# AFRICA LIBERAL NETWORK
## BEST PRACTICE GUIDE

## Anti-Corruption Toolkit

*Drafted during a workshop on "Combatting Corruption" in Johannesburg, South Africa, on 1 and 2 June 2018*

# Africa Liberal Network Best Practice Guide

## Anti-corruption Framework for Political Parties

### Introduction

Corruption in Africa is a widespread problem that undermines growth, development and relations by diverting revenue and means away from allocated priorities. The promotion and maintenance of a culture of integrity and honesty is a basic requirement for combating fraud and corruption, and should be a primary responsibility of staff, including management and political leadership, in the member parties of the Africa Liberal Network (ALN).

The Africa Liberal Network has a zero-tolerance policy on fraud and corruption for its staff, the Executive Committee and its member parties, not just in relation to their work with the Secretariat but also in their countries and party structures.

### Purpose

The purpose of this framework is to assist the Africa Liberal Network in promoting a culture of integrity, transparency and honesty by providing guidance and information to member parties and others. It serves as a guideline on how the Network and its member parties can act to prevent, detect, deter, respond to and report on fraud and/or corruption.

This framework also seeks to offer practical solutions for weaknesses in parties' organisational structures in order to combat corruption. These include regulations, rules, administrative issuances, policies and procedures, including the roles and responsibilities of personnel and the applicable sanctions.

**CORE VALUES**

The following core values are reflected in this toolkit:

- Rule of Law
- Transparency
- Accountability

**Definition**

Corruption takes many forms and shapes, however, there are general definitions that encompass the general underlying dynamics of corruption. For the definition of corruption to include everything we, as the Africa Liberal Network and all its member parties, understand it to be, we have to broaden the definition. It is necessary to provide for the variety in cultural practices, the range of politics and the different challenges our continent face when defining corruption. This ensures that the definition is applicable to Africa's realities and allows for accountability when corruption does occur. For this reason, we rephrased the universal definition to the following:

*"Corruption is the abuse of power relations for special advantages and/or gain"*

**What we understand by corruption**

- It includes, but is not limited to: fraud, misuse of funds and assets, embezzlement, extortion, providing services in exchange for advantages, favourable treatment, special protection, extra services, favours between people etc.
- It can take place on an individual level (i.e. a party leader) as well as within an organisation, such as a political party.
- There are various levels and forms of corruption, but it always includes forms of deception, and touches on the topic of honesty, morality and ethics.

In order for corruption to take place there has to be:
1. a motive
2. rationalization
3. an opportunity

It is important to know that we cannot control for motives or the rationalization offered by corrupt people, but we can however remove all opportunities for corruption to happen. This protects political parties and deters corruption from happening in the first place.

## Why is corruption a problem for political parties?

The impact of corruption in a political party is far-reaching and it is important for parties to understand the consequences in order to prioritize prevention. Corruption can lead to the loss of credibility in the eyes of stakeholders, such as voters and donors. It can lead to divisions or factions in the party, which weakens it. This, in turn, may lead to internal politics and results in a waste of energy and resources. Once a party is involved with corrupt activities it becomes burdened with a reputation as a corrupt party. Furthermore, it creates a culture and cycle of corruption that may be incredibly hard to break (especially once in power). Corruption stifles progress and productivity within the political party, while simultaneously destroying the political arena. Countries that have a reputation of being corrupt often scare off investors from abroad, losing valuable foreign investments that could be used for economic development. Nepotism is another factor that can lead to the promotion of undeserving and ill-equipped people to important positions. This will result in a loss of confidence in its political order and institutions.

### Member Parties without Governmental Accountability Institutions

*The Africa Liberal Network recognizes that not all member parties operate within countries that have sufficient governmental bodies or institutions, laws, and functioning frameworks in place to ensure proper accountability. In some cases, an open and transparent structure within the party can be used by a less transparent government to monitor the party in malicious ways. However, this should not deter African liberals from being transparent. The Africa Liberal Network and its parties take a firm stand against corruption, no matter the opposition and how difficult the circumstances might be.*

## Accountability structures

In order to account for behaviour and actions in a political party, someone or a committee within the party needs to be willing and able to hold a person accountable. A political party without accountability structures is incredibly vulnerable to corruption within its ranks. Accountability structures is one of the most useful tools to preventing and detecting corruption within a party, and these structures can include a variety of safeguards and anti-corruption measures.

## Risk Management and Possible Solutions

In order to remove the opportunities for corruption that may damage the reputation of our parties, and lead to irreversible damages, parties have to engage with adequate risk management. Once parties evaluated their organisational structures and identified where the vulnerable points in the parties are, it is possible to implement safeguards to prevent corruption and fraud from taking place. The following headings include a wide range of practical solutions to problems parties might be experiencing. It is important to note that not all solutions would be appropriate for all political parties and that various issues, such as the size of the party, the division of responsibilities, and national legislation may guide parties on which measures they chose to implement.

### Awareness

- Include zero-tolerance policy for corruption in party manifesto / constitution / strategic plans.
- Party leaders are encouraged to speak out about corruption in their parties.
- Naming the problem and ensuring its part of party values to be transparent.
- Prevent opportunities from happening and spotting them as they appear.

### Codified Solutions

- Written financial manuals for those working with party funding.
- Written and signed ethical guidelines and rules.
- Anti-corruption policy adopted by party leadership.
- Formalized and documented processes procedures on project implementation and expenditure.

- Start changing people's perceptions and understanding of corruption.

- Written procurement guidelines for services and goods.

## Structural Solutions

- Implement measures and safeguards on all levels of the party, from the national executive, all the way down to ward branches and volunteers.
- A centralized system could work in some parties, providing adequate safeguards are implemented to prevent misuse of funds (especially in bigger parties).
- Implement a co-signing system for expenditures.
- Transparent and fair party elections.
- Employ administrators to do administrative and finance work, not just political volunteers.
- Less red tape, as this may halt process and tempt staff to cut corners.

## Leadership

- Regular financial reports on all levels
- Division of leadership structures in terms of finances, administration and political duties.
- Establish clear rules, duties and responsibilities of individuals in a leadership position.
- Deputize important leadership positions as an additional level of scrutiny.
- Include a non-signatory, non-political administrative employee in financial decision making and sign off.
- Liberal parties should have policies on corruption, whether they are in government or opposition.
- Realistic party goals (to prevent promises to the electorate that cannot be delivered upon transparently).
- Strong fundraising rules constructed around party values and equally strong implementation processes.
- Raise funds instead of using personal resources to fund the party.

## Audits

- Regular audits to assist in detecting corruption in time.

## Training

- Recruitment procedures of high-standard, where staff are vetted ahead of appointment.

- Both internal and external auditing measures, including national and independent or outsourced auditing.
- Elaborate the party's budget with very clear guidelines, structure and items.

- Functional human resources structures to appoint the correct people.
- Build capacity in financial management processes.
- Compulsory orientation and training on corruption for all staff members.

## Monitoring, Evaluation and Reporting

- Financial integrity committees to oversee expenditure.
- Monitor and review internal control processes regularly.
- Adequate channels to encourage the reporting of corruption in parties.
- Reporting mechanisms should protect whistle-blowers from unfair treatment when they report corruption.
- Easier access to information when requested.

## Discipline

- Functional human resources structures can take charge in implementing disciplinary actions against corrupt party officials.
- Financial disciplinary charter signed by those who work with money in the party.
- Clear control systems to instil discipline from the start.
- Codified disciplinary measures and steps when corruption is detected.

## Procurement and Service Providers

- Standard procurement processes for contracts and tenders.
- Create a database of pre-approved service providers.
- Vet those involved with contracts and tenders, to ensure they are not giving the businesses of family or friends preferential treatment.
- When using service provider submit a list of quotes to ensure transparency and cost analysis.

## Creative Solutions

- Fewer cash transactions to remove opportunities for theft and fraud.
- Offer the possibilities for donors to pay service providers directly.
- Promote the use of technology for more secure transactions and reporting.
- Flexibility and ability to adapt to new developments and solve them in creative ways.

## Grey Areas

Grey areas in politics exists, as we do not all operate in clinical and similar political environments. However, we should be cognizant of the fact that some activities can be perceived as questionable or place the party and its leadership in vulnerable positions, where they may be exploited.

- *Lack of transparency within party's own election structures*
- *Paid seat allocation at a party leader's table*
- *Paying media to attend events*
- *Acceleration of processes*
- *Use of party funds for questionable activities*
- *Preferred service providers that are linked to friends or family of party officials*
- *Handing out gifts or parcels during campaigns*

A good way to measure the risk of such grey areas is to ask yourself: What would your voters think if it got out? More often than not, that should be an indicator of whether it is something you should be doing.

## Closing remarks

The Africa Liberal Network encourages all its member parties to utilize this framework. It is not meant to be a tool which should necessarily be fully implemented, but instead used as a first aid kit of options. In most cases, parties will be able to find one or two solutions that they can implement in their party structures to combat corruption and prevent fraudulent behavior from occurring. Even one adjustment can make a difference, shift mentalities and behaviour surrounding corruption, and lead to more transparent political parties.

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