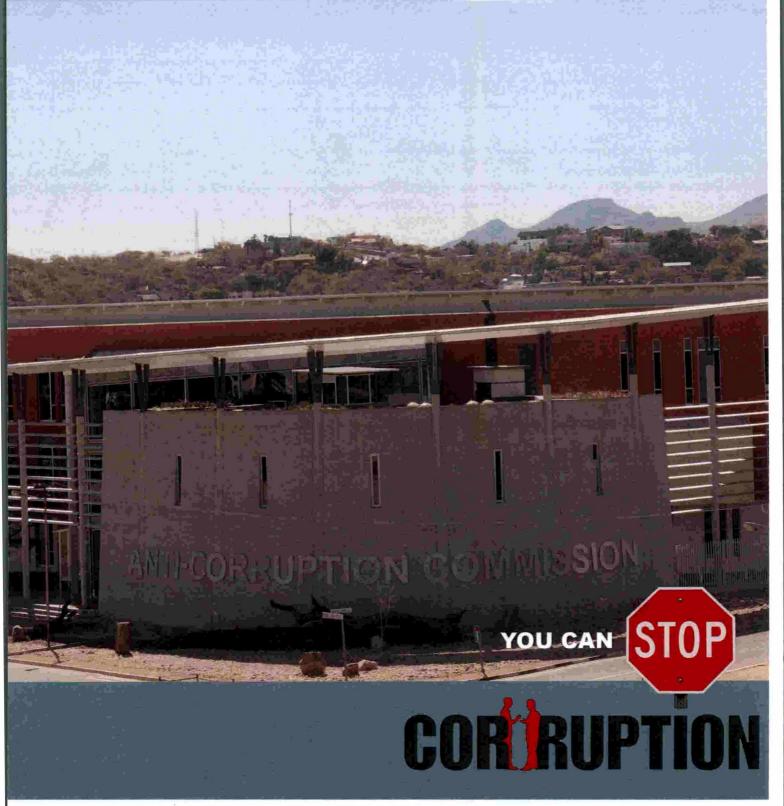
2013 NAMIBIA NATIONAL SURVEY REPORT

ON EXISTENCE OF ANTI-CORRUPTION FRAMEWORKS
WITHIN PRIVATE AND STATE-OWNED ENTERPRISES IN
NAMIBIA







FOREWORD BY THE DIRECTOR

Since independence in 1990, the Government of the Republic of Namibia and the Namibian people in general has created an enabling environment for the prevention of corruption and promotion of ethics and integrity. In this regard, a plethora of laws were enacted by Parliament and several other legal frameworks have been developed.

Among the laws enacted is the Anti-Corruption Act 2003 (No. 8 of 2003) which gives mandate to the Anti-Corruption Commission (ACC) to take measures for the prevention of corruption in public bodies and private bodies. In carrying out its mandates, ACC continues to conduct surveys with the view to determine the public perception on corruption in Namibia and also to establish whether institutions have developed corruption preventative measures in their operating systems.

This survey was conducted with the objective to establish to what extent the state -owned and private enterprises have put in place preventative legal frameworks in their quest to curb corruption.

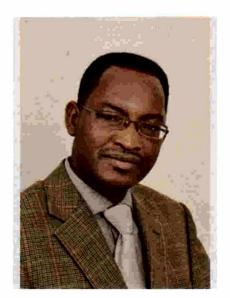
It is a common cause that private sector is an indispensable partner in the prevention against corruption. Private sector is the supplier of services to public sector. Hence, private enterprises are vulnerable to corruption temptation in the process of bidding for business in the public sector. The survey report is therefore a useful tool for corruption prevention measures that need to be developed and ensure that there is no potential for corruption in the business sector environment.

The findings reveal that some enterprises have anti-corruption tools in place. The findings also reveal that much still need to be done to plug in the existing loopholes. I extend my profound appreciation to the management of enterprises who have endeavoured to develop policies and codes of conduct alike that promote ethics in business undertakings.

I would also like to express my gratitude to the Commonwealth Secretariat for their financial support. Further I thank the Namibia Chamber of Commerce and Industry (NCCI) for their cooperation, all the enterprises for spending their precious time to respond to the questionnaire, the Polytechnic of Namibia through the Centre for Entrepreneurial Development for conducting the survey within an agreed period. Let the policy makers, planners and public members who are aspiring to join business industry make use of the information provided in the report and join hands with the ACC to intensify the prevention against corruption.

Paulus Kalomho Noá

Director: Anti-Corruption Commission



This survey was conducted with the objective to establish to what extent the state-owned and private enterprises have put in place preventative legal frameworks in their quest to curb corruption.

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ACC	Anti-Corruption Commission
NCCI	Namibia Chamber of Commerce and Industry
SOE	State-owned Enterprises
PPS	Probability Proportional to Size
SPSS	Statistical Package for the Social Sciences
O/M/As	Government Offices/Ministries/Agencies
NGOs	Non - Governmental Organisations

EXECUTIVE SUMMARY

The broad objective of this survey was to establish if participating organizations have any anti-corruption policy framework in existence to minimize occurrences of corruption. This includes strategies and tools the private sector and state-owned enterprises use to improve transparency, accountability and risk management as a way of ensuring good governance.

The geographical area that was covered is that of the members of the Namibia Chamber of Commerce and Industry (NCCI) branches in Namibia. Although there are 7 branches, only some branches were covered. The covered branches are Ongwediva, Windhoek, Swakopmund, Walvisbay and Karas. The others were not covered because, efforts to obtain the list of the members from said branches, were in vain.

This was an online survey, telephonic interviews and faxing questionnaires. The administration of the questionnaire was completed by the employees at the management level or an employee with a legal background in the said enterprises.

The enterprises (the study population) were divided into medium to national and small enterprises respectively and the results are alongside that division.

The survey revealed that most of the enterprises have an anti-corruption policy framework in place. The medium to national enterprises registered a higher percentage of those enterprises with the anti-corruption framework in place (92%) as compared to the small enterprises (73%).

Although most of these enterprises have the anti-corruption policy framework in place most of them have implemented one or more tools/strategies that work towards combating corruption and on average enterprises (both small and large) have implemented about 3 tools or strategies. It was evident that those enterprises with the anti-corruption policy framework in place are those that had at least one tool or strategy implemented. This is not that conclusive because there are few that have the anti-corruption policy framework in place but do not have any tool or strategy implemented.

On the issue of the risk management, the medium to national enterprises again were in the lead with a higher percentage of enterprises with such tools/strategies in place (77%) as compared to the small enterprises (65%).

Most of the enterprises merely have guidelines in place especially the small enterprises and that is why they are lacking on the tools/strategies on accountability, transparency and risk management.

It is of no use to have the policy framework in place with no operational plan to implement it. It is highly recommended that the enterprises develop a comprehensive anti-corruption policy framework supported by a fully operational guideline. This will ensure a total response against corruption and hence minimise if not eliminate corrupt incidents in the sector under review and in the country at large

1

INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Corruption has a negative effect on national development generally, and its impact spreads across the economic, political and social areas (Anti-Corruption Commission, 2011). According to (Noa, 2012), corruption discourages foreign investment, increases costs of doing business, causes poor quality of services, exacerbates poverty and unemployment, and results in political instability.

It is regarded as one of the Namibian Government's enemies of progress and it has to be rooted out from the society by all lawful means, at the same time it is very crucial that we set up both passive and active surveillance systems to ensure that corrupt activities are monitored routinely and that we act accordingly. It is against this background, that in 2012 the Anti-Corruption Commission (ACC) decided to carry out a survey to establish whether or not the private and state-owned enterprises in Namibia have anti-corruption policy framework at their place of work to minimize the occurrences of corruption. This survey was partly financed by the Commonwealth Secretariat and the Polytechnic of Namibia under the Centre for Enterprises

Development was commissioned by ACC to carry out the survey. Although the survey was commissioned in November 2012, the actual field work only commenced on the 4th of March 2013 and was completed on the 13th of April 2013.

This report therefore covers the detailed results of the 2013 survey on the existence of anti-corruption policy frameworks within private and state-owned enterprises in Namibia. The report is structured as follows:

- 1. Introduction and background
- 2. Rationale and objective of the survey
- 3. Population, methodology and sampling
- 4. Questions, data collection and data management
- 5. Results of the survey
- 6. Conclusion and recommendations

1.2 BACKGROUND

Since Independence in 1990, the Republic of Namibia has created an enabling environment for everybody to fight any type of corruption at all levels by all lawful means in the country. To this effect, several legal frameworks, constitutional amendments and cabinet directives have been provided for. In adition, anti-corruption coordinating structures and implementation bodies have been established for effective and efficient response.

1.2.1 CORRUPTION RESPONSE AND ITS GUIDING LEGAL FRAMEWORKS IN NAMIBIA

1.2.1.1 Constitutional Anti-Corruption Measures

The Government confirmed its commitment to root out corruption by amending the Namibian Constitution to provide for anti-corruption measures in terms Article 91(f) of the Namibian Constitution Second Amendment Act, (Act No. 7 of 2010). The amendment came into effect on 7 May 2010 (Government Gazette No.4480).

1.2.1.2 Anti-Corruption Commission

The Anti-Corruption Commission is established by the Anti-Corruption Act, 2003 (Act No. 8 of 2003) as an independent and impartial body. The Commission is headed by a Director who is assisted in the execution of control over the Commission by a Deputy Director. In addition to the Office of the Director and Deputy Director, the Commission is organized into the following directorates and division:

- Directorate Investigation and Prosecution
- Directorate Public Education and Corruption Prevention
- Division Human Resources, Administration and Auxiliary Services

The Anti-Corruption Commission (ACC) is mandated to combat and prevent corruption through law enforcement, educating the public and enlisting their support against corruption, and providing advisory services. In terms of the Anti-Corruption Act, 2003, the ACC has the following core functions:

a) Investigation function

- The ACC investigates matters that in its opinion raise suspicion that the following has occurred or is about to occur:
 - Conduct constituting corruption; or
 - Conduct prone or conducive to corruption.

b) Education function

• The ACC educates the public on corruption and enlist their support in combating corruption in Namibia.

c) Prevention function

• The ACC examines practices, systems and procedures of public and private bodies to facilitate the discovery of corrupt practices and to secure the revision of practices, systems and procedures that may be prone or conducive to corrupt practices.

1.2.1.3 ACC Strategic Plan

The ACC Strategic Plan 2010-1214 pertains to Namibia's vision of having a corruption free society in which all citizens have equal and fair access to opportunities and resources. This Strategic Plan embodies the mandate of the Anti-Corruption Commission as articulated in the Anti-Corruption Act, 2003 (Act No. 8 of 2003) to fight and prevent corruption in Namibia (ACC Strategic Plan, 2010-1214).

1.2.1.4 State-owned Enterprises Governance Act

The 2006 State-owned Enterprises Governance Act made provision for the efficient governance of State-owned enterprises and the monitoring of their performances; to make provision for the restructuring of State-owned enterprises; to establish the State-owned enterprises Governance Council and define its powers, duties and functions; and to make provision for incidental matters State-owned Enterprises Governance Act, 2006 (Act No. 2 of 2006).

2

RATIONALE AND OBJECTIVES

2.1 RATIONALE OF THE SURVEY

"In its fight against corruption the Commission embraces a three-pronged approach of law enforcement, prevention and public education, (ACC, 2006). These approaches will only be implemented successfully if we are well informed about the situation. This study will therefore assess the situation and collect information that will be used for corruption prevention and public education intervention, formulation, implementation and monitoring.

2.2 OBJECTIVE OF THE SURVEY

The main objective of this survey is to establish if the members of the NCCI have any anti-corruption framework in existence to minimize occurrences of corruption. This includes the strategies and tools that private sector organizations use to improve transparency, accountability and risk management as a way of ensuring good governance.

Specific objectives are:

- a) To identify actors within the private sectors which have anti-corruption measures in place.
- b) To describe measures the enterprises use to improve transparency, accountability as a tool to fight corruption.
- c) To establish the most effective risk management strategies in place as a way of ensuring good governance.
- d) To provide information for evident-based decisions during anti-corruption policy formulation and programme planning and implementation.
- e) To provide baseline data for on-going corruption monitoring in the private and state-owned sectors.

3

POPULATION, METHODOLOGY AND SAMPLING

3.1 STUDY POPULATION AND GEOGRAPHICAL AREA COVERAGE

The target population was the private and state-owned enterprises in Namibia. The unit of observation was the enterprises that are members of the NCCI. The survey therefore only focuses on the private and state-owned enterprises (SOE) who are members of the Namibia Chamber of Commerce Industry (NCCI) in the various branches in Namibia. The enterprises that participated in the survey were the small, medium, large, corporate and national corporate as classified by the NCCI. This classification is based on the annual membership fees that each enterprise contributes towards NCCI. It is observed that the small enterprises were many as compared to medium to national ones. NCCI has seven branches all over Namibia with members that are both state and privately owned enterprises, who are characterised by their membership as by the Table 3.1 below.

Table 3.1 NCCI membership

Category	# of employees	Annual turnover (N\$)	Membership Fees per year
Micro	one man show	0 – 250 000	N\$ 402.50
Small	2 – 10	250 001 - 1 000 000	N\$ 1,725.00
Medium	11-50	1000 001 - 3000 000	N\$ 4,370.00
Large	51 - 100	3000 001 - 10 000 000	N\$ 7,475.00
Corporate	101 - 500	10 000 001 - 100 000 000	N\$ 34,500.00
National corporate	501 +	100 000 001+	N\$ 74,750.00

The geographical area that was identified for the survey consisted of only 4 regional branches of the NCCI. These were, Ongwediva, Windhoek, Erongo and Karas. The three other branches namely, Tsumeb, Katima and Rundu were initially part of the sample frame, but unfortunately the research team could not obtain the updated list of enterprises from these branches and therefore they were not included in the survey.

3.2 SURVEY DESIGN

A cross-sectional survey design that employed two quantitative methods namely census and sample survey was used. The census method was used for the medium to national enterprises because all enterprises that fall in these categories were surveyed. This is because of few medium to national enterprises on the NCCI list, while, the small enterprises selected were sampled randomly. This list was then used as a frame for both census and survey sample.

As far as the sample survey is concerned, the sample population was drawn from that list using the following criteria stipulated below:

3.2.1 Survey criteria for small enterprises inclusion

- · Only small enterprises
- · From branches as indicated above/or as per NCCI list
- · Should have traceable details/or accessible

3.2.2 Survey criteria for small enterprises exclusion

- · No public institutions
- · No medium to national enterprises
- · No traceable details

3.3 SAMPLING PROCEDURES

3.3.1 Sample size determination

In determining the sample size the following facts were taken into consideration:

n = first estimate of sample size (minimum sample size for large population)

e = Margin of error is fixed at 5%

k = Desired confidence level 95% where the critical value

 $k = 1.96 \sim 2$

p = estimated prevalence (proportion) in target population is 50% (0.5)

q = 1-p(0.5)

The following formula was used for the calculation of the sample:

$$n = \frac{k^2 pq}{E^2} \quad \text{where n is the sample size and $q = 1 - p$}$$

$$n = \frac{4(0.5)(1 - 0.5)}{0.05(0.05)} = 400$$

Based on this formula, the required sample size under the above conditions is 400 for small enterprises. To counteract for the loss in precision due, the sample size was raised by a factor of 0.1, because the non-response/refusals is assumed to be about 10% (0.1), because this is a very sensitive topic and according to literature in corruption research, there will always be refusals. This means that 10% samples were added to the sample (400) to cover for refusals. Therefore the final sample size was 440 for small enterprises.

3.3.2 Sample selection

Next step was to determine the overall probability (sampling fraction) of selection required to get these enterprises /sample from all regional branches. The larger the number of enterprises in the regional branch, the better for the representation but the larger will be the budget.

It was therefore proposed that sample size within regional branches are determined with probability proportional to size sampling (PPS) and the enterprises are selected with probability random sampling procedure using the NCCI list. Firstly the branch/regions which contain a number of small enterprises were identified (non-random) and then from those regional branches samples were randomly selected. Statistical Package for the Social Sciences (SPSS) was used to randomly pick the sample size per regional branch guided by PPS with the sampling fraction as shown in the Table 3.2 below.

Table 3.2: Sample size estimation and selection

Exper	Cond (small polarytics) Some	long Procion Sa	male New (emergines)
Karas	18	0.31	6
Ongwediva	1020	0.31	321
Swakopmund	14	0.31	4
Walvisbay	229	0.31	72
Windhoek	119	0.31	- 37
Total	1400	0.31	440

4 QUESTIONS, DATA COLLECTION AND DATA MANAGEMENT

4.1 QUESTIONNAIRE DESIGN

The questionnaire was compiled in comparison to other surveys that have been done in other jurisdictions with special reference to the Anti-Corruption Act as a guide to the survey questions.

In compiling the questionnaire consultations were done with the Office of the Prime Minister; State-owned Enterprises Department and other sources as listed below:

- The Anti-Corruption Act, 2003
- The Namibian Constitution
- Malawi Business Action against Corruption (2006), Business Code of Conduct for Combating Corruption in Malawi. USAID
- · Australian government, Attorney General Department (2011), Commonwealth approach to Anti-Corruption Discussion Paper
- Centre for the study of democracy (March 2012) study on anti-corruption measures in EU border control
- Taylor- Powell E. (1998) Program and Development Evaluation- Questionnaire Design Asking Questions, with a Purpose College Stations Texas
- Transparency International UK-Defence and Security Programme- available at government.defenceindex.org
- Schiikkard P Skeen A & Merwe S (1997) Principles of Evidence Juta & CO,LTD
- · And others

As a result, questions that capture and answer above-stated objectives were constructed on and around the following five main areas mentioned below:

- · On characteristics of the population/enterprises
- · On existence of anti-corruption policy framework
- · On transparency and accountability
- On risk management
- · On policy framework monitoring

4.2 DATA COLLECTION

The data was collected through an online survey, telephonic interviews and by faxing questionnaires and only one entry was allowed per enterprise. The completion of the questionnaire was limited to top management or legal advisors at the enterprise.

The data collection process commenced on 4 March 2013 and was completed only on 12 April 2013. The data collection process had to be extended, to 12 April 2013 so as to intensify raising awareness and sensitization about the objective of the survey in order to receive good response. Since it was an online survey, the research team had to email the questionnaires to the enterprises from the contact details provided by NCCI. Some of the major difficulties experienced during the process were that some of the contact details of the enterprises were wrong or did not exist and were not in operation which made the process more difficult than expected. Where enterprises had no access to emails, the questionnaires were faxed or telephonic interviews were conducted.

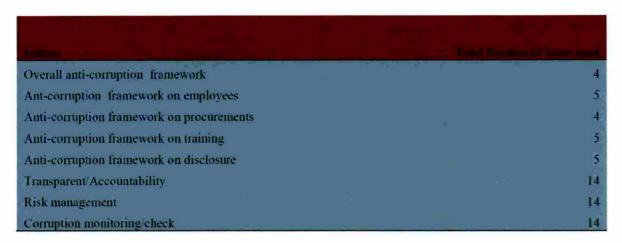
4.3 DATA MANAGEMENT

The data was entered by respondents when filling in the online questionnaire. All data was then entered directly in the online database system. All data was then exported to SPSS for data cleansing and analysis. Other data manipulations including data presentations were done in Microsoft Excel.

4.3.1 Data transformation

According to Noa (2012), corruption cannot be defined in one generic form without compromising its wider corrosive effects. This is because corruption is a dynamic phenomenon that is perpetrated through many different acts. Measuring corruption is a bit tricky, because there are neither a standard definition nor methodology as to how to measure it. Everybody in the corruption research is using different methods and therefore concepts and variables and measurements are different. However, guided by some of the previous research work done and anti-corruption related policies and guidelines, the questionnaire with indirect measure of corruption, was developed. During data management and analysis, variables (direct measures) were then computed. The variables are indices, whereby several items/questions that are related and seems to measure one common concept were grouped together and used to construct an index. With this background, eight new variables/ indices were then constructed as presented in Table 4.1 on Page 13, for more details on this see the indices in the annexures on pages 37, 38 and 39.

Table 4.1 New variables/indices



It should be noted however that all the inputs used during the construction of all these indices in above table were not based on any standard methods but purely the researchers' initiation. Therefore it is open for further collective discussions and refinements that are informed by both the theoretical and empirical evidence in corruption field.

4.4 SURVEY SENSITIZATION AND DATA COLLECTION MONITORING

To ensure good data quality and high response rate, several attempts were made such as survey awareness through emails, phone calls and formal letters before and during the survey. Specifically during data collection the research team was monitoring the data collection progress in terms of number of questionnaires distributed and returned, several follow ups where made via emails and phone calls, to make sure that the targeted enterprises received the questionnaires and returned them.

4.5 RESPONSE RATE

Due to a very low response rate some variables or values within the result shows less than 3 enterprises participated in some sectors. **Table 4.2 Response rate**

Low response rate in corruption research has two implications. According to Jensen, (2010) the issue of corruption is important to politicians, citizens, and firms. Since the early 1990s, a large number of studies have sought to understand the causes and consequences of corruption employing firm-level survey data

Region/Branch	S-11-1	Census survey			Sample surv	survey		
	Target	Actual	Response rate	Target	Actual	Response rate		
Corporate	30	4	13.3	n/a	n/a	n/a		
National Corporate	27	1	3.7	n/a	n/a	n/a		
Karas	n/a	10	n/a	6	1	16.7		
Ongwediva	n/a	n/a	n/a	321	29	9.0		
Swakopmund	38	17	44.7	4	4	100.0		
Walvis Bay	n/a	n/a	n/a	72	9	12.5		
Windhoek	45	43	95.6	37	17	45.9		
Total	140	75	53.6	440	60	13.6		

from various countries. While insightful, these analyses have largely ignored two important potential problems: non-responsive and potential false response by the firms. Further, argued that most firms use non-responsive and potential false response as self-protection mechanisms. Therefore corruption is likely understated in such countries.

4.6 SURVEY WEAKNESS AND LIMITATIONS

The sampling frame used from NCCI is very useful, but at this stage is not up to date and not complete, so most selected enterprises had no access to emails, were closed or not in operation and telephone numbers were not in use. According to literature, online surveys are very cheap and fast but they are associated with very low response rate as compared to face to face interviews. We assume that all these factors have an effect on the survey operations and as result the survey response rate was very low. These findings cannot be therefore generalised or inferred but to be used for internal planning purposes and serve as baseline information as well as lessons learned for the similar future studies. Also this survey was only limited to private and state-owned enterprises. Government O/M/As and NGOs were not included.

5

RESULTS OF THE SURVEY

This Chapter is on the findings of the study. The chapter is divided into five main sections namely: characteristics of the population/enterprises, existence of anti-corruption policy framework, the policy framework implementation focusing on transparency and accountability, the policy framework implementation focusing on risk management and the policy framework implementation and monitoring. Each section concludes with the main section's highlights or summary.

5.1 CHARACTERISTICS OF THE ENTERPRISES

The total number of enterprises counted in the census (that is for medium to national enterprises) was only 75, while the total sample surveyed from small enterprises was only 60. This information is presented in Table 5.1.

Table 5.1: Enterprises by business categories

	Medium- Nationa	Medium- National enterprises		ll enterprise
Enterprise Categories	Number	Percent	Number	Percent
Corporate	19	25,3	n/a	n/a
Large	6		n/a	n/a
Medium	29	38,7	n/a	
National Corporate	21	28.0	n/a	n/a
Small	n/a	n a	60	100.0
Total	75	100.0	60	100.0

Furthermore the enterprises were grouped as follows: sectors, types of ownership, number of employees and annual turnover. The distribution of the enterprises within sectors, types of ownerships, size and annual turnovers is shown in table 5.2 to 5.6 below. It should be noted that numbers of enterprises in some subgroups are as low/small as only one enterprise due to low response rate.

The Table 5.2 shows that the privately owned 100% Namibian medium to national and small enterprises are 37.3% and 60% respectively, while privately registered in Namibia and more than 51% foreign owned medium-national account for 15% and 12% respectively. The strictly state-owned mostly fall under the

medium-national enterprises (27%).

Table 5.2: Enterprises by ownership

	Medium- National enterprises		Small enterprise	
Enterprise Ownership	Number	Percent	Number	Percent
Other (Please Specify) Private, not registered in Namibia and more than 51%	5		4	
foreign owned	1			0.0
Privately owned, 100% Foreign	6	8.0	8	13.3
Privately owned, 100% Namibian	28	37,3	36	60.0
Privately owned, registered in Namibia and 51% Namibian owned	¹ 4	5.3	. 1	
Privately owned, registered in Namibia and more than 51% foreign owned	11	14.7	7	11.7
Strictly State-owned Enterprise (SOE)	20	26.7	4	6.7
Total	75	100.0	60	100.0

Table 5.3 shows the regional distribution. It can be clearly seen that more than half of the large enterprises are located in Windhoek; however the distribution rages from 1% to 57%, with Karas region recorded the lowest distribution (1.3%). For the smaller enterprises, the majority are allocated in Ongwediva (48.3%), followed by Windhoek (28.3%). The lowest contribution was recorded in national corporate, about 2%.

Table 5.3: Enterprises by regional branches

	Medium- Nation	Small enterprise		
Region/Branch	Number	Percent	Number	Percent
Corporate	4		n/a	
Karas region	1		. 0	0.0
National Corporate	10	13.3	1. "	1.7
Ongwediva	0		_ 29	48.3
Swakopmund	17		4	6.7
Walvis Bay	0	0,0	9	15.0
Windhoek	43	57.3	17_	28.3
Total	75	100.0	60	100:0

Table 5.4 depicts that most of the medium to national enterprises have employees of 100-500 followed by 500 and above. The small enterprises have employees as low as 2-10 and 10-50 are the largest groups of employees.

Table 5.4: Enterprises by employment size

		Medium- Natio	Medium- National enterprises		Small enterprise		
Employme	ent size	Number	Percent	Number	Percent		
1	employee	4		4			
2 – 10	employees	13	17.3	24	32.0		
11-50	employees	6		20	26,7		
51 – 100	employees	9	12.0	4			
101 – 500	employees	23		5	6.7		
500+	employees	20	26.7	3	4.0		

Table 5.5 shows that enterprises with high turnover are in medium and national enterprises. The highest medium-national are those with a turnover of 100 million followed by 10-100 million and 0-250 000 respectively with 1-3 million being the lowest. Taking into account the small enterprises annual turnover, the majority are earning less than 3 million, however 10 of them are earning 10 million Namibian dollars and above.

Table 5.5: Enterprises by annual turnover

	Medium- National enterprises		Small enterprise	
Annual turnover (N\$)	Number	Percent	Number	Percent
0 – 250 000	16		23	30,7
250 001 – 1 000 000	0		13	_{17.3}
1000 001 - 3 000 000	3	4.0	5	
3 000 0001 – 10 000 000	6	8,0	4	
10 000 001 - 100 000 000	16	21.3	10	13.3
100 000 000+	34	45.3	5	

As far as distribution by sectors is concerned, majority of medium to national enterprises are falling under other sectors that are not listed in this table which contributed about 27%, followed by the banking and financial services with 13.3% and the mining sector that accounts for almost 11%.

The small enterprises are mainly found under others (18%) and contracts and constructions (22%). These details are revealed in Table 5.6.

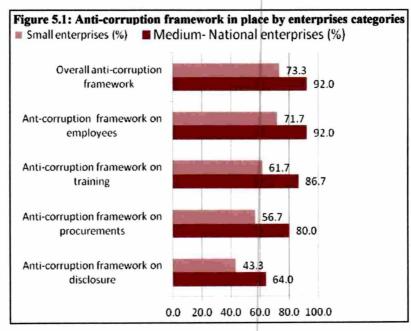
Table 5.6: Enterprises by sector

	Mediu	n- National enterprises	Small enterprise	
Sector	Number	Percent	Number	Percent
Agriculture			2	3.3
Banking and Financial services	10	13,3	5	8.3
Consumer Services ,Accommodation and Restaurant	4.4		1	1.7
Education	417446	1.3	2	3.3
Fishing	1		0	0.0
Heavy Manufacturing/Processing	3		1	1.7
Information Technology	2		2	
Light manufacturing	0		2	3.3
Mining	8	10.7	4	6.7
Oil and Gas	2.		1	1.7
Other	20	26.7	11	18.3
Pharmaceutical and Healthcare	2		2	3.3
Public Works, Contracts and Construction	3	4.0	13	21.7
Real Estate/Renting/Property	2		1	1.7
Services	3 *		4	6.7
Telecommunications	2.		0	0.0
Transportation and Storage	3		3	5.0
Utilities (Water/Electricity)	3"		13	1.7
Wholesale/Retail trade/Repair	5	6.7	5	8.3
Total	75	100,0	60	100,0

5.2 EXISTENCE OF ANTI-CORRUPTION FRAMEWORKS IN THE ENTERPRISES

This section is all about the existence of anti-corruption policy frameworks. These are either written codes of conduct, procedures and guidelines in both the medium to national and small enterprises. The information on the availability of the anti-corruption policy framework is presented at global level, by its components (training, procurement, employees and disclosures). This information is further presented by enterprise types and characteristics.

Figure 5.1 shows the existence of anti-corruption frameworks in the enterprises. The figure reveals that most of the medium and national enterprises have at least something pertaining to an anti-corruption framework in place (92%) while small enterprises recorded about 73%.lt can also be noted that most enterprises have guidelines or procedural frameworks on employees and training, while the least framework is on disclosure. The small enterprises show a similar pattern.



Note: For the purpose of this survey, an enterprise that has reported having at least one or more anti-corruption activities/ tools/strategies was counted as having an anti-corruption framework in place.

Table 5.7 presents the detailed anti-corruption components and activities that are contained in the framework. It can be observed from the table below that more than 80% of the medium and national enterprises have an anti-corruption framework focusing more on employees. In other activities the proportion ranges from 28% to 80%. As far as small enterprises are concerned, the proportion ranges from 23% to 72%.

Table 5.7: Anti-corruption framework in place by components

Anti-corruption framework components	"le Medium-	
	National	% Small
	enterprises	enterprises
	with framework	with framework
Aud committee from market an anniharace	Hankwolk	пашежинк
Anti-corruption framework on employees		
Prohibit corrupt practices by any employee	89.3	63.3
Disciplinary measures are in place	86.7	63.3
Recruitment of employees is based on fairness	90.7	
Protection of individual rights	84.0	70.0
Safeguard and prevent abuse of powers	82.7	56.7
Anti-corruption framework on procurements		
Open procurement systems of goods and services	84.0	58.3
Evaluation systems that seek the best value for money	77.3	58.3
Disclose of the management systems on corruption	56.0	41.7
Detect corruption practise	64.0	45.0
Anti-corruption framework on training		
Types of corrupt practices	60.0	45.0
Training on ethical behaviours	77.3	58.3
Conflict of interest	82.7	56.7
Reporting all known instances of corruption	80.0	55.0
Anti-corruption framework on disclosure		
Anonymous boxes in safe and secure areas	30.7	
Suggestion boxes to minimise corruption	28.0	23.3
Feedback mechanisms on reported corrupt activities	56.0	40.0
Whistle-blower protection programmes	11.0	31.7
Code of ethics	80.0	55.0
Total	75	60

Table 5.8 on Page 18 shows the framework in place by sectors.

All sectors have at least some preventative measures of corruption. The small enterprises show a similar trend. It is however worth mentioning that enterprises in banking and financial sectors for both larger and smaller enterprises have recorded 90% and 80% respectively.

Again many enterprises in tourism and hospitality sector have policy framework that accounts for 85% and 75% for large and small enterprises. About 85% of smaller enterprises in contracts and constructions sector have a policy framework in place.

Table 5.8: Anti-corruption framework in place by sector

Sector	Medium- Nation enterprises	nal	Small anton	orico.
	onerprises of with	-	Small enterprise	
	fiamework	Total	framework	Total
Agriculture**	100.0	1	50.0	2
Banking and Financial services	90.0	10	80.0	5
Consumer Services ,Accommodation	100.0	4	100.0	1
Education**	100.0	1	50.0	2
Fishing**	100.0	1	n/a	n/a
Heavy Manufacturing/Processing**	100.0	. 3	0.0	251
Information Technology	50.0	2		2
Light manufacturing	n a	n/a	100.0	2
Mining	100.0	8	75.0	4
Oil and Gas**	100.0	2	100.0	1
Other (general trading, tourism)	85.0	20	72.7	11
Pharmaceutical and Healthcare	100.0	2	100.0	2
Public Works, Contracts and Construction	100.0	3.	84.6	13
Real Estate/Renting/Property**	50.0	2	100.0	1
Services	10.001	3	50.0	4
Telecommunications	100.0	2	n/a	n/a
Transportation and Storage	100.0	3	66.7	3
Utilities (Water/Electricity) **	100.0	3	100.0	- 1
Wholesale/Retail trade/Repair	100.0	- 5	80.0	5
All sectors	92.0	75	73.3	60

^{**}Some sectors have a small distribution and therefore its interpretations should be handled with caution.

Privately owned Namibian enterprises are likely to have a policy framework in place as compared to foreign owned. This comparison is the same for both the small and large enterprises. This information is revealed in table 5.9 below.

Table 5.9: Anti-corruption framework in place by ownership

Ownership	Medium- Natio	onal	Small enterp	rise
	% with framework	N	% with framework	N
Other (Please Specify)	100.0	5	75.0	4
Private, not registered in Namibia and more than 51% foreign owned	100.0	1		n/a
Privately owned, 100% Foreign	83.3	6	62.5	8
Privately owned, 100% Namibian	85,7	28	80.6	36
Privately owned, registered in Namibia and 51% Namibian owned	75.0	4	100.0	1
Privately owned, registered in Namibia and more than 51% foreign owned	100.0	- 11	57.1	7
Strictly State-owned Enterprise (SOE)	100.0	20	50.0	4
All Categories	92.0	75	73.3	60

existence of anti-corruption framework in place by the employment size in terms of the number of employees and annual income. According to both tables, it is interesting to note that the larger the enterprise the higher the probability of having the framework in place.

Tables 5.10 and 5.11 show the Table 5.10: Anti-corruption framework in place by employment size

Employment size	Medium- Nation	nal	Small/SME	
	% with framework	Total	% with framework	Total
1 employee	50.0	4	50,0	4
2 – 10 employees	76.9	13	66.7	24
11 - 50 employees	100.0	6	85.0	20
51 - 100 employees	88,9	9	100.0	4
100 - 500 employees	100,0	23	40.0	5
50 + employees	0,001	20	100.0	3
All groups	92:0	75	73.3	60

Table 5.11: Anti-corruption framework by annual turnover

Annual Income (N\$)	Medium- National e	nterprises	Small enterprise	e
	% With framework	N	% With framework	N
0 - 250 000	68.8	16	65.2	23
251 000 - 1 000 000	n a	n/a	76.9	13
1,000 001 - 3000 000	100.0	3	60.0	5
3,00 0001 - 10 000 000	100.0	6	100.0	4
10 000 001 - 100 000 000	93.8	16	70.0	10
>100 000 000	100.0	34	100.0	5
All Incomes	92.0	75	73.3	60

5.2.1 Summary

The summary findings of this section are that most of the enterprises that participated in the survey have at least something on anti-corruption framework in place. However, the framework referred to, or as per the definition of this survey, was not limited to a fully developed framework but other guidelines were considered as well.

92% of medium to national have an anti-corruption framework in place while 73% of the small enterprises have an anti-corruption framework in place. Most of the enterprises that have an anti-corruption framework in place are those with a large number of employees and high annual turnover, respectively. The medium to national enterprises that have an anti-corruption framework in place, are the banking and financial services and others (general trading, tourism and consulting). The lowest in this sector level are fishing, education and agriculture.

The small enterprises with the anti-corruption framework at sector level are in public works, contract and construction sector. While the consumer services, accommodation and restaurant, heavy manufacturing/processing, oil and gas, real estate/renting/ property and utility (water and electricity) are the lowest.

5.3 ANTI-CORRUPTION POLICY FRAMEWORK IMPLEMENTATION

Transparency and accountability are two of the central pillars of good governance. One of the survey objectives is to assess how enterprises ensure transparency and accountability. In other words what are strategies enterprises implement to promote good governance and therefore ensuring a corruption free environment? With this background, this section will determine 1) whether or not the surveyed enterprises have tools and strategies in place to combat corruption based on accountability and

5.3.1 Strategies implemented to prevent corruption in the enterprises

Table 5.12 presents the number of tools/strategies that are implemented by enterprises. Figures 5.2 and 5.3 show the actual enterprises that have/not implemented those tools.

Table 5.12 shows 3% of both the medium to national and small enterprises do apply anti-corruption tools in their enterprises, 27% medium to national and 57% small enterprises have applied one anti-corruption related strategy. Only few enterprises have applied 3 or more anti-corruption strategies and the pattern is the same in both of the enterprise categories.

Table 5.12: Number of strategies in place to combat corruption by enterprises category

Number of tools/strategies applied		Activity to the second
	Enterprise categor	у
	Medium- National Enterprises (%)	Small Enterprises (%)
0	2.7	3.3
1	26.7	56.7
2	10.7	6.7
3	16.0	- 1.7
4	17.3	11.7
5	6.7	5.0
6	9.3	5.0
7	5,3	I not to introduce 3.8
8	1.3	1.7
9	E74 -5E - 16 - 4T - 18	3.3
10		0.0
11	1.3	0.0
12	0.0	The state of the last
N	75	60 - السيد

Overall, medium to national of the enterprises (41%) do not implement any tools or they are performing below average (at least 3 activities) leaving only 60 % with strategies/tools implemented for the medium to national enterprises.

Figure 5.2: Number of strategies/tools implemented by large enterprises

67% of the small enterprises do not implement tools/strategies or they are performing below average (at least 2.6 activities) to combat corruption while only 33% have strategies/tools implemented.

Figure 5.2 shows on average, medium to national enterprises have implemented 3 tools. That implies that all the enterprises that have only implemented 0, 1 or 2 items are below average.

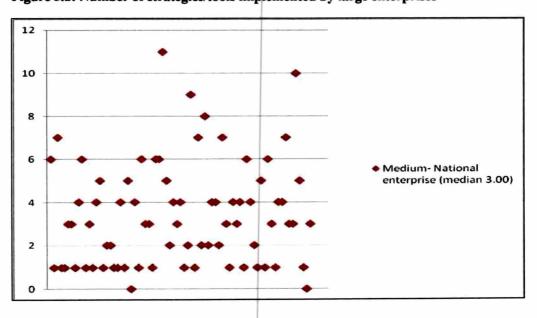
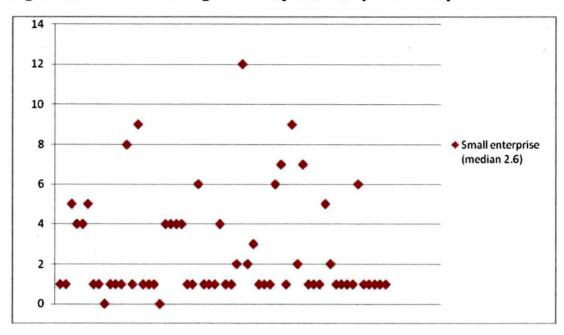


Figure 5.3 shows on average, small enterprises have implemented about 3 tools. That implies that the enterprises that have implemented 0, 1 or 2 items are below average.

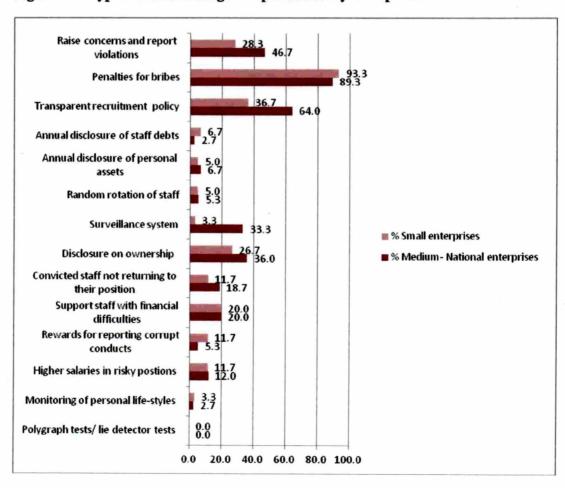
Figure 5.3: Number of strategies/tools implemented by small enterprises



5.3.2 Types of strategies implemented to prevent corruption in the enterprises

Figure 5.4 shows the types of tools and strategies that are mostly used by medium to national enterprises, are the written commitment not to demote employees, penalise or other adverse consequences for refusing to pay bribes (89%) followed by recruitment policy (64%) and report violation at 46%. Notably, the small enterprises on the other hand have recorded 93.3% on penalties for bribery which is the highest followed by recruitment policy (37%) and report violation at 28%.

Figure 5.4: Types of tools/strategies implemented by enterprises



Furthermore, for both medium to national and small enterprises polygraph tests and monitoring of personal lifestyles are the tools least used. Notable is that small enterprises do not do random rotation of staff at certain posts. The mandatory annual disclosure by staff of their debts is more used and implemented in both small enterprises and medium to national enterprises, 7% and 3% respectively.

Table 5.13 reveals that enterprises with policy framework have implemented at least one tool or more to prevent corruption. In other words if you have a policy framework in place the chances of implementing anti-corruption tools are high as compared to enterprises that do not have one.

Table 5.13: Number of tools and strategies implemented because of the framework

Number of anti-corruption tool/strategies applied	% Medium- Natio	onal emerprises	% Small e	nterprises
	With no framework	With Framework	With no framework	With Framework
0	1.3	1.3	1.7	1.7
1	6.7	20,0	23.3	33.3
2	0.0	10.7	0.0	6.7
3	0.0	16.0	0.0	1.7
4	0.0	17.3	0.0	11.7
5	0.0	6,7	0.0	5.0
6	0.0	9.3	0.0	5.0
7	0.0	5.3	0.0	3.3
8	0.0	1.3	0.0	1.7
9	0.0	1,3	用的对外的	17
10	0.0	1.3	July 10.0	0.0
11	0.0	1.3	0.0	0.0
12	0.0	0.0	0.0	1.7
N	75			60

5.3.3 Summary

Most of the medium to national enterprises have implemented more than 3 tools/strategies to fight corruption. This could also be because they have an anti-corruption framework in place. The small enterprises, although they have an anti-corruption framework in place, they do not have or have limited number of tools/strageties in place to implement an anti-corruption framework.

The tool that is mostly used by medium to national enterprises, is the written commitment not to demote employees, penalise or other adverse consequences for refusing to pay bribes. This shows commitment from enterprises to fight bribery. The small enterprises on the other hand have the tool of transparent recruitment policy in place. The medium to national enterprises on the other hand do have limited tools on transparent and recruitment policies. Recruitment is one of the areas that is prone to corruption and nepotism. It is recommended that medium to national enterprises improve on these tools and strategies for the purposes of fighting corruption.

In both medium to national and small enterprises polygraph tests and monitoring of personal lifestyles are the least tools implemented. This could be because of expenses of buying and maintaining the polygraph machines and lack of training of handling such machines. In Namibia the machine generated evidence might not be admissible in court. See Schwikard (1997).

The mandatory annual disclosure by staff of their debts is more used in small enterprises and only a small number in the medium to national enterprises. People that have debts are prone to involve themselves in corrupt activities therefore, medium to national enterprises should consider implementing this tool. But it could also be seen as interference on privacy in terms of Article 13 of the Namibian Constituion.

5.4 CORRUPTION RISK MANAGEMENT AS PART OF POLICY FRAMEWORK IMPLEMENTATION

Risk management is a business management tool that aims to eliminate and/or minimize activities that may harm the enterprise operation. In the corruption context, this are known activities/or temptations that can be managed and controlled and eventually prevented. This section will therefore determine 1) whether or not the surveyed enterprises have risk management procedures in place to prevent corruption, 2) and describe the risk management procedures in place.

5.4.1 Risk management procedures

Table 5.14 shows the risk management procedures that are in place at various enterprises. The enterprises with no risk management procedures at all are at 28% while those that have one or more procedures are at 72% in the medium to national enterprises. The small enterprises are at 62% for those that do not have the procedures in place and at only 38% with one or more procedures in place.

Table 5.14: Number of risk management procedures in place by enterprises

# of risk management procures in place	Medium- National Emerprise	% Small Enterprise
0	28.0	61.7
1	2,70	1.7
2	L3	1.7
3	2.7	0.0
4	2.7	1.7
5	5.3	1.7
6	110	5.0
7	5.3	1.7
9	4.0	3.3
10	.5.3	1.7
11	3 . 2.71	1.7
12	8.0	3.3
13	18.7	5.0
14	9.3	10.0
Total	75	60

Table 5.15 on Page 23 reveals that the enterprises that do not have an anti-corruption framework in place scored the lowest in terms of the number of procedures in place. They are at 5% for those that do not have an anti-corruption framework in place as compared to 23% for those that have an anti-corruption framework in place in medium to national enterprises.

The trend is the same in the small enterprises. Those with an anti-corruption framework score higher than those without, with 27% and 35%, respectively.

Table 5.15: Number of risk management procedures in place because of policy framework

# of Risk management procures in place	% Medium- Na	tional enterprises	% S	mall enterprises
	With no framework	With Framework	With no framework	With Framework
0	53.	22.7	26.7	35.0
1	1.3	13	0.0	1.7
2	0.0		0.0	1.7
3	0.0	B - 15 127	0.0	0.0
4	0.0	11 70-47	0.0	1.7
5	0.0		0.0	1.7
6	0.0		0.0	5.0
7	0.0	5.3	0.0	1.7
9	0.0	4.0	0.0	
10	0.0	5.3	0.0	1.7
11	0.0		0.0	1.7
12	1.3		0.0	
13	0.0	18.7	0.0	5.0
14	0.0	9.3	0.0	10.0
N	75		To To Total	60

The figure 5.5 shows types of risk management disciplinary procedures. It can be seen that medium to national enterprises have the transparency of disclipinary hearing outcomes as one of the popular disciplinary procedures used. The lowest used procedure is the disciplinary board chaired by an external person. Overall most of the procedures in medium to national enterprises are in place.

In the small enterprises the procedures that are mostly used are those of fraud, concealment of material, to part with something of value and internal trading of confidential information for personal gain.

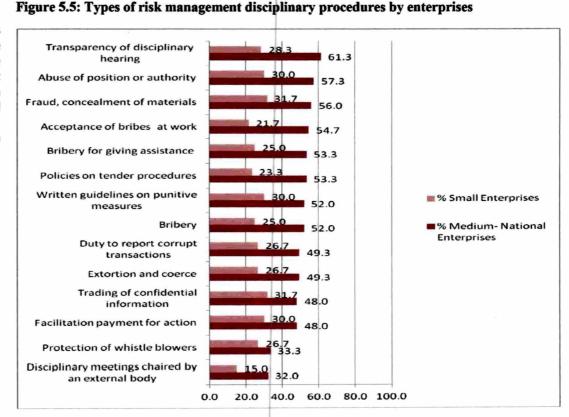


Table 5. 16 shows the greatest risk is in the receipt of gifts, hospitality and expenses which could affect the outcome of business

transactions which is at 35% in medium to national enterprises. The lowest risk is non-disclosure of all business charitable contributions or sponsorships to the public.

Table 5. 16 shows the Table 5.16: Other areas posing great risk of corruption

Areas of focus as recommended by companies	Medium- National Enterprise	% Small Enterprise
Receipt of gifts, hospitality and expenses which could affect the outcome of business transactions	34.7	15.0
Businesses do not take the issue seriously enough	29,3	15.0
Corruption is widely accepted as a fact of life	26.7	10.0
Internal trading of confidential information for personal gain	26.7	16.7
Corruption and bribery related crimes are not prosecuted	22.7	20.0
Unethical behaviour is widespread among business owners Political contributions made direct or indirectly as a way of obtaining advantage in business transactions	22.7	16.7 23.3
Receipt of gifts, hospitality and expenses which are not reasonable and bona fide expenditures	16.0	11.7
Charitable contributions and sponsorships Facilitation payments made to secure or expedite the performance of a routine or	12:0	6.7
necessary action The use of other routes or channels to provide improper benefits to employees or any other party	12:0 12:0	5.0 10.0
Non-disclosure of all business charitable contributions or sponsorships to the public	10.7	5.0
N	75	60

In the small enterprises the highest risk is political contributions made directly or indirectly as a way of obtaining advantage in business transactions and lowest is the non- disclosure of all business charitable contributions or sponsorships to the public

5.4.2 Summary

It is notable in both medium to national and small enterprises with an anti-corruption framework in place that they also have the risk management procedures in place.

The greatest risk is in the receipt of gifts, hospitality and expenses which could affect the outcome of business transactions which is 35% in medium to national enterprises. The lowest risk is non-disclosure of all business charitable contributions or sponsorships to the public. This could be because it is difficult to differentiate between a gift that is given to solicit a bribe and one given genuinely.

In the small enterprises the highest risk is political contributions made directly or indirectly as a way of obtaining advantage in business transactions and lowest is the non- disclosure of all business charitable contributions or sponsorships to the public.

5.5 ANTI-CORRUPTION POLICY FRAMEWORK IMPLEMENTATION MONITORING

5.5.1 Anti-corruption activities monitored by enterprises

A corrruption monitoring and surveillance system is very crucial in that it provides entreprises with strategic information for evidence based actions. Information collected through this system can be used to see if the existing anti-corruption policy frameworks are really working or not. It can be also used to redesign and improve the anti-corruption programmes and/or come up with new ones. This section will reveal and describe activities that enterprises carry out to monitor corruption. It will also show how many activities are in place to minimise corrupt activities.

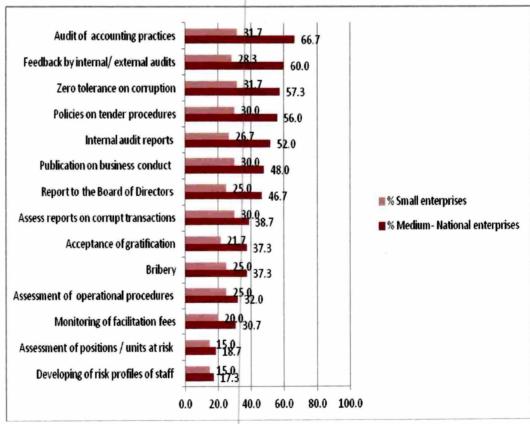
Table 5.17 shows the number of monitoring procedures that are in place at various enterprises. The enterprises with no monitoring procedures at all are at 28%, while those that have 1 or more procedures are at 72% in the medium to national enterprises. The small enterprises are at 62% for those that do not have the monitoring procedures in place are at only 38% with one or more monitoring procedures in place.

Table 5.17: Number of corruption activities monitored/checked by enterprises

# of corruption activities checked	% Medium- National Enterprises	% Small Enterprises
0	28.0	61.7
1	13	
2	1.3	0.0
3	1 To 1 To 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	3.3
4	and the state of the state	
5	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
6	4.0	3.3
7	12.0	
8	15-19-57-46	5.0
9		0.0
10	8.0	1.7
11		1.7
12		5.0
13	40	
14	S.02	10.0
N	75	60

Furthermore, figure 5.6 describes the types of activities that enterprises use to monitor corruption. In larger enterprises, auditing of accounting practices is the most popular activity that accounts for about 67%, followed by feedback via internal and external audits (60%). In smaller enterprises the activity that is used by most of the enterprises is also auditing accounting practises at 32 %, followed by policies on tenders, business contact and assessments of corrupt transactions, both account for 30%.

Figure 5.6: Activities enterprises use to monitor corruption



5.5.2 Summary

It is notable that, enterprises in both medium to national and small enterprises with an anti-corruption framework in place also have the monitoring procedures in place.

CONCLUSION AND RECOMMENDATIONS

6.1 CONCLUSION

The finding of the survey is that most of the enterprises that participated in the survey have at least something pertaining to an anti-corruption framework in place. However, the framework referred to, or as per the definition of this survey, was not limited to a fully developed framework but other guidelines were considered as well. Furthermore an enterprise that has reported having at least one or more anti-corruption activities/tools/strategies was counted as having an anti-corruption framework in place. As a result, 92% of medium to national enterprises and 73% of the small enterprises have at least something pertaining to an anti-corruption framework in place.

Most of the enterprises that have an anti-corruption framework in place are those with a large number of employees and high annual turnover respectively. The medium to national enterprises that have an anti-corruption framework in place are the banking and financial services and others (general trading, tourism and consulting). The lowest in this category is fishing, education and agriculture.

The small enterprises with the highest anti-corruption framework in place are public works, contract and construction, with the lowest in consumer services, accommodation and restaurant, heavy manufacturing/processing, oil and gas, real estate/renting/property and utility (water and electricity). Most of the medium to national enterprises have on average implemented 3 tools/strategies. This could also be because they have an anti-corruption framework in place. The small enterprises, although they have an anti-corruption framework in place, some enterprises either have none or have a limited number of tools/strategies in place to implement the anti-corruption framework.

The enterprises that do not have an anti-corruption framework in place scored the lowest in terms of the number of procedures in place. Equally, the enterprises with policy framework have implemented at least one tool or more to prevent corruption. In other words if you have a policy framework in place the chance of implementing anti-corruption tools is higher as compared to enterprises that do not have one. It is therefore evident that having or not having a framework in place can be a contributing factor in the fight against corruption.

Overall, medium to national of the enterprises (41%) did not implement any tools or they are performing below average (at least 3 activities) leaving only 60 % with strategies/tools implemented. While 67% of the small enterprises did not implement tools/strategies or they are performing below average (at least 2.6 activities) to combat corruption while only 33% have strategies/tools implemented.

The tools that are mostly used or implemented by medium to national enterprises is the written commitment not to demote

employees, penalise or other adverse consequences for refusing to pay bribes. This shows commitment from enterprises to fight bribery. The small enterprises have the tool of transparent recruitment policy in place. The medium to national enterprises on the other hand have limited tools on transparent recruitment policies. Recruitment is one of the areas that is prone to corruption and nepotism.

In both medium to national and small enterprises polygraph tests and monitoring of personal lifestyles are the least implemented. This could be because of the expense of buying and maintaining the polygraph machines and lack of training on handling such machines.

In terms of the law of evidence machine generated edivence is not readily admissable. It is also because it is against the Namibian Constituton to monitor the personal life of a person. It is an invasion of privacy.

The mandatory annual disclosure by staff of their debts is more used in small enterprises and in small number in the medium to national enterprises. People that have debts are prone to involve themselves in corrupt activities therefore, medium to national enterprises should consider implementing this tool. Although again it is an invasion of privacy.

Enterprises might have an anti-corruption framework in place, but fail to have tools that implement the anti-corruption framework as seen in the small enterprises.

It is notable, that both medium to national and small enterprises that have an anti-corruption framework in place also have the risk management procedures in place however the greatest risk is in the receipt of gifts, hospitality and expenses which could affect the outcome of business transactions in enterprises. The lowest risk is non-disclosure of all business charitable contributions or sponsorships to the public. This could be because it is difficult to differentiate between a gift that is given to solicit a bribe and one that is given genuinely.

In the small enterprises the highest risk is political contributions made directly or indirectly as a way of obtaining advantage in business transactions and lowest is the non-disclosure of all business charitable contributions or sponsorships to the public.

In the small enterprises the highest risk is political contributions that are made directly or indirectly as a way of obatining advantage in business, because small enterprises have to solicit for their own contracts and there could be a believe that you could only get a contract if you are politically connected.

6.2 RECOMMENDATIONS

- Most of the enterprises that participated in the survey have at least some measures/elements to fight corruption at the workplace in place. However they do not have a comprehensive anti-corruption framework in place. They only have one to three anti-corruption activities/tools/strategies in place. To effectively fight corruption, it is recommended that enterprises should develop an anti-corruption framework and have tools of implementation and monitoring in place.
- For the enterprises to develop a comprehensive anti-corruption framework, reference must be made to the International Chamber of Commerce which has developed effective tools as guideline principles for the development of codes of ethics that promote transparency and prohibit bribery. The Namibia Chamber of Commerce and Industry needs to also extend its helpful hand to its members who may need to develop an anti-corruption framework. It is further recommended that ACC may as well develop a national minimum package that clearly defines the three pillars of an effective anti-corruption framework namely, risk management, good governance, transparency and accountability. This can then guide the enterprises with anti-corruption policy planning, implementation, monitoring and evaluation.
- This survey should be extended to all the government O/M/As and NGOs especially those that are exposed to corrupt activities.
- Although online surveys are cheap and fast, they are associated with a low response rate. On the other hand the face to face interviews will yield a higher response rate and also one can request for the supporting evidence. It is recommended that ACC should in future consider conducting the face to face survey, provided adequate finance is secured to carry out such a survey.
- For surveillance purposes this survey may be conducted at least after every two years.
- Considering that this is the first survey by ACC on private enterprises, the sampling frame used from NCCI was very useful and NCCI is commended for the cooperation. It is however recommended that in future a broader data base be used for future surveys.
- To avoid potential reluctance by the participants, the ACC in collaboration with all stakeholders must intensify marketing and sensitisation campaigns with the view to increase awareness and understanding of the importance of participating in anti-corruption surveys. Public education campaigns by all stakeholders on the corrosive effects of corruption will inculcate the culture of full participation in future surveys.
- The initiative to conduct a survey on the existence of anti-corruption frameworks in private and state-owned enterprises is highly commendable.

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ANNEXES

QUESTIONNAIRE

ASSESSMENT OF THE EXISTENCE OF ANTI-CORRUPTION FRAMEWORKS WITHIN PRIVATE AND STATE OWNED ENTERPRISES IN NAMIBIA, 2013

The aim of this survey is to establish if participating organizations have any anti-corruption framework in existence to minimize occurrences of corruption, These includes strategies and tools private sector organizations use to improve transparency, accountability and risk management as a way of ensuring good governance.

				DEM	IOGRAPHIC IN	FORMAT	ION		
1.	Name (optional):	of	the	person	filling	in	the	questionnaire	
U 30	Please indi	cate yo	ur age in	years?					
	0-64 5+	+							
	Name of the			choose one or	nlv).				
	anking and I		_						
R	eal Estate/Re	enting/I	roperty						
H	eavy Manufa	acturing	/Process	ing					
P	ublic Works,	Contr	acts and (Construction					
	formation T								
C	onsumer Ser	vices ,	Accommo	dation and Re	estaurant				
E	ducation								
L	ight manufac	turing							
Fi	shing								
M	lining			,					
A	griculture								
	holesale/Re	tail trad	le/Repair						
	rvices								
Pl	narmaceutica	al and H	lealthcare						
0	il and Gas								
	tilities (Wate		ricity)						
Te	elecommunic	cations							
Tı	ransportation	and St	orage						
O	ther econom	ic activ	ities spec	ify:					
3.	Please indi	cate yo	ur gende	r? Male	Femal	e			

6. V	What is y	your i	position	in	the ent	erprise	(choose	one only)	?
------	-----------	--------	----------	----	---------	---------	---------	-----------	---

CEO/MD/Head of enterprise	
Company secretary/ Legal advisor	
Owner	
General/senior manager/director/deputy CEO	
Other, please specify	

7. What is your highest qualification (choose one only)?

PHD degree	
Master degree	
B Degree	
Diploma	
Certificate	
Grade 12	
Grade 10	
Other please specify	

8. What is the ownership structure of your enterprise (choose one only)?

Strictly State Owned Enterprise (SOE)	
Privately owned, registered in Namibia and more than 51% for owned	oreign
Privately owned, registered in Namibia and 51% Namibian own	ed
Privately owned, 100% Namibian	
Privately owned, 100% Foreign	
Private, not registered in Namibia and more than 51% foreign or	wned
Private, not registered in Namibia and 51% Namibian owned	

9. Which NCCI Branch or membership do you subscribe to (choose one only)?

- 1. Katima Mulilo
- 2. Tsumeb
- 3. Swakopmund
- 4. Walvisbay
- 5. Windhoek
- 6. Karas region
- 7. Ongwediva
- 8. National Corporate
- 9. Corporate

10. How many employees does your enterprise have (choose one only)?

1	
2 – 10	
10 - 50	
50 - 100	
100 - 500	
500 +	

11. What is your annual turnover (N\$)?

1	
2 – 10	
10 - 50	
50 - 100	
100 - 500	
500 +	

1. Existence of Anti-Corruption policy framework: Does your organisation, enterprise, or institution have the following written codes of conduct, procedures or guidelines? (please answer all the statements)

with		Yes	No	Don't know
	Prohibit corrupt practices by any employee, agent, or any other person under the employment or authority of the enterprise;			
On Employees	Disciplinary measures are in place to deal with employees found guilty of corruption;			
	Recruitment of employees is based on fairness, openness, ability and performance;			
Ē	To protect individual rights;			
ō	To safeguard and prevent abuse of powers by decision-makers;			
ment	To ensure that procurement systems of goods and services are based on openness, efficiency, equity and certainty of the rules to be applied			
a.	On evaluation systems that seek the best value for money;			
On Procurement	To publicly disclose the management systems it employs in countering corruption and bribery?			
ō	To detect failures that do not meet anti-corruption requirements;			
	For employees to identify different types of corrupt practices;			
	Employees are trained to understand and practice honest, ethical and appropriate behaviour;			
ing	In declaring and avoidance of conflict of interest;			
On Training	In reporting all known instances of corruption including transactions to the relevant authorities;			
0	To respond to actual or alleged instances of corruption;			
•	To have anonymous boxes located in safe and secure areas to report corruption;			
Sure	To have suggestion boxes to minimise corruption;			
On Disclosure	For feedback mechanisms on reported corrupt activities;			
O L	To have whistle blower protection programmes?			
0	To have a code of ethics.			

ACCOUNTABILITY MEASURES (IMPLEMENTATION)

1. Human resources / management: How does your enterprise implement the following related anti corruption measures?

	Extensive/ the board	across	Limited	Not implemented	Don't know
Polygraph tests (i.e. lie detector tests')		-			
Monitoring of personal life-styles					
Higher salaries / financial stimulus for staff in high-risk positions	ts.				
Rewards to staff for reporting corrupt conducts					
Arrangements to support staff with financial difficulties					
Limitations for previously convicted staff to return to their position					
Disclosure on ownership in private companies					
Video recording /surveillance system					
Random rotation of staff at certain posts					
Mandatory annual disclosure by staff of their personal assets					
Mandatory annual disclosure by staff of their debts					
Transparent recruitment and promotion policy					
Written commitment not to demote employee, penalise, or other adverse consequences for refusing to pay bribes					
Secure and accessible channels through which employees and others are able to raise concerns and report violations					

How consistent is your financial and human resource policy applied in the business/enterprise? 2.

	Consistently applied	Applied selectively	Not applied at all
Financial controls, which properly and fairly document all financial transactions			
Accurate book and record keeping, available for inspection i.e. external auditors			
Violative payments (payments that are outside the accounting rules)			
Travel and subsistence expenses			
Internal and external recruitment advertisement			
Staff development (training)	11 11 1-7-7 136		
Alignment of business policy with Anti-Corruption Act of Namibia			

Implementation: Indicate in the following instances how does your enterprise deal with.... 3.

		Reporting expectation s from each department	Annual or semi annual public reporting	Transparent negotiations	Identification and compilation of risk profiles	Dedicated office/ focal point	Payment of comparabl e sitting allowances
management	Implementation of Anti- corruption programme with clear lines of authority.						
_	Senior management demonstrate visible and active commitment of this code.						
Board and responsibilities	Reporting on the nature and magnitude of exposure to corrupt practices						
Board	Application of reporting processes of actual corrupt						

practices			
Review of internal and			
external auditors mandate and			
actions			
Adherence to anti- corrupt			
practices			

Enterp	rise deals with through	Documented relationship as part of agreement	Public for express of inter	ion	Client analysis (reference checks)	Public reporting of agents	Decentralised approval system accessible to all managers
ñ	Application of due diligence before entering into a joint venture.						
relationships	Making known anti-corruption policy to business partners						
	Appointment and compensation of agents						
Jes	Monitor the conduct of its agents						
Business	Remuneration for legitimate services rendered						

Enterp	rise deals with through	Competitive bidding if contract is above a certain ceiling	Termina tion of contract	Publish evaluation / assessment criteria	Documented relationship as part of agreement	Black listing or publish in media
	Allocation of tenders in a fair and transparent manner					
Contractors and suppliers	Evaluation of major prospective contractors and suppliers to ensure that they have effective anti-bribery policies					
tors a	Declarations of potential conflicts of interest					
Contrac	Prospective contractors and suppliers known to be paying bribes.					

Enterprise deals with through	Publishing acknowledgement of donations	Termination of contract / Disciplinary procedures	Computerised 2 or 3-level approval system	Documented relationship

	Direct donations / gifts / gratuities by private individuals or firms e.g. cash, equipment, office supplies, petrol, etc.		
	Concealing gratification / reward/gift		
2	Concealing an attempt to commit a crime		
OSF	Duty to report corrupt behaviour		
Disck	Bribery for giving assistance in relation to		
	award of contract		

ANTI-CORRUPTION FRAMEWORK (EXISTENCE)

Training: Indicate if the following issues are addressed during the induction of new employees or staff gatherings.

	Yes	No	No Training at all
What is appropriate versus excessive spending on gifts?			
Managing resources appropriately			
Business procurement procedures			
Enterprise exposure to the nature and extent of the risks relating to bribery			
Acting with honesty		-	
Using powers responsibly			
Integrity and principle based training			
Striving to do things in the best possible way			

Disciplinary procedures: How well established are disciplinary procedures in the following types of corruption within your enterprise or business?

	Well established	Partly established	Not established
Bribery			
Policies on tender procedures			
Bribery for giving assistance in relation to contracts			
Acceptance of bribes while at work			
Fraud, concealment of material facts to part with something of value			
Abuse of position or authority			
Facilitation payment, to secure or expedite performance of a routine or action			
Extortion, coerce a person to provide a benefit to himself or another in exchange for acting in a particular manner			

Duty to report corrupt transactions			
Protection of whistle blowers			
Transparency of disciplinary hearing outcomes			
Written guidelines on punitive measures when found guilty corrupt behaviour or involvement	of	9	
Internal trading of confidential information for personal gain			
Disciplinary board chaired by an external person			

3. Monitoring and review: Are any of the following checks/ monitoring carried out?

	Regularly	Never	Occasionally	Don't know
Assessment of positions / units at risk and corruption pressure for various levels of staff				
Assessment of work / operational procedures and their amendment to reduce risk of corruption				
Developing of risk profiles of staff				
Internal audit reports				
Publication of value and principle statements to conduct business i.e. honesty, trust, transparency, openness etc.				
Zero tolerance on corruption				
Policies on tender procedures				
Bribery				
Acceptance of gratification				
Facilitation fees, bribery for giving assistance in relation to contracts				
Duty to report corrupt transactions				
Audit of enterprise accounting and record keeping practices				
Feedback mechanisms of internal and external audits				
Report to the Board of Directors or any such appropriate body, the results of the anti-corruption policy				

^{4.} Persistence of corruption: Which of the following specific areas pose the greatest risk of bribery and corruption in your enterprise? Select the three most important areas, 1 being the highest rate.

	Rate
Corruption and bribery related crimes are not prosecuted	
Corruption is widely accepted as a fact of life	
Businesses do not take the issue seriously enough	
Unethical behaviour is widespread among business owners	
The use of other routes or channels to provide improper benefits to employees or any other party.	
Political contributions made direct or indirectly as a way of obtaining advantage in business transactions	
Charitable contributions and Sponsorships	
Non-disclosure of all business charitable contributions or sponsorships to the public	
Facilitation payments made to secure or expedite the performance of a routine or necessary action	
Internal trading of confidential information for personal gain	
Receipt of gifts, hospitality and expenses which could affect the outcome of business transactions	
Receipt of gifts, hospitality and expenses which are not reasonable and bona fide expenditures	

Thank you for taking the time to complete this survey. Your input is valuable to us.

Indices by items/questions

Index 1:

Overall anti-corruption framework					
Anti-corruption framework on employees		the same of			
Anti-corruption framework on procurements					
Anti-corruption framework on training					
Anti-corruption framework on disclosure					

Index 2:

Anti-corruption framework on employees	
Prohibit corrupt practices under the employment of the enterprise	
Punish employees involved in corruption	
Ensure recruitment of employees is based on fairness, openness	
Protect individual rights	
Safeguards and prevent abuse of powers	

Index 3:

Anti-corruption framework on procurements	
Procurement systems of goods and services are based on openness	70-4-21
Evaluation systems that seek the best value for money	
Publicly disclose the management systems in countering corruption and bribery	
Ensure mechanisms to detect failures and to meet requirements	

Index 4:

Anti-corruption framework on training

On different types of corrupt practices

To understand and practices honest, ethical and appropriate behaviour
In declaration and avoidance of conflict of interest
In reporting of all known instances of corruption
To respond to actual or alleged instances of corruption

Index 5:

Anti-corruption framework on disclosure

Have anonymous boxes to report corruption located in safe and secure areas
Have suggestion boxes to minimise corruption
Feedback mechanisms on reported corrupt activities
Whistle-blower protection programmes

Index 6:

Accountability/Transparency

Polygraph tests (i.e. lie detector tests)

Monitoring of personal lifestyles

Higher salaries/financial stimulus for officers in high-risk positions

Rewards to officers for seizures of illicit goods/irregular migrants

Arrangements to support officers with financial difficulties

Limitations for previously convicted officers to return to their position

Disclosure on ownership in private companies

Video recording/surveillance system

Random rotation of staff at certain posts

Mandatory annual disclosure by officers of their personal assets

Mandatory annual disclosure by officers of their debts

Transparent recruitment and promotion policy

Written commitment not to demote employee, penalise, for refusing to pay bribes

Accessible channels through which employees are to raise concerns

Index 7:

Risk management

Assessment of positions/units at risk and corruption pressure

Assessment of work/operational procedures to reduce risk of corruption

Developing of risk profiles of officers

Internal audit reports

Publication of value and principle statements to conduct business

Zero tolerance on corruption

Policies on tender procedures

Bribery

Acceptance of gratification

Facilitation fees, bribery for giving assistance in relation to contracts

Duty to report corrupt transactions

Audit of company accounting and record keeping practices

Feedback mechanisms of internal and external audits

Report to the Board of Directors or any such appropriate body

Index 8:

Corruption monitoring

Bribery

Policies on tender procedures

Bribery for giving assistance in relation to contracts

Acceptance of gratification while at work

Duty to report corrupt transactions

Protection of whistle-blowers

Transparency of disciplinary hearing outcomes

Punitive measures when found guilty of corruptive behaviour or involvement

Disciplinary board chaired by an external person



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