% mean score). According to respondents the court system is far from the acceptable 80%, meaning that some of its decisions are unfair and biased in favour of the current political/government administration and successful business people (61% mean score). There is a general perception that bribes are used by individual persons and organizations to influence judges and magistrates (44% mean score).

5.3.11 Press Freedom

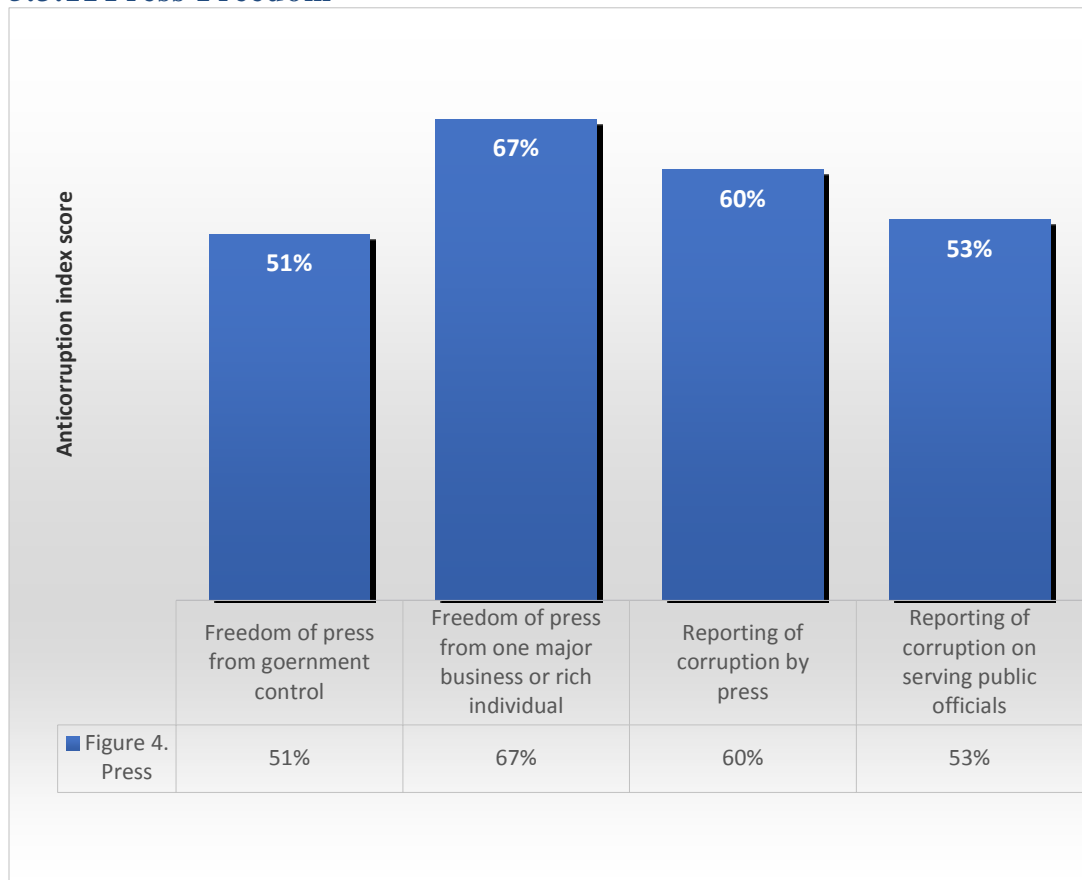


Figure 5-23: Press (n=184)

An assessment was also made of how free the press is from government control including how willing the press would be to report on alleged corruption by ministers, political parties, public officials and powerful businessmen since a free, independent and confident press can be a valuable Anti-Corruption tool. The overall mean score of 57.3% suggests that respondents feel that there is no independence of the press in the country. This in turn suggests in principle that the press is unable to publish reports alleging corruption by powerful members of society or such reports could be stopped from being published (52% mean score).

Out of a range of factors which have an adverse influence on corruption within the construction sector in Zimbabwe three out of the fifty factors were found to be the most influential. These were the project selection, tendering and the likelihood of political pressure being exerted to influence outcomes in that order.

5.3.12 Most Ranked Items on Adverse Influence on Corruption

On project selection, research participants indicated that ministers, politicians or public officials required or supported the building of projects or types of projects which primarily appeared to favour them or their associates at the expense of public interest. Most respondents either felt that the practice was very common (29.1%) or common (28.6%), whilst 26.9% indicated that the practice sometimes did occur. In terms of tendering processes respondents revealed that ministers, politicians or public officials influenced the awarding of contracts to bidders without prequalification requirements or not necessarily the best valued bidders. Most respondents either felt that the practice was very common (24.3%) or common (26.6%), whilst 30.1% indicated that the practice sometimes did occur.

On the likelihood of bribes and political pressure corruptly influencing business conduct of investigating or prosecuting agencies respondents either felt that the practice was very likely (13.9%) or likely (36.6%), whilst 27.2% indicated that the practice sometimes did occur. Only 7.5% Of the engineers felt that the likelihood was very low and 15% low.

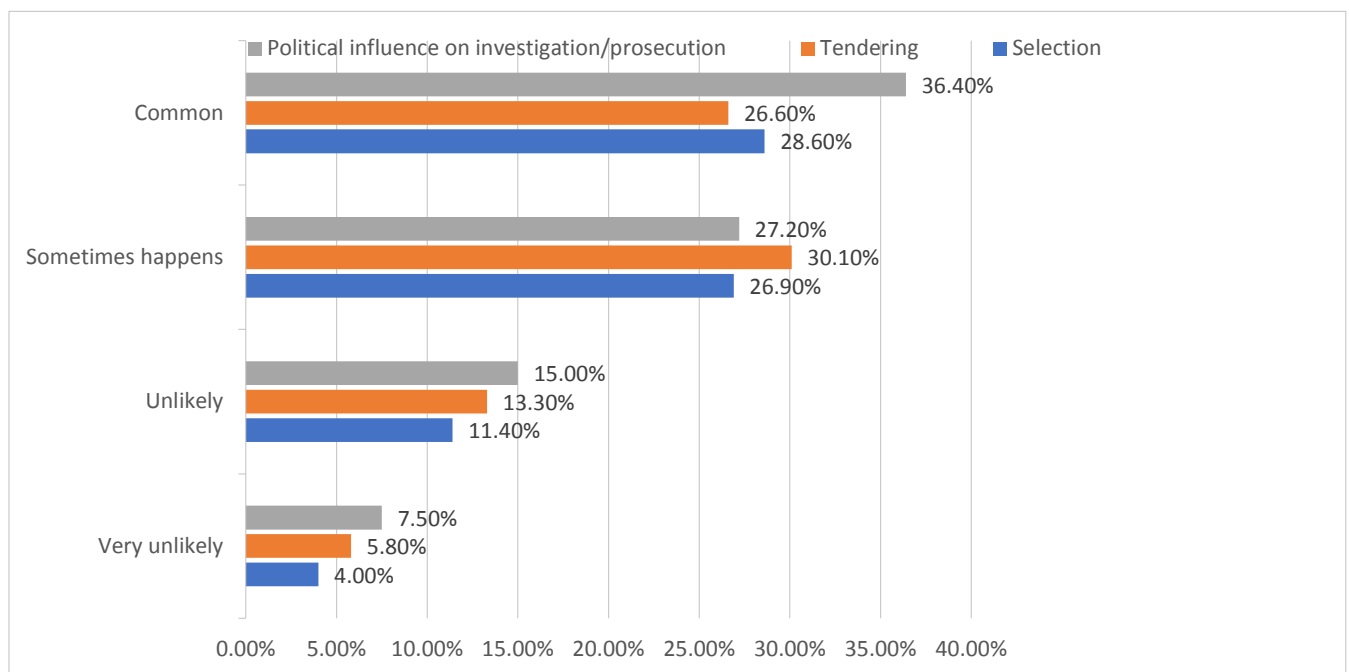


Figure 5-24: Most Ranked Items on Adverse Influence on Corruption (n=184)

Survey findings suggest that all factors appear to fuel corruption in public sector construction projects in Zimbabwe. Poor economic conditions in the country and poverty could be the drivers. The World Bank (2011) ranked Zimbabwe amongst 40 least developed countries in the world where corruption was rampant due to poverty. In index scoring, Zimbabwe scored between 0.2 to 0.3 on a scale which ranged from 0 (very poor) to 1.0 (excellent). However, the selection and tendering phases of the public-sector projects were found to be the most affected. This may be due to the fact that processes involved in these stages have a specific feature which makes them prone to corruption; they are directly linked to the acquisition of the tenders.

5.4 Chapter Summary

This chapter presented the pilot Infrastructure Anti-Corruption Index for Zambia and Zimbabwe. The fact that Zambia scored a 67% corruption rating in the index implies that there is less corruption in the construction industry in Zambia than in Zimbabwe, though some inroads have been made to control it. Zimbabwe, whose corruption index score is 53%, has systems in place but needs to do more in terms of enforcement and the political will to curb the scourge. Chapter presents conclusions and recommendations to the pilot study.

CHAPTER SIX

6 CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

This chapter presents the conclusions that were drawn from the results of this study and recommendations that if adopted could allow the creation of instruments to measure and combat corruption in construction projects in Zambia, Zimbabwe and indeed the whole of South Saharan Africa. Lessons can also be drawn for the rest of the globe as corruption was identified to be a universal problem affecting the rest of the world. The recommendations were drawn from the findings of the evidence-based research done by WFEO CAC in these two countries. This chapter offers recommendations from these findings and suggests areas for further research.

6.2 Conclusions

The survey conducted in Zambia and Zimbabwe's public sector construction projects provided evidence that there is rampant corruption in the public-sector and private sector construction projects in both countries. The following are the conclusions drawn from the findings of the study.

6.2.1 - Respondents gave several versions and examples of their understanding and definition of what constitutes corruption. Corruption was defined as the abuse of public office by engaging in any unethical, unprocedural, criminal or dishonest conduct like bribery, fraud, etc which is prejudicial to an employer, customer or other stakeholders such as the public. It is a criminal act which involves abuse of one's position and authority for personal gain such as demanding bribes for the award of tenders or to execute one's duties.

6.2.2 - Although the harsh macro-economic environment in both countries was emphasised, poverty, greed and selfishness, laziness, profiteering and lack of moral rectitude were identified as the primary drivers of corruption. Incompetence and poor workmanship were also found to be the consequences of corruption.

6.2.3 – There were divergent views on whether corruption had cultural influences. Some respondents were of the view that corruption is independent of culture, race, creed or ethnicity, while some opined that cultural beliefs and practices adopted by society subconsciously over time were a major influence. In many African cultures gift-giving is a compliment and not bribery, but the magnitude of the gift would seldom go beyond the realm of a token. Others were of the opinion that corruption is not cultural, but rather sector or job related i.e. associated with an economic activity. Study findings confirmed statistical and significant difference between one's position at their work place and perception of cultural bias in corruption. Those in lower positions felt that there was a cultural bias in corruption.

6.2.4 - Respondents were *unanimously abhorrent to corruption*. They were of the view that ***no level of corruption is acceptable as it was described as evil, destructive and cancerous***. Engineers and other respondents in the public and private sectors as well as those employed by civil society, and regional and international organisations felt that under no circumstances can corruption be good.

6.2.5 - Corruption was described as a dangerous weapon against or disease in development. Corruption results in business closures, provision of sub-standard and dangerous infrastructure, distresses and weakens the economy and is counter-progressive. Once it starts it is very difficult to eradicate. Nothing is achieved fairly in a corrupt world. However, it was also revealed that corruption is a symptom that brings to light underlying issues such as absence of the rule of law or lack of political will to implement Anti-Corruption measures.

6.2.6 - In the current study, corruption was reported to be rife in the infrastructure development industry in Zambia and Zimbabwe. Several reasons were given as to why this was so. These included, *inter-alia*, that decision making processes in the infrastructural development sector are mostly based on politics as opposed to competence, resource scarcity, lax legislation and weak regulatory mechanisms and the awarding of tenders to middlemen and charlatans. It was noted that the complex and fragmented nature of the industry provided an environment for corruption, with numerous participants in the supply chain competing for high value contracts. Corruption takes many shapes and forms from bribery to obtain planning permission, the overstating of budgets, the

manipulation of payment applications, and collusion to share and divide the market. Furthermore, issues in tracking payments and varying legal regulations can facilitate corrupt behaviour internationally.

6.2.7- There was unanimity that citizens should play a central role in the fight against corruption by saying no to corruption. ‘It begins with and ends with me’ should be the guiding principle in fighting corruption; there is need to habituate a culture of zero tolerance to corruption. Transparency, disclosures and integrity were highlighted by all as the first step to start the fight against corruption.

6.2.8 – Corruption was found to be more rampant in public sector construction projects in Zimbabwe than Zambia as shown by an index score of 53% and 67% respectively, though some effort is still needed in both countries to reach the 80% index score in addressing corruption in this regard.

6.2.9 – In both countries it was concluded that nearly all factors seem to fuel corruption in public sector construction projects. However, the identification, planning, design, selection and tendering phases of the public-sector projects were found to be most affected. These stages are more prone to corruption as they are directly linked to the acquisition of the tender.

6.2.10- The likelihood of political pressure being exerted to influence outcomes was common in Zimbabwe, whilst the demand of payments by gang members was found to be highly prevalent in Zambia. These were ranked amongst the most influential factors in fuelling corruption.

6.3 Recommendations

The following recommendations are presented, based on the results of the research and the conclusions profiled above.

6.3.1- It was severally stated that corruption has to be fought from the top, from the president to the grassroots. People implicated in corruption have to be punished accordingly irrespective of their status in society. There should be no selective application of the law and all public officials

involved in corruption should be dismissed and punished. Noting that corruption was most rampant in public offices, respondents were of the view that there should be life style audits of all public officials.

6.3.2- There should be a legal framework for public finance and investment management, a requirement for all countries to legislate generic rules and regulations governing contracts. It was also recommended that ethical behaviour, transparency, integrity pacts and professional codes of conduct with clear responsibilities need to be introduced to reduce corruption risks. Sufficient enforcement of these regulations may also help to minimise corruption.

6.3.4- Both public and private organizations should be encouraged to use ICTs (especially Mobile APPs and the Internet of Things (IoT)) for creating, sharing and monitoring corruption reporting or install suggestion boxes and hot lines hosted by professional call-centres run by law and Anti-Corruption institutions. They should have different desks and people of impeccable integrity should open the suggestion boxes.

6.3.5- There should be laws guaranteeing the immunity or protection of whistle-blowers in order to encourage reporting of corruption. These whistle-blowers should be appropriately rewarded as a way of motivation.

6.3.6- Citizens must be encouraged to be upright and learn to follow proper procedures and to share national resources equitably instead of dwelling on shortcuts. In addition, they should be encouraged to fight the evil practices.

6.3.7- Governments should incorporate ethics as a compulsory course in the educational curriculum from primary level to tertiary level. Religious and non-religious organizations and community leaders should be given a chance to disseminate and teach morality to learners at early stages of human development. This helps in the development of the self with good morals at an early stage.

6.3.8 - Governments should address the economic situation in their respective countries so that Foreign Direct Investment (FDI) increases. With more companies operating there is a greater likelihood that the majority of citizens will be employed, thus reducing poverty, and by extension, corruption.

6.3.9 - Citizen and civil society participation was seen as key in reduction of corruption and hence should be encouraged and promoted by all, especially the press.

6.3.10 - Governments, corporates and financial institutions should insist on dealing with organisations that are compliant with ISO 37001(the anti-bribery management system standard) as it is the only standard that requires genuine commitment of the organization's top management to make the system work. It puts in place the planning and design of policies and procedures intended to prevent bribery and ensures the effective implementation of these policies and procedures. ISO 37001 also ensures monitoring and review of the effectiveness of these policies and procedures and makes continual improvement of the policies and procedures mandatory to ensure their effectiveness.

6.3.11 – Robust and rigorous infrastructure Anti-Corruption indices should be done for all SSA, taking heed of the findings of the pilot study of Zambia and Zimbabwe. The indices should be done every year at a harmonized time to create the desired outputs, outcomes and impact. The application of strong and tried lessons from the theory of change and the rule of law indices (WJP) should be encouraged to ensure that the indices are adopted globally. All stakeholders, including governments, civil society, financial institutions, professional bodies and donors, should support this project to create a credible, measurable evidence based tool to fight corruption.

6.4 Areas for Further Research

The results of the survey show many fundamental problems about corruption in these two countries. There is need to design solutions from these findings and devise training of Anti-Corruption systems to prevent the scourge as identified in the surveys. The current pilot study conducted a baseline infrastructure Anti-Corruption survey in Zambia and Zimbabwe. The major aim was to create future periodic Anti-Corruption index reports as well as give Anti-Corruption recommendations for Governments, Corporate etc. Results of the baseline survey indicated that the instruments used had the potential to address the objectives and can be expanded to cover a wider geographical spread. The other areas of further studies are to expand the indices to cover the rest of the SSA or part of it starting with a few countries and eventually to globalise the infrastructure Anti-Corruption indices in partnership with several global partners that WFEO has.

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APPENDICES

APPENDIX 1-LETTER OF INTRODUCTION



APPENDIX 2 – QUESTIONNAIRE 1. ZAMBIA GENERAL QUALITATIVE



World Federation of Engineering Organizations
Fédération Mondiale des Organisations d'Ingénieurs



(Please circle or tick the answer)

Part A: Respondent identification and Demographic Information

1. How old are you?
 - a) 15 – 30
 - b) 31 – 45
 - c) 46 – 60
 - d) 61 and above

2. What is your highest level of Education?
 - a) Postgraduate degree
 - b) Undergraduate degree
 - c) Diploma/ Certificate
 - d) Grade 12 certificate
 - e) Less than Grade 12 certificate
 - f) No formal Education

3. Do you have professional affiliation to any of the following bodies?
 - a) ZIPS
 - b) EIZ
 - c) ZIA
 - d) LAZ
 - e) ACCA
 - f) SIZ
 - g) Others (Specify)

4. Which one best describes your employment sector, department and level? (Tick where applicable)

SECTOR		DEPARTMENT		LEVEL	
Government		Planning		Senior Management	
Statutory Body		Procurement		Middle Management	
Co- operating Partner		Finance/ Audit		Supervisor	
Regulator/Oversight		Legal		Administrative	
Law Enforcement		Design		Support Staff	
Civil Society		Research		Clerical	
Academic Institution		Construction			
Community		Law Enforcement			

		Education			
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Part B: Establishing the extent, types and Causes of corruption in the construction sector.

5. How common do you think corruption is in the Zambian Construction Industry?

- a) Very Common
- b) Fairly Common
- c) Not very Common
- d) Not Common at all

6. How common do you think Corruption is at each of the following stages in the Zambian Infrastructure Development Industry?

	Very common	Fairly common	Not very common	Not Common
Identification Planning and Design Stage				
Evaluation and selection stage				
Pre-Qualification and tendering stage				
Project execution stage				
Operation and Maintenance Stage				

7. To what extent can each of the following be the cause of corruption in the construction sector?

	Very serious cause	Fairly Serious	Not Serious	Not a cause
High Bureaucracy				
Nepotism				
Bribery/ kickbacks				
High Returns in Construction Industry				
Others (Specify)				

8. How common are the following types of corruption related offences in the construction industry in Zambia?

	Very Common	Fairly Common	Not Very Common	Not Common
Fraud				
Concealment of Bribes				
Employment of Illegal workers				
Collusion between bidders				
Leaking of Information				
Cover Pricing				
False or exaggerated claims				
Inclusion of Extra Costs				
Others (Specify)				

9. In instances where corruption has been uncovered, how has it been detected?

- a) Tip offs
- b) Regular checks/auditing
- c) By chance
- d) Others (specify).....

.....

10. Which of the following levels of employees are mostly involved in corruption and at what stage?

	Identification Planning & Design Stage	Evaluation & selection stage	Tendering & Pre-Qualification stage	Project execution stage	Operation and Maintenance Stage
Senior Management					
Middle Management					
Supervisors					

Administrative					
Support/ Clerical					

11. How common is the use of high value hospitality gifts in the construction industry?

- a) Very Common
- b) Fairly Common
- c) Not very Common
- d) Not Common at all

12. If common what types of high value gifts are exchanged?

- a)
- b)
- c)
- d)

13. In your view what are the factors that cause corruption in the construction Industry?

a) Organisational Factors

Lack of Laws		Corrupt Institutions	
Weak Laws		Poor accountability mechanisms	
Weak regulations		Bad governance	
Limited Prosecution		Political interference	
Sheer Impunity		Poor accountability	
Failure to “name and shame”		Failure to blacklist offenders	
Failure to enforce Internal Discipline		Failure to enforce the Law	
Others (Specify)			

b) Social Economic Factors

Poverty		Greed	
Weak morals or values		Envy	
Low salaries		Unemployment	
High quest for Wealth		Bribery	
Culture		Other (Specify)	

Part C: Examining Levels of awareness

14. Have you personally ever been offered a bribe or incentive to engage in corruption

- a) Yes once
- b) Yes, more than once
- c) Never

15. Have you personally come across any cartel activity in the Zambia Infrastructure Construction Industry?

- a) Yes
- b) No

16. Does your organisation have channels of reporting corruption?

- a) Yes
- b) No

17. What are these channels?

- a)
- b)

18. Do the following internal measures to deal with corruption exist in your organisation?

	YES	NO	NOT SURE
Integrity Committees			
Code of Ethics			
Disciplinary Committee			
Whistle Blower Policy			
Declaration of Interest Procedures			
Others (Specify)			

19. How effective has each of the measures mentioned above been?

	Very Effective	Fairly Effective	Not effective
Integrity committees			
Code of Ethics			
Disciplinary Committee			
Whistle Blower Policy			
Declaration of Interest Procedures			
Others			

Part D: Identifying the gaps in regulating the construction Industry and possible challenges

20. Which of the following legislation aimed at combatting fraud and corruption are you aware of?

Anti- Corruption Act	
Anti- Money Laundering Act	

Public Disclosure (Protection of Whistle Blowers) Act	
Public Procurement Act	
National Council for Construction Act	
Public Finance Act	
Citizens Economic Empowerment Act	
Competition and Consumer Protection Act	

21. For each of the legislations mentioned above, state whether they have been effective or not.

	Effective	Not Effective
Anti- Corruption Act		
Anti- Money Laundering Act		
Public Disclosure (Protection of Whistle Blowers) Act		
Public Procurement Act		
National Council for Construction Act		
Public Finance Act		
Citizens Economic Empowerment Act		
Competition and Consumer Protection Act		

22. For those that are not effective, state their weaknesses and explain how they can be strengthened.

a) Anti- Corruption Act

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b) Anti- Money Laundering Act

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c) Public Disclosure (Protection of Whistle Blowers) Act

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d) Public Procurement Act

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e) National Council for Construction Act

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f) Public Finance Act

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g) Citizens Economic Empowerment Act

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h) Competition and Consumer Protection Act

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.....

23. Which institutions in Zambia are responsible for fighting corruption?

Anti- Corruption Commission	
Drug Enforcement Commission	
Zambia Police	
Judiciary	
Zambia Public Procurement Authority	
Auditor General's Office	
Public Accounts Committee	
Financial Intelligence Centre	
Competition and Consumer Protection Commission	
Others (Specify)	

24. For each of the institutions mentioned above, state whether they have been effective or not.

	Effective	Not Effective
Anti- Corruption Commission		
Drug Enforcement Commission		

Zambia Police		
Judiciary		
Zambia Public Procurement Authority		
Auditor General's Office		
Public Accounts Committee		
Financial Intelligence Centre		
Competition and Consumer Protection Commission		
Others (Specify)		

25. For those that are not effective, state their weaknesses and explain how they can be strengthened.

a) Anti- Corruption Commission

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b) Drug Enforcement Commission

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c) Zambia Police

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d) Judiciary

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e) Zambia Public Procurement Authority

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f) Auditor General's Office

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g) Public Accounts Committee

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h) Financial Intelligence Centre

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i) Competition and Consumer Protection Commission

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j) Others (Specify)

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.....
.....

END

APPENDIX 3 - ANTICORRUPTION INFRASTRUCTURE INDEX SURVEY QUESTIONNAIRE

SURVEY INSTRUMENT 1.0 – FOR SURVEY MONKEY AND GENERAL QUESTIONNAIRE ADMINISTRATION.

The World Federation of Engineering Organizations (WFEO) Committee on Anti-Corruption (CAC) is conducting a baseline infrastructure anti-corruption survey in Zambia and Zimbabwe. THIS IS A PILOT PROJECT WHICH WAS AWARDED TO WFEO BY THE ROYAL ACADEMY OF ENGINEERING (UK).

The aim of this baseline survey is to create future periodic anti-corruption index reports as well give anti-corruption recommendations for Governments, Corporates, Civil Society and the Federation of African Engineering Organisations (FAEO), and their regional Professional Engineering Institutions (PEIs).

SECTION A – GENERAL INFORMATION

Please tick the most appropriate answer.

1. What is your gender?

Male ☐

Female ☐

2. What is your age?

Below 20years ☐

21-30 years ☐

31-40 years ☐

41-50 years ☐

51-60 years ☐

Over 60 years ☐

3. Indicate the nature of the Organisation/Company you work for

a) Government of Zimbabwe..... ☐

b) Government of Zambia..... ☐

c) Private sector organisation in Zimbabwe..... ☐

d) Private sector organisation in Zambia..... ☐

e) Civil Society in Zimbabwe..... ☐

f) Civil Society in Zambia..... ☐

g) Regional or International Organisation..... ☐

h) Other (Please specify) ☐

4. How long have you worked for the company above or associated with the organisation?

a) Less than One year..... ☐

- b) One –Two years ☐
- c) Three –Four years..... ☐
- d) Five years and above..... ☐
- e) Not Applicable if Civil Society..... ☐

5. What is the level of your position in the company?
- a) Executive management..... ☐
 - b) Senior management ☐
 - c) Middle/Supervisory management..... ☐
 - d) Non-managerial ☐
 - e) Not Applicable if Civil Society..... ☐

SECTION B – UNDERSTANDING THE EXTENT OF CORRUPTION AND NEED FOR AN INDEX

6. What do you believe corruption is?
.....

7. Do you believe corruption causes many issues within the contemporary world?

Yes ☐
No ☐

8. Can corruption ever be a good thing?

Yes ☐
No ☐

Explain your answer.....
.....
.....

9. What is the impact of corruption to infrastructure development?

.....
.....
.....

10. Would you argue that there is a cultural element regarding corruption?

Yes ☐
No ☐

Explain your answer.....
.....

11. What conditions do you think lead to corruption? (Tick as much as you believe)

- | | |
|------------------------------|--------------------------|
| Poor economy | <input type="checkbox"/> |
| Government action | <input type="checkbox"/> |
| Service provision | <input type="checkbox"/> |
| Military involvement | <input type="checkbox"/> |
| Poor social mobilization | <input type="checkbox"/> |
| Justice system | <input type="checkbox"/> |
| Other (please specify) | <input type="checkbox"/> |

12. If corruption directly affected you would you take-action to counter it?

- | | |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
| No | <input type="checkbox"/> |

13. Does corruption adversely affect growth or economic development of the two countries under study? (Zimbabwe and Zambia)

- | | |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
| No | <input type="checkbox"/> |

14. Do you think it is necessary to measure the general extend of Corruption in the two countries?

- | | |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
| No | <input type="checkbox"/> |

15. Do you think it is necessary to measure the extend of Corruption in the infrastructure sector of the two countries?

- | | |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
| No | <input type="checkbox"/> |

16. Do you agree in the creation of a periodic corruption index in infrastructure to measure and curb corruption so as to create a zero tolerance to corruption in order to boost economic development of the two countries under study? (Zimbabwe and Zambia)

- | | |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
| No | <input type="checkbox"/> |

Thank you for completing our preliminary questionnaire. Would you be willing to complete a detailed questionnaire about the index as well as give an interview to our research team?

- | | |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
| No | <input type="checkbox"/> |

Please fill in your email and phone number if your answer if you are willing to take part in the detailed study.

Email..... Phone number.....

The survey team sincerely thank you for taking part in this historic survey.

APPENDIX 4 – QUESTIONNAIRE 4:-DIAGNOSTIC AND STRUCTURED INFRASTRUCTURE ANTI-CORRUPTION INDEX SURVEY QUESTIONNAIRE FOR ZAMBIA (SAME FOR ZIMBABWE)

Special credit is due to our Survey team at WFEO, the Global Infrastructure Anti-Corruption Centre (UK) for assisting in developing this tool and allowing us to modify and use, Engineers Against Poverty and the Engineering Council of Zimbabwe for designing another instrument.

PURPOSE: This index is designed to provide an assessment of Anti-Corruption governance in relation to public sector construction projects in Zambia and Zimbabwe or in relation to a particular project owner (in case of large projects). The index measures a number of factors including perceptions of the extent to which corruption takes place in public sector construction projects, and the extent to which effective systems are implemented by government, public sector project owners and the private sector to help prevent such corruption. Weighted ratings are given to each factor, and the cumulative score is derived from all the individual factor scores to give an overall project owner or country score. It is designed to identify actual or perceived deficiencies in a project owner's or country's Anti-Corruption processes in relation to public sector construction projects, and therefore to encourage improvements to be made. It is a tool is subjective especially if the sample is too small, we endeavour to use a large population and correct errors by retaking conflicting interviews and reviewing the questionnaires to reduce subjectivity.

METHOD: Each person completing the index should consider each question, and select the coloured box which most closely reflects that person's view on the question. The score obtained from the appropriate coloured box should then be recorded in the right hand "Score" column. Upon completion of all questions, the cumulative scores in the "Score" column should be totalled. The larger the number of people who complete the index, the more representative and accurate the sample will become. In the case of completion of indexes by multiple people, an average score can be obtained. We have trained the research assistants to be able to assist the respondents to accurately complete the questionnaires.

Some countries may have one public sector project owner which manages all public-sector construction projects in that country. The cases in Zimbabwe and Zambia will be correctly mapped to reflect the situation on the ground. However, most countries will have different public sector project owners which are responsible for different sectors (e.g. electricity, water, roads) or different regions. Sections A to D apply mainly to the operations of a specific public sector project owner (i.e. tender and project management controls). Sections E to I apply mainly to the overall country environment in which the project takes place (i.e. consents and permits, rule of law, press freedom). If there is a wide discrepancy in performance between different public sector project owners in the same country (e.g. if one project owner is considered to have good Anti-Corruption procedures, and another is considered to have poor procedures), then a separate assessment should be done for each project owner. If a separate assessment is done for each project owner, it is likely that sections A to D (the project owner specific sections) will differ between project owners, but that sections E to I (the general environment sections) will be likely to be the same, as the general environment is likely to apply to all projects, regardless of which public sector project owner is implementing them.

OUTCOME: The total points available are **100%**. The higher the percentage, the better the country's performance in preventing corruption in the construction sector. As the project grows the countries in Sub-Saharan Africa will be ranked according to the best to the last.

						Total Score
A. ADVERSE INFLUENCE This section is designed to measure the perceived extent of adverse influence on the selection, design, award and execution of public sector construction projects. "Adverse influence" means influence which is intended to benefit a minister, politician, public official, political party, or a favoured bidder rather than the public. This adverse influence may be exercised, for example, as a result of the payment of a bribe, or in order to extort a bribe, or in connection with a vested interest.						
1. Is there adverse influence in project selection? <i>E.g. a minister, politician or public official requires or supports the building of a project or a type of project, which appears primarily to favour him/her or his/her associates, rather than the public interest.</i>	10 Very unlikely	7 Unlikely	5 Sometimes happens	2 Common	0 Very common	
2. Is there adverse influence in the project planning/approval process? <i>E.g. a minister, politician or public official prevents planning permission or project approval being given in circumstances where it should have been given, or requires planning permission or project approval to be given in circumstances where it should not have been given.</i>	10 Very unlikely	7 Unlikely	5 Sometimes happens	2 Common	0 Very common	
3. Is there adverse influence in project design or specification? <i>E.g. a minister, politician or public official requires the design or specification to name or favour one bidder, to the detriment of the other bidders.</i>	10 Very unlikely	7 Unlikely	5 Sometimes happens	2 Common	0 Very common	
4. Is there adverse influence in tendering? <i>E.g. a minister, politician or public official requires a bidder to be qualified to bid, or to be awarded a contract, when it did not meet the pre-qualification requirements, or was not the best evaluated bidder.</i>	10 Very unlikely	7 Unlikely	5 Sometimes happens	2 Common	0 Very common	

5. Is there adverse influence in project execution? <i>E.g. a minister, politician or public official requires that a contractor, supplier or consultant receives a payment, variation, extension of time, approval or other benefit in circumstances where it should not have done so, or requires that a contractor, supplier or consultant does not receive a payment, variation, extension of time, approval or other benefit in circumstances where it should have done so.</i>	10 Very unlikely	7 Unlikely	5 Sometimes happens	2 Common	0 Very common	
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B. TENDERING FOR PUBLIC SECTOR PROJECTS This section is designed to assess the effectiveness of measures which are in place during tender phase which can help prevent corruption.						Total Score
6. Are the pre-qualification and tender systems fair and reasonable? <i>Are the systems which enable a bidder to pre-qualify to bid for public sector projects, or to win a tender for a public sector project, fair and reasonable? This could be a pre-qualification system, or tender evaluation, under which bidders have to satisfy the project owner according to financial, technical, quality, safety and other non-price parameters. A fair system would be genuinely open to all qualifying bidders, would be assessed as far as possible on fair, transparent and objective criteria, and would be free from abuse by the parties administering the system, or by third parties.</i>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair	

<p>7. Are the tender submission timings fair and reasonable? <i>Is sufficient time given to bidders to allow them properly to prepare their bids for public sector projects? Or are bids sometimes called for on unreasonably tight timetables which could as a result allow a bidder an unfair advantage (e.g. a bidder with prior knowledge of the bid requirements may be able to meet the tender timetable when others cannot).</i></p>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair	
<p>8. Are tender conditions fair and reasonable? <i>Are the tender conditions for public sector projects fair and reasonable, in that they allow an equal opportunity to all appropriately qualified bidders to compete? E.g. a condition is reasonable if it is designed to ensure that the bidders are capable of performing the works, but not if it is designed to exclude bidders who are appropriately qualified so as to increase the chances of one or more unfairly favoured bidders.</i></p>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair	
<p>9. Is there a fair process for clarifying uncertainties in tender documents? <i>Is there a fair, reasonable and transparent process under which bidders can clarify any uncertainty in the tender documents prior to tender submission?</i></p>	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
<p>10. Are tender openings transparent? <i>Are tenders for public sector projects opened in the presence of the bidders, and are the tender prices and other key requirements read out to the bidders present?</i></p>	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	

11. Are tender evaluations fair and reasonable? <i>Are tender evaluations for public sector projects carried out in a manner which is fair and reasonable? E.g. are tender evaluation points awarded in a manner which is as objective as possible? Are the members on the evaluation committees considered to be honest?</i>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair	
12. Are competitive tenders required? Are competitive tenders involving at least three competing bidders required for all public sector projects?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
13. Are tender procedures by-passed on questionable grounds? Are tender procedures for public sector projects ever by-passed on grounds which are questionable? E.g. by declaring unjustifiably that a project is an emergency purchase, and therefore does not require competitive tenders.	10 Never	7 Very infrequent	5 Sometimes	2 Common	0 Always	
14. Are bribes demanded in return for the award of public sector construction contracts?	10 Never	7 Very infrequent	5 Sometimes	2 Common	0 Always	
15. Is there a fair and reasonable appeals procedure? Is there a fair and reasonable procedure under which a bidder which believes that it has unfairly lost an award can appeal the decision?	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair, or no procedure	
16. Is there victimisation of bidders which challenge an award? Is there a perception that bidders which challenge an award to another bidder will be victimised on future bids (e.g. removed from the approved tender list).	10 Never	7 Very infrequent	5 Sometimes	2 Common	0 Always	

C. EXECUTION OF PUBLIC SECTOR PROJECTS This section is designed to assess the effectiveness of measures which are in place during project execution phase which can help prevent corruption. While the following measures are not necessarily designed to prevent corruption, they can help prevent corruption. While failure to implement these measures properly may not be due to a corrupt reason, it can be due to a corrupt reason, and can allow corruption to take place. They are therefore corruption indicators.						
17. Is there a fair and reasonable procedure to issue variations? <i>Is there a fair and reasonable procedure under which a contractor, supplier or consultant which is supplying works, equipment, materials or services in relation to a public sector project can receive, have valued, and be paid for, a variation to the project scope of works?</i>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair, or no procedure	
18. Is the above variation procedure implemented fairly and reasonably in practice?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
19. Is there a fair and reasonable procedure to issue extensions of time and to award costs for delay and disruption? <i>Is there a fair and reasonable procedure under which a contractor, supplier or consultant which is supplying works, equipment, materials or services in relation to a public sector project can receive an extension of time to the project schedule and costs for delay and disruption in the event that it is delayed for reasons which are not its fault?</i>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair, or no procedure	
20. Is the above procedure for extension of time and award of costs implemented fairly and reasonably in practice?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	

21. Is there a fair and reasonable procedure to deduct damages for delay? <i>Is there a fair and reasonable procedure under which the public sector project owner can deduct or receive damages from a contractor, supplier or consultant which is delayed in completing its works for reasons which are the fault of the contractor, supplier or consultant?</i>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair, or no procedure	
22. Is the above procedure for damages for delay implemented fairly and reasonably in practice?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
23. Is there a fair and reasonable procedure to certify the amount and quality of work or services undertaken and equipment and material supplied? <i>Is there a fair and reasonable procedure under which the public sector project owner can measure or assess the amount and quality of work or services undertaken and equipment and material supplied, and can then issue a certificate or document confirming the measurement or assessment?</i>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair, or no procedure	
24. Is the above certification procedure implemented fairly and reasonably in practice?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
25. Is there a fair and reasonable procedure for the public sector project owner to pay for work or services undertaken and equipment and material supplied?	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair, or no procedure	
26. Is the above payment procedure implemented fairly and reasonably in practice?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
27. Are bribes demanded in return for certificates and payments? <i>Are bribes demanded or accepted by the person who is responsible for issuing a variation, extension of time, work certificate, payment etc. on a public sector project in order to release the document or payment?</i>	10 Never	7 Very infrequent	5 Sometimes	2 Common	0 Always	

<p>D. ANTI-CORRUPTION MANAGEMENT SYSTEMS</p> <p>This section is designed to assess the extent to which the public sector project owner and relevant private sector organisations have put in place Anti-Corruption management systems designed to prevent corruption within their own organisation. These systems would include, for example, an Anti-Corruption code of conduct; a manager responsible for ensuring compliance by the organisation with the Anti-Corruption code; Anti-Corruption training for employees; controls over gifts and hospitality; controls over the use of cash; the requirement to undertake due diligence on business partners to assess the risk of them entering into a corrupt act on behalf of or against the organisation; a corruption reporting system etc.</p>						
<p>28. Does the public sector project owner, responsible for the award and management of public sector construction projects, have an Anti-Corruption management system in place within its own organisation?</p>	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
<p>29. Do construction companies undertaking construction of public sector projects have Anti-Corruption management systems in place within their own organisation?</p>	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
<p>30. Do consulting engineering firms undertaking design, management or other consulting services in relation to the construction of public sector projects have Anti-Corruption management systems in place within their own organisation?</p>	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
<p>31. Does the public sector project owner require companies or firms working on its projects to have internal Anti-Corruption management systems in place as a condition of pre-qualification or award? Alternatively, does the project owner give positive value in the tender evaluation to companies or firms working on its projects which have internal Anti-Corruption management systems in place?</p>	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	

E. OBTAINING CONSENTS AND PERMITS This section is designed to assess the effectiveness of measures which are in place which can help prevent corruption in relation to the granting or consents and permits.						
32. Are unofficial payments demanded or expected by public officials before they will issue a visa, or work permit?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
33. Are unofficial payments demanded or expected by public officials before they will issue planning permission?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
34. Are unofficial payments demanded or expected by public officials before they will issue approval of building design or construction?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
35. Are unofficial payments demanded or expected by public officials before they will issue customs clearance?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	

F. THREATS/EXTORTION This section is designed to assess the effectiveness of measures which are in place in relation to preventing extortion or threats by police or gangs.						
36. Are unofficial payments demanded or expected by police officers in return for letting vehicles pass road blocks, or in return for being released from prosecution for alleged or real traffic offences?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
37. Are payments demanded by gang members, on the basis that site staff or equipment will be damaged if the payments are not made?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	

G. ANTI-CORRUPTION LEADERSHIP BY PROFESSIONAL INSTITUTIONS AND BUSINESS ASSOCIATIONS This section is designed to assess the extent to which Anti-Corruption leadership is provided by professional engineering institutions (those to which e.g. professional engineers, architects, quantity surveyors and other professions belong) and by business associations (those to which e.g. construction companies and consulting engineering firms belong).						
38. Do professional institutions and business associations publicly speak out against corruption?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
39. Do professional institutions and business associations provide or recommend Anti-Corruption training for their members?	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	

40. Do professional institutions and business associations discipline their members who are found to have been involved in corruption? (e.g. by fining them or suspending or terminating their membership).	10 Always	7 Normally	5 Sometimes	2 Not normally	0 Never	
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H. RULE OF LAW This section is designed to assess the effectiveness of measures which are in place to uphold the rule of law. This will include investigation, prosecution and the court system. While the absence of an effective rule of law is not necessarily due to corruption, and does not necessarily cause corruption, it can be caused by corruption, and can allow corruption to take place unchallenged. The absence of an effective rule of law is therefore a corruption indicator.						TOTAL
41. Is there a body which has the power to investigate and prosecute corruption? <i>This could be one body which both investigates and prosecutes, or there may be separate bodies, one of which investigates, and the other of which prosecutes.</i>	10. Yes				0 No	
42. How fair and independent is this body perceived to be in investigating and prosecuting corruption? <i>Does the body actually investigate and prosecute all corruption, even that involving members of the current political/government administration, and successful businessmen, or does it appear only to investigate and prosecute those who are out of political favour, or who have little influence?</i>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair; or no such body exists.	
43. How likely is it that a bribe or other factor (such as political pressure) could influence the conduct of members of this body? <i>E.g. could the payment of a bribe by a person or organisation to a member of this body prevent the body from investigating or prosecuting it?</i>	10 Very unlikely	7 Unlikely	5 Sometimes happens	2 Likely	0 Very likely; or no such body exists.	
44. Is there a court system which has the power to hear criminal and civil cases?	10 Yes				0 No	
45. How fair and independent is the court perceived to be in hearing cases? <i>Does the court make decisions on a fair and independent basis (even against members of the current political/government administration, and successful businessmen), or does it appear to make decisions only against those who are out of political favour, or who have little influence?</i>	10 Very fair	7 Reasonably fair	5 Sometimes fair, sometimes unfair	2 Unfair	0 Very unfair; or no court system exists.	
46. How likely is it that a bribe could influence the conduct of the court? <i>E.g. could the payment of a bribe by a person or organisation to a judge result in an award favourable to the payer?</i>	10 Very unlikely	7 Unlikely	5 Sometimes happens	2 Likely	0 Very likely; or no court system exists.	

I. PRESS This section is designed to assess how free the press is from government control, and how willing the press would be to report on alleged corruption by ministers, political parties, public officials and powerful businessmen. A free, independent and confident press can be a valuable Anti-Corruption measure.						
47. How free is the press from government control? <i>Is the press in principle able to publish a report which alleges corruption by ministers, political parties, or public officials, or is it likely that any such report would be stopped before it is publicised?</i>	10 All press free from government control	7 Most press free from government control	5 Some press free from government control	2 Almost all press government controlled	0 Press entirely government controlled	
48. How free is the press from the control of one major business or rich individual? <i>Is the press in principle able to publish a report which alleges corruption by a leading business or rich individual, or is the control of the press by such business or rich individual such that any such report would be stopped before it is publicised?</i>	10 One business/individual controls very minor part of press.	7 One business/individual controls approx. 25% of press.	5 One business/individual controls approx. 50% of press.	2 One business/individual controls approx. 75% of press.	0 One business/individual controls all press.	
49. Does the press actually report on corruption?	10 Very frequently	7 Frequently	5 Sometimes	2 Hardly ever	0 Never	
50. Does the press actually report on corruption involving currently serving ministers, political parties, or public officials, or involving leading businesses or rich individuals?	10 Very frequently	7 Frequently	5 Sometimes	2 Hardly ever	0 Never	
TOTAL SCORE: (add up all scores in right hand "score" column)						TOTAL