

STRENGTHENING UGANDA'S ANTI-CORRUPTION RESPONSE

ANNUAL RESULTS REPORT

JULY 2017 TO JUNE 2018



ACRONYMS & ABBREVIATIONS

| | |
|-----------------|---|
| ACD | Anti-Corruption Division (of the High Court) |
| AMLA | Anti-Money-Laundering Act |
| CID | Criminal Investigation Directorate (of the Uganda Police Force) |
| COA | Court Of Appeal |
| DCL | Directorate of Civil Litigation |
| DSI | Directorate of Special Investigations |
| FIA | Financial Intelligence Authority |
| FY | Financial Year |
| GoU | Government of Uganda |
| ICAR | International Centre on Asset Recovery |
| IG | Inspectorate of Government |
| IGG | Inspector-General of Government |
| JSC | Judicial Service Commission |
| KCCA | Kampala Capital City Authority |
| LEA | Law Enforcement Agencies |
| MoPS | Ministry of Public Service |
| NRA | National Risk Assessment |
| OAG | Office of the Auditor General |
| ODPP | Office of the Director of Public Prosecutions |
| OIAG | Office of the Internal Auditor General |
| PPDA | Public Procurement and Disposal of Public Assets Authority |
| PROCAMIS | Prosecution Case Management Information System |
| PSC | Public Service Commission |
| STR | Suspicious Transaction Report |
| TAF | Technical Advisory Facility |
| TA | Technical Adviser |
| UGX | Uganda Shillings |
| UNRA | Uganda National Roads Authority |
| URA | Uganda Revenue Authority |

CONTENTS



| | |
|---|-----------|
| 1. FOREWORD | 4 |
| 2. EXECUTIVE SUMMARY | 6 |
| 3. ANTI-CORRUPTION RESULTS SUMMARY | 8 |
| 4. ANTI-CORRUPTION PROGRESS | 12 |
| 4.1 DETECTION | 12 |
| 4.2 CRIMINAL SANCTIONS | 13 |
| 4.3 ASSET RECOVERY | 14 |
| 4.4 ADMINISTRATIVE SANCTIONS | 15 |
| 4.5 APPLIED RESEARCH | 18 |
| 5. A LOOK AHEAD | 19 |

1. FOREWORD

A robust anti-corruption response is critical to Uganda's transformation, complimenting improving democratic processes, further development of the public sector, and the delivery of services to the public. In the past year, SUGAR TAF has supported efforts to better equip anti-corruption (AC) institutions to respond to corruption and identified opportunities for engaging stakeholders beyond the anti-corruption chain in dialogue about countering corruption. SUGAR TAF has contributed significantly to strengthening Uganda's anti-corruption response through the provision of demand-driven technical assistance to 12 institutions.



On behalf of the Office of the Prime Minister, I wish to express my gratitude to the Department for International Development (DFID) and the European Union (EU) for their continued support to Uganda's development objectives, specifically through their support of the anti-corruption chain's capacity to respond to corruption, and supporting the documentation and replication of proven, home-grown initiatives that reduce corruption and contribute to better service delivery.

Similarly, I commend the work and progress of the Government of Uganda's anti-corruption institutions and their contribution to our national development. It is our commitment and hope as the Office of the Prime Minister, to spare no effort in ensuring that the SUGAR TAF-supported institutions, and the momentum registered through different anti-corruption interventions, is sustained for the benefit of the country.

For God and My Country,

A handwritten signature in black ink, appearing to read 'Mary' followed by a period.

Hon. Mary Karooro Okurut
Minister in Charge of General Duties
Office of the Prime Minister

EXECUTIVE SUMMARY



2. EXECUTIVE SUMMARY

In Financial Year (FY) 2017/2018, SUGAR TAF contributed to significant advances in the detection, investigation, prosecution and adjudication of corruption by AC institutions. In addition, TAF spearheaded the documentation and dissemination to Government of home-grown service delivery-focused solutions to address corruption. This was done with the intention of fostering lesson learning and replication across the AC chain and beyond.



DETECTION OF CORRUPTION & USE OF FINANCIAL INTELLIGENCE

SUGAR TAF provided technical support, capacity building and institutional support to the Office of the Auditor General (OAG) and the Financial Intelligence Authority (FIA) to improve capacity to detect public sector corruption.

In FY 2017/2018, SUGAR TAF supported the revision of the OAG audit report writing guidelines. The 2017 Auditor General's report presented a more user-friendly version comprising of two volumes instead of the previous five. This version is expected to better aid the Parliamentary Accountability Committees in their work of reviewing and detecting corruption.

In the FIA, SUGAR TAF support contributed to Uganda's removal from the Financial Action Task Force (FATF) grey list, a development which is expected to increase the country's attractiveness for foreign investment and trade, and thereby contribute to economic development. SUGAR TAF support to FIA also contributed to a 110% increase in the volume of Suspicious Transaction Reports (STRs) disseminated to Law Enforcement Agencies (LEAs) by the FIA. As a result of STR-led investigations, the Uganda Revenue Authority (URA) reported a 65% increase in unpaid taxes being earmarked for recovery over the previous year. At the Inspectorate of Government (IG), 66% of the STRs provided by the FIA have fed into on-going corruption investigations.



CRIMINAL SANCTIONS & ASSET RECOVERY

SUGAR TAF provided a wide range of specialised technical advice in forensic document analysis, financial profiling, investigation, prosecution-guided investigations, and asset recovery to enhance the effectiveness of investigations, prosecutions and adjudication of corruption cases. SUGAR TAF contributed to the conclusion of 10 high profile¹ cases by the Directorate of Special Investigations (DSI) in the IG, a significant increase from the two cases completed in the previous year of set-up (FY 2016/2017).

Both the IG and the Office of the Director of Public Prosecution (ODPP) registered relatively high conviction rates of 66% and 68% respectively in FY 2017/2018. The Anti-Corruption Division (ACD) of the High Court registered a 97% case clearance rate, one of the highest rates across the Judiciary, an improvement from the previous year's 96%.

The IG and the ODPP issued a broad range of restraint and secured compensation orders, and the IG recovered UGX 580 million in FY 2017/2018. SUGAR TAF also supported an experimental approach by the Attorney General's Office to claim, on behalf of Government of Uganda (GoU), UGX 404 million in 6 civil cases filed in the Commercial Division of the High Court, and the Chief Magistrates Court in Mengo. To raise awareness for the approach amongst counterparts, SUGAR TAF facilitated both formal and informal dialogues on civil sanctions for technical and high-level officials. SUGAR TAF is keen to extract lessons from this experiment but is also hopeful that success in these cases will set a precedent for civil recovery as another viable anti-corruption tool.

¹ Cases designated as high profile are those where the alleged sum of money at risk or involved is above UGX 1 Billion, cases that implicate high level public officials, cases of national priority sectors emphasized by the government, and cases which require highly specialized knowledge, skills and tools.



ADMINISTRATIVE SANCTIONS

In FY 2017/2018, SUGAR TAF provided technical support to the Judicial Service Commission (JSC), the Public Service Commission (PSC) and the Ministry of Public Service (MoPS) to enhance the effectiveness of disciplinary sanctions. The support, which included investigations training for the Judicial Service Commission contributed to improvements in case disposal and an increase in the issuance of disciplinary actions. The JSC completed 13% more cases in FY 2017/2018 compared to the previous year and issued disciplinary actions in 11 cases, a stark improvement from the previous year when none were issued.

Similarly, to strengthen the case for increasing the risk for corruption through effective administrative sanctions, SUGAR TAF supported MoPS to complete the revision of the discipline and grievance chapter of the Public Service Standing Orders. In addition, SUGAR TAF engagements secured commitment to improve discipline in the public service from key GoU partners including the IG, ODPP, PSC, Secretary to the Treasury, the Auditor General, and the Office of The Prime Minister (OPM).



RESEARCH

SUGAR TAF made progress in deepening the understanding of corruption in the public sector and the effectiveness of GoU's response. In collaboration with the IG and Public Procurement & Disposal of Public Assets Authority (PPDA), SUGAR TAF conducted a study on corruption in public procurement in Uganda, and the government's response. In addition, Uganda Revenue Authority (URA), Kampala City Council Authority (KCCA), and Uganda National Roads Authority (UNRA) were supported by SUGAR TAF to document their experiences of home-grown, service-delivery focused

innovations to reduce corruption. The lessons from this research have generated interest in shared learning and will serve as the foundation for broader conversations with the Government of Uganda on transformation and the role it plays in the anti-corruption response.



OVERALL IMPROVEMENTS IN THE ANTI-CORRUPTION RESPONSE

SUGAR TAF invested in setting up Information Management Systems across the chain to support improved working practices, address inefficiencies, and produce real time progress and performance data to support decision making. SUGAR TAF-supported systems in the IG, PSC, the Directorate of Civil Litigation (DCL) at the Attorney General's Office, and JSC have started to gain traction and both the PSC and JSC are starting to build useful knowledge bases about disciplinary cases, amongst other specifications.

SUGAR TAF piloted leadership and management training for 50 top and mid-level managers at the IG and ODPP. The 12-week training program adopted a multi-stakeholder and institution-focused approach while placing emphasis on developing skills for leading change and resolving complex challenges. In addition, SUGAR TAF delivered top-level mentorship and coaching to the leadership of the Inspectorate of Government (IG) and the Office of the Director of Public Prosecutions (DPP). The hands-on coaching was specifically valued for its flexible, tailored approach to leadership challenges experienced by the heads of institutions.

3. ANTI-CORRUPTION RESULTS SUMMARY



Conviction rate of 68% by ODPP and 66% by IG



UGX 730 million recovered by the URA in the last two FYs from FIA STRs and UGX 578 million recovered by the IG

OUTCOMES

- ACD completed 175 cases, a 9% increase from 160 in FY 2016/2017
- JSC completed 323 cases, a 13% increase from 287 in FY 2016/2017
- PSC concluded 70 disciplinary cases, a 133% increase from 30 in FY 2016/2017
- IG prosecuted 47 cases at the ACD, an 18% increase from 40 in FY 2016/2017
- IG completed 10 high profile investigations, a 400% increase from 2 in FY 2016/2017
- UGX 4.462 billion assessed for recovery by URA following STR-informed investigations, a 66% increase from the UGX 2.696 billion in FY 2016/2017

OUTPUTS

Detection of Corruption & Use of Financial Intelligence

- An assessment of the FIA's ability to halt and freeze transactions conducted
- An assessment of the exchange of financial intelligence and cooperation between the FIA and LEAs conducted
- 21 GoJ officials trained in operational analysis
- Digitisation of STR backlog at the FIA
- Audit follow-up system deployed at the OIAG

Criminal Sanctions

- Case management training for ACD
- Forensic evidence training for ACD and DSI
- ACD case management rules drafted
- Prosecution-guided investigations guidelines developed
- Asset verification and valuation for IG
- IG CMS+ deployed and users trained
- Planning and M&E tools developed for IG
- Prosecution processes mapped at IG and ODPP
- Leadership training for 50 IG and ODPP managers
- Executive coaching for IG and ODPP top management

IMPACT

..... **Uganda removed from the FATF grey list**



..... **11 disciplinary actions issued by the JSC, a change from zero in the previous FY**



- The ODPP Asset Recovery Unit restrained 107 plots of land and 6 Bank accounts worth UGX 291 million
- First ever asset management order in Uganda granted to ODPP by ACD
- 6 premier civil recovery cases worth UGX 404 million filed by the Attorney General
- 18.5% increase in the number of STRs sent by accountable institutions to FIA
- 110% increase in the number of STRs disseminated by FIA to LEAs

Asset Recovery

- Case support delivered in high-value cases at the ODPP
- Draft asset recovery manual developed for ODPP
- 25 investigators and prosecutors trained in financial intelligence and asset recovery
- 10 asset recovery awareness-raising workshops and sessions held across the chain

Civil Sanctions

- 6 test cases worth UGX 404 million reviewed
- CMS deployed, and DCL staff trained

Administrative Sanctions

- 16 JSC staff trained in investigations
- Investigations manual developed for JSC
- CMS piloted at JSC and 11 staff trained
- Case referral mechanism reviewed
- Revised Discipline and Grievance Chapter draft submitted to MOPs
- JSC regulations reviewed in line with the draft revised D&C chapter
- Complaints desk setup in Mbale Hospital

Understanding corruption better

- Procurement corruption research completed
- UNRA, URA, and KCCA transformations research completed
- PMDU service delivery innovations documented



“ Investigators now review case files, and draw up investigation plans prior to going to the field, something which was not consistently done previously.”

Mr. Julius Mwebembezi

Deputy Registrar in charge of Planning, Research and Inspectorate at the JSC (read full change story on page 16)



ANTI-CORRUPTION PROGRESS

4. ANTI-CORRUPTION PROGRESS

4.1 Detection

Utilisation of Financial Intelligence

In November 2017, a Financial Action Task Force (FATF) plenary meeting approved the International Cooperation Review Group (ICRG) recommendation to remove Uganda from the FATF grey list. The implication is that Uganda's financial system is now robust enough to adequately identify and address all risks of money laundering and financing of terrorism. Accordingly, this sets Uganda's banking, investment and other financial flows tracking on par with the rest of the world. The development followed an ICRG review process supported by SUGAR TAF through the provision of critical capacity building for FIA staff, and development of tools to enhance coordination with other institutions, amongst other areas of facilitation.

Building on previous support to the FIA in the conduction of the National Risk Assessment (NRA) in FY 2016/2017, SUGAR TAF also supported the development of the NRA Action Plan, which was approved by the Cabinet in August 2017. SUGAR TAF support which contributed to the positive performance of the FIA registered in the ICGLR review was the first of several critical steps culminating in Uganda's removal from the FATF grey list.

SUGAR TAF provided operational analysis training to 21 officials from the FIA, and other Law Enforcement Agencies (LEAs) to enhance the analysis and utilisation of financial intelligence. This support contributed to a significant increase in the generation and use of Suspicious Transaction Reports (STRs) in the detection of corruption; in FY 2017/2018, the FIA disseminated 82 STRs to the IG, URA, CID, ODPP and others, a 110% increase from the previous year, which also surpassed their institutional target by 36.6%. As well, the clout of the FIA has grown as evidenced by an 18.5% increase in the number of STRs received from accountable institutions. In terms of financial intelligence utilisation, gains have been made in STR-led investigations by the URA registering a 66% increase in unpaid taxes earmarked for recovery. Likewise, 66% of the STRs supplied to the IG supported corruption investigations by the DSI.

SUGAR TAF supported the FIA to develop tools for categorising and scoring risk associated with

THE FIA CEMENTS ITS POSITION IN UGANDA'S ANTI-CORRUPTION EFFORTS

"I see a huge difference every year in the quantity and quality of what we do. Alongside significant incremental changes in our budget, we are now able to hire more staff and therefore steadily increase the rate at which the FIA handles cases." **Mr. Sydney Asubo, Executive Director, FIA**



Mr. Asubo says that in 2014, the FIA was a new, little-known entity in the financial intelligence circles, with an ambitious mandate, not much public leverage and an inadequate budget. Since then, the FIA has developed the capacity to analyse and disseminate a significant number of Suspicious Transaction Reports (STRs) generated by counterparts in various sectors. This financial intelligence has proven to be crucial in recovery proceedings, particularly, by the URA in tax evasion cases. The FIA also disseminates reports to the CID, ODPP and IG, to bolster investigations into corruption, money-laundering and the financing of terrorism.

In part, due to a successful partnership with SUGAR TAF, FIA staff members have been trained by experts from the Basel Institute on Governance in both strategic and tactical analytics. According to Mr. Asubo, "these trainings assisted immensely in providing core skills such as the use of analytical tools and the conduction of a thorough analysis". Also indispensable were the ensuing opportunities for peer-to-peer training between FIA investigators and their counterparts in banks, securities firms and insurance agencies. As the quality of investigations has improved, there is a corresponding acceleration in engagement between FIA, private sector and government entities charged with investigating fraud and corruption.

"Certainly, there is more understanding and a higher stature of the FIA amongst government accounting entities, regulators and partner institutions. There is more public understanding of the role of FIA. However, there is plenty to be done to ensure that quality intelligence is used effectively and leads to larger wins for asset recovery, and the prosecution of corrupt individuals", says Mr. Asubo.

money laundering and terrorist financing and made recommendations as part of an assessment of the FIA's capacity to halt and freeze transactions. Actioning these recommendations has empowered the FIA to effectively flag and halt transactions that may involve the proceeds of corruption.

Audit Follow-Up

In FY 2017/2018, the Office of the Auditor General, which is a key source of intelligence for detecting corruption, built upon support provided by SUGAR TAF in FY 2016/2017 to develop new audit report-writing guidelines. Accordingly, the Auditor General's report published in December 2017, presented a more user-friendly set of audit reports, comprising two volumes instead of the usual five. These reports will assist parliamentary oversight committees, other investigative bodies and civil society to hold government to account.

At the Office of the Internal Auditor General, SUGAR TAF piloted an information management system designed to ease the follow up and implementation of

audit recommendations. Training and further support for usage will be provided in the following year.

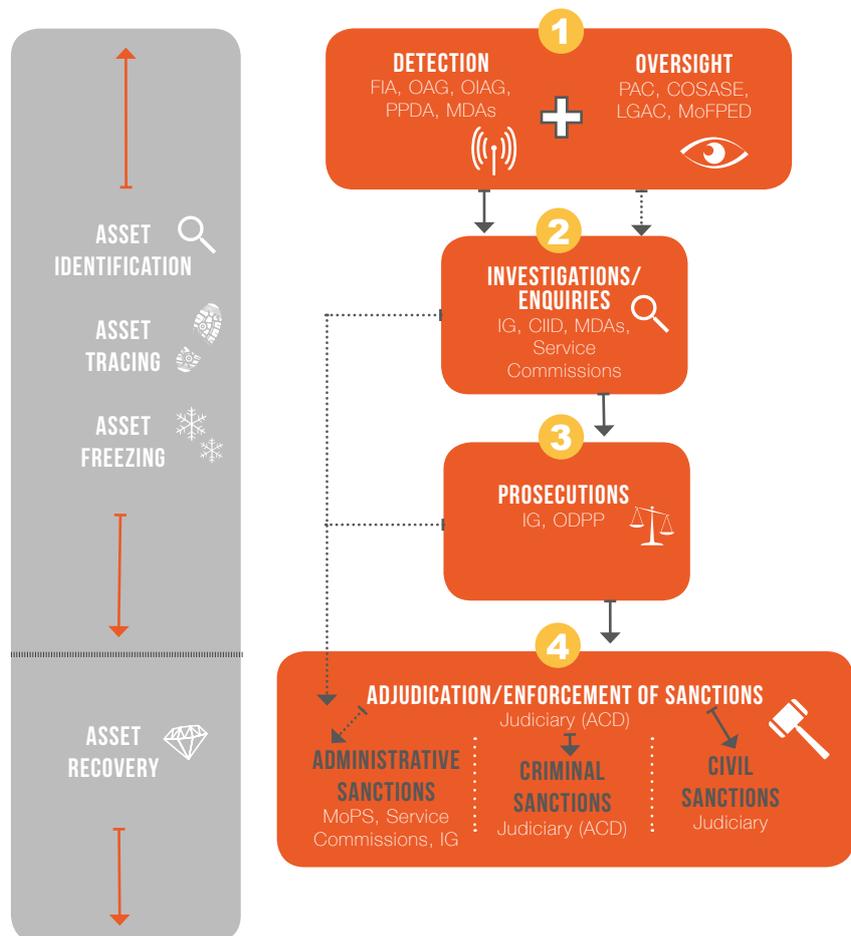
4.2 Criminal Sanctions

Adjudication

The Anti-Corruption Division of the High Court (ACD) maintained a high case clearance rate of 97% in FY 2017/2018. Similarly, the court registered an improvement in the disposal of cases, completing 167 cases in FY 2017/2018, 17 more cases than were completed in the previous year. SUGAR TAF supported these performance improvements at the ACD by working with the Court to resolve challenges relating to capacity, processes and equipment.

SUGAR TAF provided a high-volume scanner to the court to facilitate better security and storage of exhibits, contributing to speedier trials. SUGAR TAF also provided specialised support for administrative and judicial officers at the ACD to improve their capacity and efficiency. Capacity building was provided in the evaluation of forensic evidence,

Core functions and institutions of Uganda's anti-corruption response



particularly digital evidence and asset recovery. Feedback from participants showed 90% found the training useful.

A key result of SUGAR TAF's close engagement with the Judiciary has been the increased prioritisation of Anti-Corruption issues across the judiciary. In March 2018, SUGAR TAF received confirmation that a dedicated corruption appeals session would be held at the Court of Appeal (CoA). That session was slated for October 2018 with the goal of disposal of 52 corruption cases. SUGAR TAF will continue to provide technical and operational assistance to the CoA so that these cases can be speedily concluded.

Through a detailed analysis of the performance of the ACD completed in 2017, SUGAR TAF and the Court identified specific challenges that could be resolved through revisions to the Case Management Rules. The revised Case Management Rules define standards for key trial processes such as plea bargaining, disclosure, and adjournments. Once these rules are adopted by the Judiciary Rules Committee and implemented at the court, further improvements in effectiveness and efficiency are expected.

Investigation & Prosecution

SUGAR TAF facilitated both IG and ODPP teams with equipment, skills and revision of processes and systems to support improvements in investigation and prosecution of corruption.

In its second year of operation, the IG's Department of Specialized Investigations (DSI) improved its performance and made progress towards its mandate to expedite high-profile cases. The DSI completed 10 high-profile cases, a significant increase from two cases concluded in FY 2016/2017. This boost has been attributed to the introduction of new structures, working practices and a focus on the use of new techniques and approaches such as financial profiling, new sources of intelligence, early prosecutor input into investigations and the better utilisation of specialist resources.

The improvements at the DSI are also credited to an improved culture of accountability, backed by a team approach to handling of cases. A decision to structure the Department into four divisions allowed division heads to draw on the varied skill sets within different teams, as well as encouraging transference of skills and knowledge. In addition, management meetings and SUGAR TAF-supported quarterly DSI performance reviews have contributed to ensuring

the team completes more investigations in this year compared to the previous year.

The Head of DSI, Mr. Joram Magezi, lauded SUGAR TAF's provision of a handwriting expert, training in financial intelligence, and asset recovery, planning and M&E support all of which contributed to an improved performance by the DSI. In recognition of the value of cross-agency cooperation and knowledge sharing, SUGAR TAF broadened the DSI's networks through facilitation of joint agency training and information sharing opportunities with the URA, UNRA, Police, FIA, and others.

In FY 2017/2018, SUGAR TAF supported the IG and ODPP to enhance their leadership and management functions. SUGAR TAF delivered a comprehensive package of leadership and management training for 50 senior managers from the IG and ODPP. In addition, an executive coaching and mentorship programme was delivered to the DPP, two Deputy DPPs, IGG, two Deputy IGGs and the IG Permanent Secretary. To provide further backing to the prosecution and investigation functions, SUGAR TAF supported institution-wide improvements at both the IG and the ODPP: the IG upgraded its case management system (CMS+), to effectively oversee performance, reveal bottlenecks and support more effective allocation of resources. At the ODPP, SUGAR TAF supported improved usage of the Prosecution Case Management Information System (PROCAMIS) by providing training, and backing usage monitoring efforts by the PROCAMIS implementation team.

4.3 Asset Recovery

While Asset Recovery is a nascent field in Uganda's AC response, it is becoming increasingly an attractive tool to combat corruption. Successful asset recovery requires high levels of coordination between multiple actors - from those identifying suspected corruption to those responsible for the physical recovery of assets.

Significant developments in FY17/18 include the FIA and URA identifying UGX 4.462 billion in tax evasion, and the IG recovering UGX 578 million through court orders. SUGAR TAF contributed to these by providing operational analysis, financial investigation, and asset recovery training and encouraging intelligence sharing between LEAs.

As well, SUGAR TAF supported the IG and ODPP in the incorporation of asset recovery into their

institutional structures; to refine the make-up and design of the asset recovery units, develop in-house capacity to deliver certified financial investigations training, enhance coordination between intelligence, investigative, prosecutions, and optimally apply the legal framework. At the IG, there is now a dedicated Asset Recovery practitioner within the Prosecutions Department in addition to highly skilled officers in the designated Asset Recovery Unit. At the ODPP, the Recovery Unit has direct access to the DPP for faster decision making regarding covert and overt investigations and asset freezing. This will make it more difficult for people under investigation to hide ill-gotten gains.

Building national asset recovery capacity is a long-term endeavour of the Government's anti-corruption institutions and SUGAR TAF is prioritizing support for this effort. Following a year-long process, three staff from the IG and ODPP were certified as trainers in an internationally accredited financial investigations and asset recovery program. Both institutions now have in-house training capacity and in March 2018, SUGAR TAF supported the peer-to-peer training of 26 colleagues from the IG, ODPP, Police, URA, FIA and KCCA, with the total number trained since the programme's inception now exceeding 100.

In October 2017, SUGAR TAF hosted a world-renowned asset recovery specialist, Andrew Mitchell QC, in a series of asset recovery workshops for practitioners from IG, ODPP, URA, Attorney General's chambers, UNRA and KCCA amongst others.

Both IG and the ODPP are increasingly optimising the existing legal framework to support the investigation and prosecution of corruption. The IG now recognises itself as a competent authority to pursue money laundering investigations and the ODPP has already used the legislation to secure Uganda's first AMLA convictions. Over the previous year, the ODPP has initiated restraint orders against 107 plots of land, 4 motor vehicles, 6 bank accounts totalling over UGX 291 million and shares in three different companies. In a further sign of intent to seize, the ODPP has also secured Uganda's first Asset Management order. The innovations and working practices of both institutions will be captured in practical, practitioner-focused asset recovery manuals and guidelines. The ODPP's guidelines have been

ASSET RECOVERY AT THE CORE OF SUCCESSFUL ANTI-CORRUPTION EFFORTS

"The asset recovery training program was billed as a game changer, because of the remarkable improvements in our work. For me, the most important change was in my level of confidence in tackling complex financial investigations; I feel very confident in the level of my skills and knowledge as a result." **Mr. Tom Walugembe, Senior State Attorney, ODPP**



For Mr. Walugembe, a Senior State Attorney in the Anti-Corruption Department of the ODPP, there are many obstacles in prosecuting corruption, key among these being establishing parameters for asset recovery as part of the case. "As prosecutors, we had little or no experience or capacity in recovering assets. We had no knowledge of hidden assets such as shares and bank cheques, never mind the ability to trace them as part of an investigation. This was a formidable barrier to surmount without the right training" he says.

But since the training with SUGAR TAF/ICAR, prosecution teams are displaying an enhanced capacity to seek out and analyse financial data as an integral part of every case; for example, requests for bank statements are always included in applications for court orders. Even more promising is the inter-institutional cooperation that has been strengthened through collaboration and sharing of information. "Time is always of the essence in corruption investigations. Collaboration between key agencies such as the ODPP, IG, FIA and the Companies Registry has ensured that we have increased access to critical information and can put the pieces of the puzzle together faster and still have a stronger case."

As one of three International Centre on Asset Recovery (ICAR) certified local trainers, Mr. Walugembe has been able to take the knowledge further afield; "As a trainer, my skills are highly sought after and I have had the opportunity to get many others to appreciate the complexities of financial investigations and how to manage those complexities without sabotaging a case. I have advised the police in sensitive cases which is on the practical side, but also made presentations in numerous forums, training investigators from key institutions that handle corruption", says Mr. Walugembe.

"Presently, a thorough financial investigation is what makes a case complete, no matter how small or large the amounts at stake" Mr. Walugembe says, adding, "for me and my colleagues, asset recovery is at the core of the new way we work and central to all successful anti-corruption efforts."

drafted and SUGAR TAF will support the IG to codify their lessons during FY 2018/2019.

Civil Sanctions

Civil recovery is a means by which the government can receive reparations for losses suffered as a result of fraud and breach of contract. Over the last year, SUGAR TAF worked closely with the Office of the Attorney General, the IG, the ODPP and the Judiciary to build awareness of civil recovery as a viable tool for recovery of funds lost to government in fraud and breach of contracts.

SUGAR TAF partnered with the Attorney General's chambers to develop litigation skills and support filing of 6 test cases worth UGX 404 million to the Commercial Division of the High Court and the Chief Magistrates Court in Mengo. This experimental approach is intended to provide proof of concept in the Ugandan context and build awareness and appetite for civil recovery amongst key actors. To do this, SUGAR TAF facilitated both formal and informal dialogues for technical and high-level officials on civil sanctions.

4.4 Administrative Sanctions

SUGAR TAF has registered progress in administrative sanctions, strengthening the legal framework, enhancing the capacity of service commissions, and supporting Ministry of Public Service and the Ministry of Health to pilot new complaints handling mechanisms.

SUGAR TAF finalised a collaborative effort to revise the discipline and grievance chapter of the Public Service Standing Orders. The Ministry will now incorporate the chapter in an on-going process to review of the Standing Orders entirely. Pending adoption of the chapter, SUGAR TAF facilitated a participatory review of the JSC regulations to ensure alignment with the tenets of the revised chapter.

SUGAR TAF continued to support the JSC and Public Service Commission (PSC) to expedite handling of complaints and cases, some of which are corruption-related. At the JSC, where SUGAR TAF delivered investigations training to 14 investigators and prosecutors, and facilitated the participatory development of an Investigations Manual, significant improvements in case disposal and issuance of disciplinary action were registered. JSC completed 323 cases compared to 287 in the previous year, a 13% increase. This improvement is largely credited

INVESTIGATION SKILLS BEGIN TAKING ROOT AT THE JSC

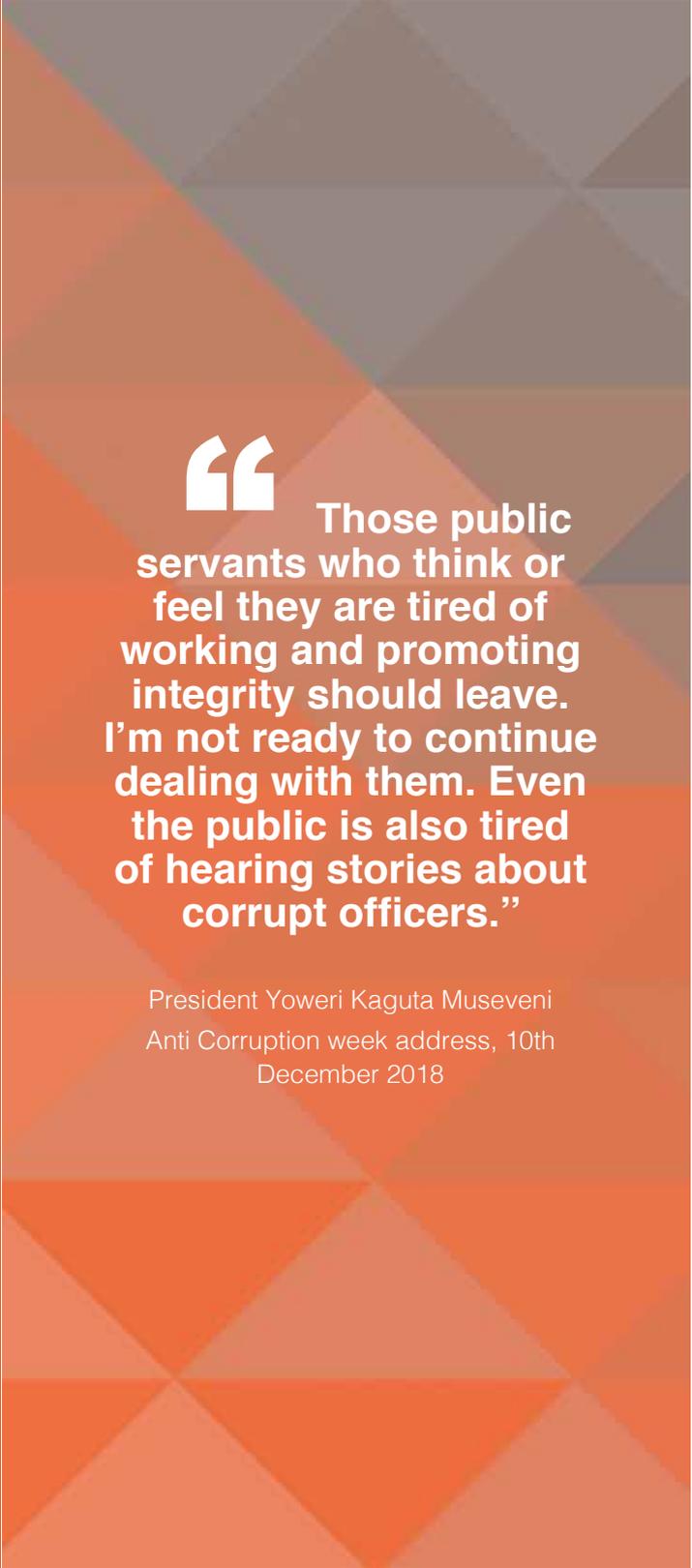
"Investigators now review case files, and draw up investigation plans prior to going to the field, something which was not done previously" said **Mr. Julius Mwebembezi, the Deputy Registrar in charge of Planning, Research and Inspectorate at the JSC**.



In FY 2017/2018, coupled with supporting the development of an Investigations Manual, SUGAR-TAF conducted a two-part investigations training session tailored to the specific needs of the JSC. Adoption of improved investigative practices as delivered by SUGAR TAF TA trainer has improved team coordination and already registered some efficiency gains. For example, staff now typically travel only once to the field for an investigation as they are better prepared and know what information and evidence to collect. "Intelligence-based evidence gathering skills are also being put to use prior to engaging with the Judicial Officer whom a complaint has been made against", elaborated Mr. Mwebembezi who participated in the SUGAR TAF training.

Investigators reported that one consequence of this is that judicial staff have less opportunity to interfere with an investigation as they have no knowledge of it until they are interviewed. Furthermore, JSC is now moving towards forming investigative teams, where previously, individual staff investigated cases. This is to encourage specialisation among investigators, with the goal of improving the quality of investigations.

"The case management system helps to complete our transformation" Ms. Faridah Semyano, a JSC prosecutor said. In addition to the investigations training, the team at the JSC are appreciative of the case management system whose adoption SUGAR TAF supported closely during the year. According to Mr. Mwebembezi, the engagement with SUGAR-TAF has been "the best so far" adding that "SUGAR-TAF advisors have focused on understanding the unique needs of the JSC, remained responsive to requests, and actively engaged in encouraging further progress."



“ Those public servants who think or feel they are tired of working and promoting integrity should leave. I’m not ready to continue dealing with them. Even the public is also tired of hearing stories about corrupt officers.”

President Yoweri Kaguta Museveni
Anti Corruption week address, 10th
December 2018

to a dedicated new commission which convenes twice as often as the previous commission. In addition, the commission holds retreats so that members can focus on completing as many cases as possible. The capacity building support in investigations by SUGAR TAF complemented other efforts to improve the JSC’s ability to dispose of more complaints. In addition to investigations, SUGAR TAF supported the implementation and usage of a case management system which has been well-received and proven to be highly beneficial in case status management, with nearly all cases received after July 2017 entered into the system.

In FY 2017/2018, JSC issued disciplinary action in 11 cases; a significant development considering that no disciplinary action was issued in the previous year. Similarly, PSC issued 24 disciplinary actions, a 71% increase from the 14 actions issued in the previous year. This progress is aligned to the SUGAR TAF assumption that consistent issuance of disciplinary and administrative sanctions is a strong deterrent for public sector corruption. Pending the adoption of the revised Disciplinary and Grievance chapter of the Public Service Standing Orders, it is indicative of future progress that the issuance of disciplinary action has increased in the last two years at the two Service Commissions.

Despite modest progress made in the removal of convicted public officials from the payroll, SUGAR TAF has raised awareness about the issue, and gained the support of critical stakeholders. For example, SUGAR TAF participated in an exercise to compile and assess the quality of data on convicted public officials, and identified problems with data quality which, amongst other issues, were discussed with key stakeholders including the IG, ODPP, and the Ministry of Public Service. To fortify a coalition of support for this effort, SUGAR TAF engaged with high-level officials including the Prime Minister and Auditor General, both of whom expressed interest in taking this further. In the coming year SUGAR TAF will capitalise on momentum built to advance this objective.

In FY 17/18 SUGAR TAF continued support for the Compliments and Complaints (C&C) Desk at the Mbale Regional Referral Hospital (MRRH). Staffed by two community volunteers with the support of AIDS Care Education Training (ACET) Uganda, the C&C Desk is located on the hospital grounds for easy access. Accessibility was further enhanced with the introduction of a toll-free number. Patients and the public now have a single-entry point for their input, and with the software provided by SUGAR-TAF, complaints (and compliments)

are now collected and tracked in a central location. During its first year, the desk has received 90 complaints, 25 of which were corruption-related. 59 complaints have been closed and 16 referred to the hospital management for further action. In the same period, the desk also received 27 compliments. As evidenced by the action log, the community volunteers have been able to assist patients to access services that they were denied and intervene when informal payments (bribes) are requested. The data generated by the C&C Desk also provides hospital management with valuable information on risk areas within the hospital.

To ensure that patients are aware of their service entitlements, SUGAR-TAF and MoPS supported the development and publication of a client charter. Through engagement with civil society in Mbale and a poster campaign, MRRH is raising awareness of the standards set out in the client charter. The desk is an integral part of this strategy, as it is the entry point for any complaints relating to service standards. SUGAR-TAF's support to this initiative will continue to ensure that patients at MRRH can access the services that they are entitled to, while also increasing the risk for hospital staff engaging in extortion or corruption.

4.5 Applied Research

SUGAR-TAF conducted several research studies in FY 2017/2018, including studies carried out in collaboration with the following institutions - PPDA, ACD, URA, KCCA, UNRA and IG. This research has informed the analysis of institutional challenges and the development of proposed solutions.

A major research study was carried out in conjunction with the Public Procurement and Disposal of Public

Assets Authority (PPDA) and the Inspectorate of Government (IG) to deepen understanding of corruption in procurement in Uganda, and the government's response. The procurement study provided the local context for SUGAR TAF training sessions on investigating corruption in infrastructure projects and procurement – a priority area for the Government of Uganda – and is set to inform support to improving leadership of the PPDA, and the on-going endeavour to transform the institution. Three studies were completed to provide a comprehension and analysis of the factors underlying organisational transformations at Kampala Capital City Authority (KCCA), the Uganda National Roads Authority (UNRA), and Uganda Revenue Authority (URA). The engagement with these institutions for the purpose of these studies has generated requests for further support to sustain and deepen transformation at UNRA and URA, as well as an expression of interest for further discussion with KCCA. These three studies have also generated considerable government interest and will serve as the foundation for broader conversations with the Government of Uganda and other target audiences on transformation and its role in the response against corruption.

In addition to this research, SUGAR-TAF has carried out a quantitative assessment of judgments issued at the ACD from its inception to date. Findings from the working study have brought to light key trends at the court, information which provides guidance for SUGAR TAF's engagements and interventions at the court, and the wider Judiciary.

5. A LOOK AHEAD

In the coming year, SUGAR TAF will intensify investments towards effective criminal, administrative and civil sanctions and also towards the recovery of ill-gotten assets. In doing this, greater attention will be paid to providing case-based support including review of high profile corruption cases and real time advice on on-going investigations and prosecutions. On the other hand, the programme will engage demand side actors to bolster their involvement in Uganda's anti-corruption efforts, and also support priority institutions, programs and sectors to integrate anti-corruption in the delivery of services. Altogether, this work is aimed at increasing the risks, and reducing opportunities for public sector corruption.



For more information, please visit:
www.sugarfacility.org



Implemented by

Adam Smith
International

In partnership with



BASEL INSTITUTE ON
GOVERNANCE