Annual Report 2021

Journey with 36 200+ whistle-blowers

corruption watch

2012
2022

10 YEARS PUSHING FOR CHANGE



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INTRODUCTION

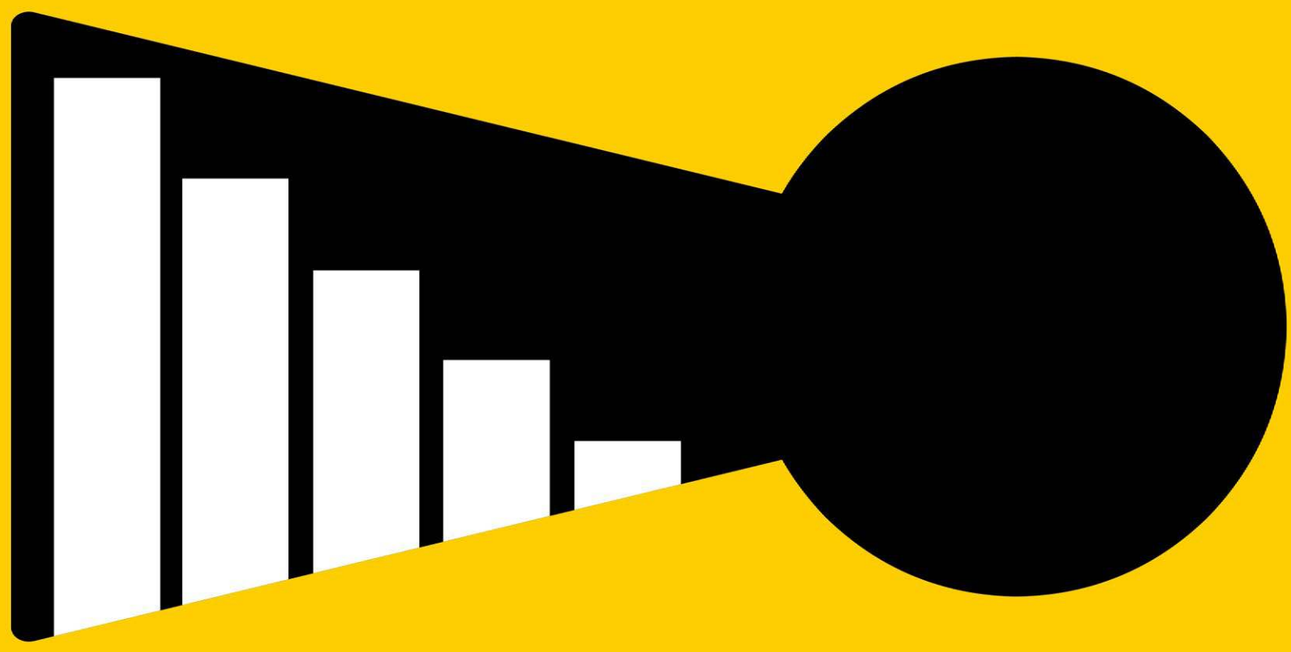




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Journey to Justice

Mavuso Msimang

"Journeys are useful [because] they enlarge the space that is around us."

— Henri Matisse

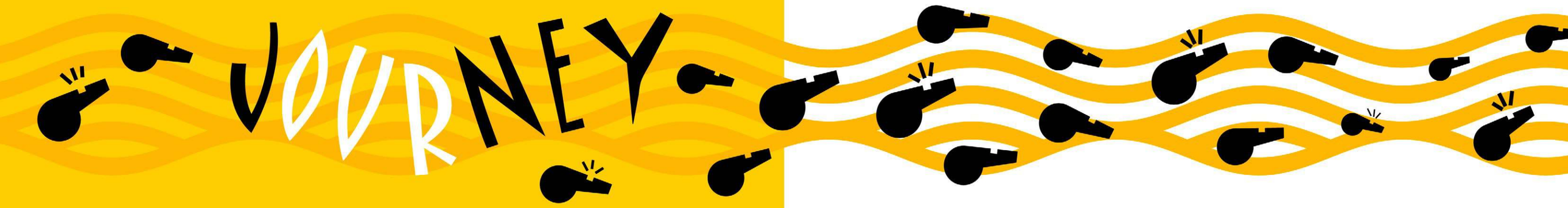
The year 2022 is something of a milestone year, marking as it does the 10-year **journey** of Corruption Watch (CW), my own conterminous **journey**, and my exit as CW chairperson. To reflect on this remarkable period, I thought it appropriate to open my account by invoking Matisse. The Frenchman was not a literary master from whom one would normally be expected to draw inspiration, but a figure nevertheless of similar stature in his own trade, painting.

A 20th century master known for his innovative use of colour and his fluid and original draughtsmanship, Matisse, incidentally a lover of African art, is regarded as one of the three artists, along with Picasso and Marcel Duchamp, who helped define the revolutionary developments in the plastic arts. This trio was also responsible for early-20th century ground-breaking developments in painting and sculpture.[1] If anyone understood what it took to embark on a journey that had the potential to disrupt or move mountains, to create spaces that were not there before, to do this often in the face of hardship, ridicule and outrage, it was Matisse and his contemporaries.

The literature itself is replete with allegories about a journey, depicted physically, metaphorically and symbolically. Characteristically, there is a choice, a departure, a discovery, with challenges and obstacles being part of the process. Homer's Odyssey illustrates possibly the most famous of journeys, originating from the 8th to the 7th century BCE[2]. And then there is the Greek hero and king of Ithaca Odysseus' 10-year journey home, following the equally long Trojan War, where he encounters all manner of perils and tribulations. Here, we find all the elements of heroic achievement in the face of impossible odds. To these, add other great poetic works that portray a journey: Dante's Divine Comedy, Samuel Taylor Coleridge's The Rime of the Ancient Mariner, and W. B. Yeats' Sailing to Byzantium; and works by novelists such as Miguel de Cervantes, in Don Quixote, with its quest for adventure, or Paulo Coelho's The Alchemist, which maps both a physical and spiritual journey. Chinua Achebe's Things Fall Apart on colonialism and the arrival of the missionaries, reminds one that not all journeys are equal!

1. https://www.henrimatisse.org/ | **2.** https://en.wikipedia.org/wiki/Odyssey

JOURNEY



In a nutshell, we learn that the accomplishment of any worthwhile mission requires a commitment to starting a journey, undeterred by its potential pitfalls, but confident of its inherent ability to "enlarge the space that is around us."

In January 2012 CW undertook its journey to tackle corruption head-on. In a vindication of Matisse's assertion that journeys "enlarge the space that is around us", thousands of whistle-blowers courageously stepped forward to join battle against corruption, in the space created by CW. Available space in the pages of this Annual Report permits reference to only a selection of the truly notable accomplishments of the past decade.

CW founders, drawn from diverse societal backgrounds, were gravely concerned by the growing levels of corruption in the country. They deliberated on how best to create a platform for members of the public to engage and report on their own experiences of the emergent scourge. The outcome was the birth of CW, which derived its legitimacy from whistle-blowers' reports that came tumbling into its offices from across South Africa. Said outgoing CW executive director David Lewis of these vox populi reports: "They provide us with the ability to identify patterns and hotspots of corruption, to target campaigns, to investigate and to litigate. They constitute the evidence [about corruption] that we present to those in authority."

These tools were deftly employed by David during his journey, now glowing on the beautiful sunset horizon.

By 2016, five years into its existence, CW had received 15 700 whistle-blower reports, and that year alone received 4 391 corruption reports. Abuse of power, at 28%, constituted the bulk of the reports; bribery was next at 24%; and procurement corruption at 17%, which ratios were consistent with those of previous years. The hotspots of corruption were related to corruption in schools, distressingly, at 16%, followed by road traffic corruption incidents at 7%, licensing and immigration-related matters at 6% each, while housing accounted for 5% of all the reported corruption.

At the close of its first decade, CW had received 36 224 reports in total, 3 248 during the course of 2021. The breakdown, as shown in the data analysis section, reveals similar patterns, although maladministration tops the scale at 18%, followed by procurement corruption and abuse of authority, both at 16%, and fraud at 14%. In relation to corruption hotspots, policing tops the scale with 10% of all reports, followed by schools at 5.8%, then Covid-19 related corruption at 3.6%, with corruption in housing accounting for 3.1% of reports, and corruption in health for 2.7%.

On the basis of these statistics, CW started what was to become its longest-running campaign, focusing on the basic education sector with emphasis on the following irregularities:

- corruption in school governing bodies;
- embezzling of funds by principals and administrators;
- illegal appointment and promotion of unqualified teachers;
- soliciting sexual favours from temporary teachers to safeguard their jobs;
- abuse of learners by sex-pests;
- and others.

Remedies have been provided, where applicable, such as supplying tool-kits and handbooks for school boards, with guidance on how the school system should operate.

Other campaigns focused on exposing corruption in the **immigration sector**, while Bua Mzansi, originally launched in 2016 to advocate for transparency in the appointment of the public protector, encouraged public participation in the **appointment of public officials.** Here, the campaign highlighted the need for greater transparency, merit-based criteria, and public participation in the appointment of key leadership positions – notably in the anti-corruption institutions that constitute the pillars of our democracy, where a succession of questionable appointments had been made.

In March 2015, CW went to court to challenge the **payment of R317-million by the South African Social Services Agency** to social grant distributor, Cash Paymaster Services. The South Gauteng High Court concurred and ordered the distributor to pay back the full amount to the state, with interest.

The US$250 000 **Google Impact Challenge** winners' award in November 2018 was an acknowledgment of CW's game-changing innovations in the service of communities. The result of the grant was Veza ('reveal' or 'expose' in the Nguni languages), the first tool of its kind in South Africa, aims to improve **transparency in policing**, and empowers the public to hold the South African Police Service accountable.

The **Mining Royalties research report**, funded by the Oppenheimer Foundation and published in March 2019, looked at equity benefits and compensation from mining, and whether these were reaching communities affected by the environmental hazards of mining. They were not, but corruption was, the research found.

Memorably, CW and Right2Know filed a court application to have the 2016 findings of the Seriti Commission of Inquiry that investigated alleged corruption in the acquisition of arms by the South African government in 1999, declared null and void. The two organisations argued that the findings of the commission misled the public and exonerated politicians and public servants of any wrongdoing relating to the **arms deal.** In August 2019, the court ruled in favour of setting aside the findings.

Coverage since 2018, and still ongoing, of the marathon Zondo commission saw CW compile arguably the most extensive, dependable and accessible archive of a commission in the country. The daily summaries of the proceedings prepared for civil society partners and board members were a boon to people who lacked time to watch the proceedings live.

Listening to radio interviews given by Corruption Watch staff, each one of them on top of the subject matter under discussion, has been nothing short of a pleasurable experience. And my admittedly limited exposure to the talent pool resident in CW has been most inspiring. That work never flagged during the grimmest of Covid-19 lockdowns, is eloquent testament to overall staff motivation.

Credit for the successes CW chalked up during the past 10 years is largely attributable to David Lewis' integrity, intellectual agility and, not least, media savvy. He must have been guided by the following African proverb: if you want to go fast, go alone. If you want to go far, go together. Mr Lewis took his staff with him on his journey.

My sincere gratitude goes to colleagues on the CW board for giving generously of their time and imparting their vast and varied oversight experience, for supporting management and the organisation. Not least, I thank board members for giving me their unquestioned support.

My debt of gratitude to CW? Affording me a deeper appreciation of the impact of corruption beyond its monetary quantification. When the Prasa thieves have stolen rail tracks worth many millions, the consequential cost of alternative transport for commuters, loss of jobs, schooling, etc. remains outside the corruption equation. At CW they highlight its enormous impact on the poorer sections of society, and insist that this be factored in when justice is meted out to the offenders.

My fond adieu! Herewith a letter written by James Baldwin to his literary agent in 1979, and used with much poetic force in Raoul Peck's documentary I am not your Negro: "I am saying that a journey is called that because you cannot know what you will discover on the journey, what you will do with what you find, or what you find will do to you[3]."

"And when long years and seasons wheeling brought around that point of time ordained for him to make his passage homeward, trials and dangers, even so, attended him even in Ithaca, near those he loved."
— Homer

3. https://www.seattletimes.com/entertainment/movies/ i-am-not-your-negro-review-a-poetic-journey-into-the-heart-of-the-civil-rights-movement/#:~:text=A%20journey%2C%20wrote%20author%20James,a%20journey%20of%20discovery%3B%20a

From small idea to BIG impact

David Lewis reflects on 10 years at Corruption Watch

Ten years ago, on 26 January 2012, Corruption Watch (CW) was launched publicly at the Constitution Hill's iconic woman's jail. Against the backdrop of this symbolic setting, an anti-corruption pledge was signed, with the keynote speaker of the day – then justice minister Jeff Radebe – being the first to place his signature.

The organisation would soon enrol a diverse set of skills and experience, and build what founding executive director David Lewis describes as an outstanding spirit of true activism against a national problem that would undoubtedly take over the daily national discourse, with Corruption Watch as a trusted resource.

In a candid chat with senior journalist Moepeng Talane, Lewis reflects on his motivation for joining Corruption Watch, the scene set by a group of eager activists seeking change, and the challenges and triumphs of leading the organisation.

Corruption Watch was established a few years after a major change in the political climate of the country, and a change in government administration. Tell me what it was about that period that inspired its formation?

It was two or three years into the [former president Jacob] Zuma administration that we set up Corruption Watch, and it was undoubtedly inspired by a period when corruption was starting to get unmanageable and out of control. Even though we hadn't yet reached the low point of the Zuma administration, it was clear that this is something that needed fighting.

The most direct inspiration came from the then general secretary of Cosatu, Zwelinzima Vavi, who was one of the few people in powerful positions in South Africa to speak out against corruption.

He had a vision to pursue complaints that were coming both from his own members and from members of the public, and he asked us, a couple of his old trade union comrades, to come together and see whether we could help with investigating these reports.

You had had a successful term at the helm of the Competition Tribunal at this point. Where did the energy and inspiration come from for you personally, to be part of something like this?

I'd finished with the Competition Tribunal about two years prior to this, teaching at GIBS and also writing a book which was published in 2011 on my experience in the Competition Tribunal.

I was not very happy doing what I was doing. I mean, I've always been an activist. So I like being involved in activist work, and even though GIBS is a politically active school, it still didn't really satisfy me.

One day my wife bumped into [Advocate] Adila Hassim, and when Adila asked how I was, she said I was very unhappy not being an activist. Adila said "I have an idea, why not set up an anti-corruption organisation?" and Vavi was also encouraging us to do so. So I met with both of them and then with Mark Heywood and later with Peter Harris, and the latter helped us set up Corruption Watch. We started raising money around mid-2011. That's how Corruption Watch came to be, I grabbed the opportunity as soon as it arose. I was very excited to work with people who regarded activism highly.

I can imagine that you probably didn't think it was going to take up 10 years of your time.

I didn't know if it was going to take up 10 years of my time. Only when we had begun staffing the organisation did I realise it was going to be a much more successful project than I had initially thought it was going to be. I didn't think it would make quite the waves that it's made. It became a very different organisation from that which was initially envisaged – I had realised it was never going to perform the primarily investigatory task that Vavi saw for it, but it had other very valuable tasks.

And what would you identify as your best first big lesson as executive director?

We launched in 2012, I was very struck by the enthusiastic response from a number of quarters, including those in the world of anti-corruption. We had Jeff Radebe open the event.

There seemed to be a general spirit behind an organisation like that, which was very encouraging. It came from government, within Chapter 9 institutions, Cosatu and other organisations, and from the media and the public at large. So that was striking. I knew that once that spirit was shown, if we were able to produce the goods, then this was going to be a long-haul situation. I didn't expect it to grow so big, and I didn't expect it to be involved in such a huge range of activities ...we brought in Bongi Mlangeni when we realised that public communication was going to be a prominent part of our existence, and she took it on with a vengeance. We were also employing interesting people, the public was interested in us, and so those were the first indications that this was going to be for the long haul.

And your fondest memory out of the 10 years?

I really liked the people that we were employing. I had come from a very productive environment in the Competition Tribunal, and then there's an intervening year or two at GIBS which was also quite productive. We had a very good atmosphere in the office. I liked that everybody backed the independence of the organisation, because that very quickly became a big deal for us, and I was very pleased with that.

I was very impressed with the interest and enthusiasm of young people for an organisation like this. It said to me we had struck a chord somewhere. That was the most pleasurable part of that early period.

And what was it like watching the organisation grow?

You know, I am much better at small organisations than I am at bigger ones. Although I started off working at a trade union, the staff members were quite few, although there were large numbers of members. Then I worked in the research unit at UCT for a while, and then I worked at the Competition Tribunal, which also had about 12 or 14 staff.

But it was also partly my ambition that turned it into such a large organisation. Obviously that came with tremendous headaches, like where are we going to raise all this money for salaries every month, but it was definitely my increasing, growing ambition for what this organisation could achieve that made it expand as quickly as it did.

Those were my initial thoughts, some trepidation and fear, but other thoughts were that we need a strong and well-funded organisation like Corruption Watch to take on this important task. I was pleased that we had the diversity of skills and people from different backgrounds to enable us to take on this problem which was more and more tilting at government.

Now you've got people, diverse skills, as you say, who are enthusiastic and want to really make the organisation work. But what is the price you are paying as an anti-corruption activist?

Firstly, it did put me at sort of odds with some of my friends, in the sense that these are people who have gotten involved in business themselves and BEE deals and things were looking a little bit dodgy with some of them. Thankfully, I never had to investigate them, although I did take issue with some of the things that they were doing, but we were never called upon to question our independence or my independence.

From the days that I was involved in the trade union movement and right through the Competition Tribunal and some of the big research projects that I ran, I recognise that if you were to mount a big campaign directed at something like corruption, or if you were to be involved in something like competition work, which is also not completely intuitive, you've got to have the capacity to explain what you're doing and to account for what you're doing.

And so I've always been a person who's paid strong attention to the media, because it really is this way of ultimately getting to the public. So right from the start, right from the day of the launch, we put a lot of effort into media. And I'm pleased that we did, because I think it gave us some protection. It also got the public knowing what it is that we were doing, and approaching us. People were approaching us with donations, some wanted to work with us, and some wanted to let us know what they think we should be doing. The media became used to treating us as their go-to organisation for media comment on corruption.

I think over the years CW has been able to navigate some difficult topics because it's always been invested in the ongoing conversation about corruption, regardless of what course it took. Would you agree?

That insight of yours is very important, because I think that is the reason why we succeeded with the media, especially because we weren't willing to comment on just anything related to our field that they asked us to do.

But we also educated ourselves, you know, this wasn't just spin doctoring. It was done from some base of experience and knowledge. And I think in that regard the decision to invite people to submit their knowledge of corruption to us was very important. One of our best examples is the schools campaign work.

We could have gone on to radio or television and said "we know that there's a lot of corruption in schools." But when you can say we've received 179 reports of corruption in schools, and this is the shape that it takes, you gain much more credibility. The media treated us as a resource because we gave quality content.

Looking outwardly now, as a country, are we on the right course in the fight against corruption? The Zondo commission makes very important recommendations regarding structural, systemic and even legislative changes that are necessary to allow some accountability.

Our legislative framework is fairly standard, and it can be improved in some regards. The procurement legislation, particularly, can be improved and that's because the BEE component is not a standard component.

We started with a question on how the political climate of 2012 inspired the creation of CW. Let's compare that to the present. Are we winning in the fight against corruption?

I think that our orientation and perspective has changed a lot during the course of our work, even if some of our activities haven't, and that is largely a consequence of the change in administrations. We changed course, even if our activities remained broadly similar. It meant that we could go and speak to the mining minister about the mining report, for instance, or to other leaders of government. That has changed us a lot, even though it hasn't changed our fundamental activities.

Surely there remains a threat of being co-opted, or seen to be co-opted by government?

There is a danger of that, of us being used as a sort of part of the face of the [state's anti-corruption] campaign, despite it not according with the way that we would go about doing things. It's a way of getting co-opted, there is no doubt about it. We've had to make some difficult decisions in that regard. The National Anti-Corruption Strategy is a case in point. Right at the beginning of it, during the Zuma administration, there was an attempt to co-opt us into that, not a serious attempt, but nevertheless an attempt. There was no way that a project like that would get off the ground under Zuma, and we would have raised eyebrows if we'd endorsed that.

There have been times when I've worried about how closely we work with government. It's something I would never have dreamed of in my trade union days. But you have to appreciate the fact that it's not an easy task. We get questioned over our silence on some aspects of corruption and I welcome those questions, it shows that people are at least thinking about whether we're being co-opted or not. We are not, and we need to maintain that.

On that note, what other advice do you have for your successor Karam Singh and the rest of the team?

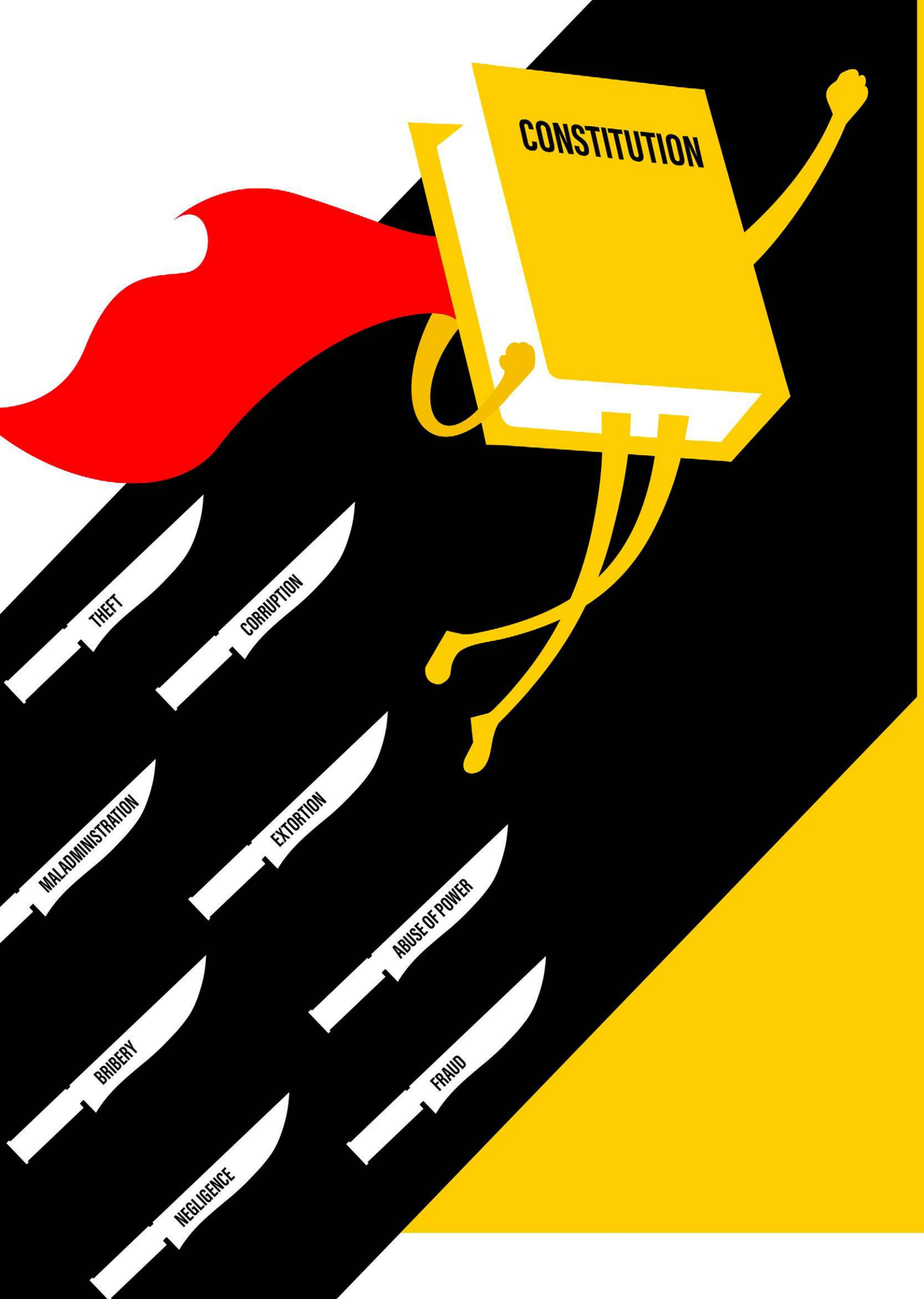
On the activism front, I think a lot of energy should be put into these sectoral forums that are emerging, largely under the leadership of the Special Investigating Unit: the health sector anti-corruption forum, the built infrastructure forum, the local government forum. We must also nurture our relationship with the Special Investigations Unit.

We should be producing a lot of reports that are well-written and clear.

It's pretty much more of the same.



Photo: Brandon Barnard Photography ©



Commitment to fight against corruption more urgent now than ever before

Karam Singh

Since 2020, South Africans have had to deal with a multitude of new challenges and adapt to rapidly changing circumstances, as if the daily struggle for the majority of our people was not enough. Some of these challenges have taken the form of outright attacks on our democracy and our Constitution, which underpins that democracy.

Covid-19, record unemployment levels, violence against state and citizenry, attacks on the judiciary, and more have shaken the nation and exposed the extent of inequality, corruption and negligence.

SOUTH AFRICA'S CONSTITUTIONAL DEMOCRACY, THEN AND NOW

It seems much longer than 28 years ago that we welcomed our new constitutional democracy. The excitement and enthusiasm were contagious, and it seemed entirely possible to build viable, capable, delivery-centric, Batho Pele-inspired institutions. We had high hopes for the equal delivery of justice, for inequality to be stamped out, for the realisation of all the potential South Africa holds.

WHERE ARE WE NOW?

Not where we wanted to be. At times it feels like the country is at a perpetual crossroad – between great equality and social justice on the high road and a further unravelling of the rule of law on the low road. We are in some quarters feeling defeated and demoralised but we cannot afford to let those feelings overwhelm us. If we want to see our systems and democratic institutions properly reinforced against abuse and corruption, we have to recommit, on an individual as well as an organisational level, to the recovery and rebuilding efforts just as we would respond to a natural disaster. Perhaps this is an apt metaphor, because former president Jacob Zuma was described more than once as a tsunami in both the media and academia!

PROTECTING OUR DEMOCRACY AND CONSTITUTION IS PARAMOUNT

Protecting our democracy and Constitution is paramount, for officials and citizens alike. Attacking our supreme law and declaring that it has not worked up to now is not a reflection on that law – it is a reflection on those tasked with enforcing the law. The ones who rage the loudest against it are those who have failed to give us transformation, who hide behind their failures and deploy a rhetoric that seeks to divide and confuse us.

We cannot allow this! We must put in the hard work. Just as we would have to clean up the physical devastation of our country, there is no short route to cleaning up corruption. It will take time but if we recommit to constitutional values and institution building, it is possible. Right now we need messages that draw us together in the shared need to rebuild our democracy – not drive us apart.

ZONDO REPORT IS KEY TO MEANINGFUL ACTION AGAINST CORRUPTION AND THE CORRUPT

One recent – and highly significant – development is the partial release of the final report of the Zondo commission of inquiry into state capture. It is significant because it holds many of the keys to meaningful action against corruption and the corrupt.

Corruption Watch has followed the hearings from the first day back in August 2018, and we thought we had a reasonably solid grip on the facts.

However, from reading the commission's staggering report, it is clear that much more has been revealed than came out in daily testimony, and more heinous deeds have been perpetrated than were shown on television. The question is, what can we as South Africans do about it? How do we futureproof our democracy against this type of corruption?

Do the findings and recommendations of the commission finally move the needle when it comes to the pursuit of accountability from those responsible for the state capture assault on our constitutional democracy?

THE ANC IS ON THE HORNS OF A DILEMMA

The Zondo report has tossed the ANC onto the horns of a dilemma, with the party front and centre as an agent of the worst forms of crony capitalism. The ANC has deliberately shown a lackadaisical approach to corruption and leniently allowed questionable people to occupy high-ranking positions. The corrupt have come to take this level of impunity as a given, which is exactly why the party cannot afford to continue on this trajectory. We have already seen, in the results of last year's local government elections, a clear indication that people are no longer prepared to support the tolerance of corruption in government. It is certainly the moment to stand firmly against cadre deployment when it comes to filling positions in the echelons of the civil service and SOEs.

WE CAN MOVE FOR CHANGE

The first move should be to, once and for all, weed out all implicated officials in both the private and the public sectors, and ensure they no longer have a job to manipulate for their own benefit. While some corrective measures will take time, this one can be implemented speedily.

There should be no mercy. 'Innocent until proven guilty' is an insufficient defence when people's lives and livelihoods are at stake – and that is the situation for the millions who still languish in poverty, as well as the whistle-blowers who risk a great deal to expose the criminals who make off with funds meant to uplift those millions.

Party factionalism, which also has been allowed to flourish unimpeded, will prove an obstacle in this regard. And with the ANC's national elective conference taking place this year, the scene is set for tricky manoeuvring. We have already seen signs of an expanded political silly season from senior leaders seeking to posture themselves in opposition to the current governing leadership.

The second move should be to meticulously implement all the Zondo commission recommendations, no matter whose feathers are ruffled. Corruption has lingered and grown because dealing with it has been seen to be uncomfortable and would anger certain people. But comfort zones are not appropriate at this time; people must accept the consequences of their actions.

The Zondo report's momentum cannot be lost

The Zondo report ensures that corruption remains firmly embedded in the public discourse. We as civil society must now push for quick action and real penalties. We must not let up, otherwise the report will become another white elephant.

Furthermore, South Africans must make it clear to President Cyril Ramaphosa that platitudes and social compacts will not drive out corruption. Placating certain party members will not improve the ethical culture in government, nor will endlessly repeated promises of renewal and self-correction get us anywhere but deeper in the swamp.

We at Corruption Watch can imagine the scramble taking place in the halls of power now that parts 1 and 2 (at the time of writing) of the Zondo report are in the public domain. We have heard strident denials, protestations, and repudiations, and seen many frowns and much finger-pointing, but the evidence is out there and we demand action accordingly. We can only hope that the relevant authorities will view the weighty information in the report as more than merely "making mistakes".

CORRUPTION WATCH IS READY

Corruption Watch, over the 10 years of its existence, has experienced the ups and downs of living in South Africa along with the more than 36 200 whistle-blowers who have approached us in that time. We continue to adapt our work trajectory not only to the prevailing concerns of these whistle-blowers but also to the shifting environment in which we find ourselves.

Corruption Watch continues to work remotely as necessary, though we look forward to a partial re-opening of the office as soon as is appropriate. Our team has coped well with the continued state of national disaster and critically our work has carried on unabated.

We enjoyed a number of successes in 2021, prominent among which was the launch of our Veza tool exposing police corruption, the launch of Procurement Watch, our coverage of the Zondo commission, and our work and subsequent report on investigating corruption in the Covid-19 Temporary Employer/Employee Relief Scheme, or TERS. Our article on this latter report remains the most accessed news page on our site.

Our work in early 2021 with National Treasury on transparency in Covid-related procurement, and later in the year, in public procurement more broadly, remained a focus. Procurement Watch, our tool for aggregating and researching public procurement data held by National Treasury, was launched in October and its first report was an eye-opener indeed, exposing how corruption vulnerabilities are embedded in the very design and governance of the current public procurement system.

We also, through unrelenting pressure and vigilance, played a role in the timely enforcement of the Political Party Funding Act (PPFA). In December 2020, we wrote to President Cyril Ramaphosa, raising concerns about the delay in proclaiming the PPFA, whereupon the Presidency responded quickly to confirm that it would be proclaimed on or before 1 April 2021, which it was.

As an organisation carrying the public trust, we pledge to continue to apply pressure on decision-makers and top officials in the public and private sectors, honouring our commitment to working for a corruption-free South Africa.

We will remain at the forefront of ensuring adequate protection and support for whistle-blowers.

Further, while remaining publicly facing, we will endeavour to continue the deep and difficult internal work of sustaining an organisation which can deliver on its promise of adding value to resolving wrongdoing brought to us and extracting accountability from implicated persons. This involves capacitating our staff, improving our systems, and remaining self-reflective around how we maintain energy in the fight against corruption while taking it to new heights.

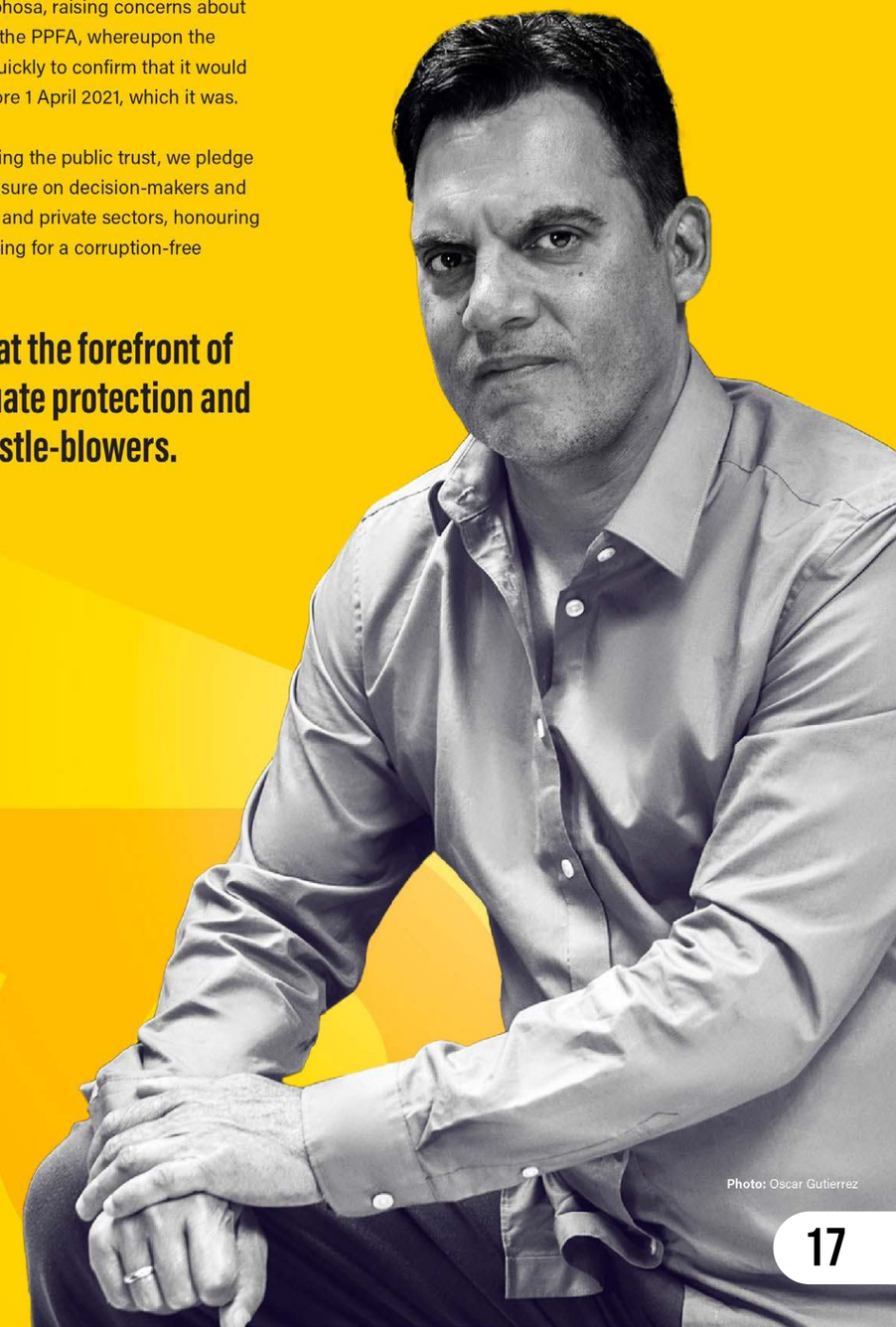


Photo: Oscar Gutierrez



Onwards and UPwards

Introduction 2021 annual report

In the last two years, many things have changed for all of us. Some have had their lives turned upside down, and others have escaped relatively lightly from the turmoil that Covid-19 brought to the world. Corruption, of course, only exacerbated the situation.

What has not changed, however, is our commitment to our work of fighting corruption. We grew accustomed to finding different ways to do some of it, but that barely slowed us down for an instant. We got creative and, as you will remember from our previous annual report, we turned a crisis into action.

Most of us are still working remotely, but this seems to have had the effect of enhancing communication between individual staff and teams. We work as fluidly as ever, and we have achieved the goals we set for ourselves in 2021. The only activities that have not yet resumed in full force are the face-to-face engagements.

Nor did the lockdown deter people from coming to us with their accounts of corruption. In 2020 we received 4 780 reports – the second highest number of reports received in a calendar year – and in 2021, though the number dropped to 3 248, it remains a significant figure. **Those whistle-blowers, and the ones who came before them, inspired the theme for this year's annual report, which also marks Corruption Watch's (CW) 10-year anniversary. They've shared their stories, all the while knowing that they were setting themselves up for potentially serious repercussions from those whom they fingered. They've walked alongside us these past 10 years, believing in us and trusting us to help them. To the best of our abilities and our capacity, we have done so in whichever way was most impactful.**

It's been an exciting decade for us at CW, but a truly sobering one. We've experienced, through our reporters, not only the effects of corruption on the most vulnerable members of our society, but also the fierce resistance of the perpetrators to cutting short their lucrative alternative sources of income. We've seen for ourselves the apathy of the government when it comes to implementing meaningful anti-corruption measures. Ours is, even more so these days, a fight worth fighting.

Much of our work in 2021 was driven by revelations of Covid-related corruption, and by personal accounts of the same. One of the highlights of our year was the report we published on corruption in the government's Temporary Employer/ Employee Relief Scheme, or TERS, for those who were unable to get their full salaries during the early stages of lockdown. Subtitled *How employers cheated their staff*, the report gained instant traction, for the worst reason. We were saddened to realise how many people identified with or had experienced the heinous activities we described. To this day our article on the report remains the most-accessed news article on the entire CW website, which shows how relevant it was, and still is, to the hard-hit population of South Africa.

Public procurement corruption, exposed on an overwhelming scale, made an already grim situation under Covid unbearable for many. The Special Investigating Unit took on a number of cases, some of which are still ongoing. This is another of our main focus areas, and the result was the launch in October of our portal Procurement Watch, which is a research and monitoring tool, available on request, that aggregates information held by National Treasury on tenders and contracts.

The first report was released at the portal's launch and it contained some startling information, especially on the scope of contract extensions and the so-called Register for Tender Defaulters which, at the time of publishing, had yet to yield a current entry. All information is publicly accessible through the treasury, but our tool makes it easy to collect and compare the data. Transparency is the name of the game here.

Transparency in political party funding is also very close to our collective heart. We've advocated for years for more transparency in this area and we're proud of the fact that our communication with the Presidency in December 2020, regarding the delay in promulgating the new Political Party Funding Act (PPFA), was largely responsible for the enactment of the law in time for local government elections. The Presidency responded quickly to our letter, promised a date three months hence, and kept that promise. The PPFA came into force on 1 April 2021, thanks in no small part to CW and despite our concern – expressed openly to the president – that there were those who had devious reasons for keeping it in limbo.

It's imperative not only for civil society organisations to be aware of the sources of party funding, but also for citizens to be able to scrutinise their chosen party's funding and hold them to account for any discrepancies or worrying transactions. After all, all parties are (theoretically) there to serve the people and account to them. This issue was very important to us and in fact, we had submitted comments on the act while it was still in development. All in all, and despite various perceived flaws in the PPFA that are now under discussion, we can be thoroughly satisfied with the part we played in the development and enforcement of the act.

Local municipalities have been a steady source of material for our work throughout our 10 years of existence, to the extent that our sectoral report for 2021 focused on corruption in that sphere of government. It, too, was released in time for the local government elections and while we can't claim any responsibility (well, maybe a little) for the obvious public dissatisfaction shown through the voting results, we hope it gave some people pause – especially because according to our data, most corruption was committed among the top ranks in the municipal corridors of power.

Our philosophy has always been to empower people with the knowledge, materials, and tools to stand against corruption and our work, without exception, is carried out with this in mind.

So as we enter 2022, with a new executive director and a renewed vision for the work that lies ahead of us, we reflect on a full and eventful year gone by and an even more eventful decade, and we look forward to the challenges that lie ahead of us.

PPFA

ELECTIONS

A tribute to our whistle-blowers



It would be remiss of Corruption Watch to celebrate 10 years of its existence without placing whistle-blowers at centre stage – the organisation was formed due to their call. We uphold the honour of active citizens who took seriously their responsibility to provide information related to squandering, maladministration, misuse of taxes, and other forms of corruption to a trusted organisation.

Corruption Watch was formed to not only be a place to report corruption, but to also be a mouthpiece for whistle-blowers. Through our various campaigns, submissions to the government, litigation matters, and other activist activities detailed in this report, we make every effort to be the voice and representative of the whistle-blowers.

We believe that whistle-blowers need to be heard, represented, encouraged and celebrated. Through their courage to speak out as well as the implementation of effective justice systems and strong accountability measures, the systemic corruption problem in this country can be eradicated.

Whistle-blowers are an integral part in the fight against corruption.

Over the years Corruption Watch has received over 36 200 corruption reports from across the country, on various matters. We don't take this number lightly, because whistle-blowers go through extreme adversity to give us their reports. Some unfortunately lose their livelihoods, identities, and even their lives as they strive to do what is right for our nation.

They suffer the pain of being ridiculed and discriminated by their colleagues, communities and even the job market. The emotional turmoil of a whistle-blower journey can't be comprehended; it is certainly a thankless feat. Therefore, we dedicate this report to the many whistle-blowers who have decided that enough is enough.

Please don't be afraid. We – families, communities, suburbs, towns, cities, countries, and the entire world – are all in this together. **We will make it through, hopefully with a renewed sense of compassion and duty towards ourselves and others.** And the knowledge that we are not helpless, that our individual actions can make a difference.

It is very hard to cope with a lockdown situation if you are living in a rural area like me. The South African army ends up disrespecting the rights of the people. They are not meant to be there for harassing people, but to protect people from the pandemic. **We believe that it will pass, but the army should stop harassing people.**

In an ideal system, wealth and resources would be used constructively to build a society where all can prosper at the same time. And in times of crisis, when government needs to tell us to stay at home, everyone could have a safe place to stay and mechanisms would be in place to ensure that there is a steady supply of necessities available to everyone. In an ideal system, it would be immoral for someone to be exceedingly rich while his neighbour lives in poverty.

Lockdown has been nothing but stressful, especially with the lack of food as my household of three depends on one child support grant. My application to the Gauteng Provincial Government for relief, by email, has yielded no results. I applied before the extension, and **I'm frustrated and my children are hungry.** My community in Soshanguve Block K seem to be in the same predicament as me because they venture out in the streets in an effort to get piece jobs to sustain themselves and their families.

It is difficult to imagine what life could look like post Covid-19 but we march daily into the unknown, waking up with hope that a solution will be found before this virus wreaks further havoc in our lives. One can only hope that the remnants of this pandemic will be more than just dead bodies but also, a more compassionate population and a government that serves with urgency.

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36 200+

VOICES

I'm hearing shocking, terrible stories that happened over the last Easter weekend where people had to pay over R3 000 in bribes to not get locked up. The government and the president have got this lockdown completely wrong. We the people are getting completely victimised. It's going to turn into anarchy with no work and no food. **The people will rebel.**

We are suffering so badly during this lockdown. We have no food, despite our councillor taking our numbers to prepare for distribution. Since lockdown started, food parcels are given to their friends using our ID numbers. It's such a disgrace and just yesterday they gave a few people just 1kg mielie meal; 1kg sugar; 1kg instant porridge; 100 teabag packet of Trinco; two cans of chakalaka baked beans; two packets of spaghetti; 500g of macaroni; two 500ml of cooking oil; 750g of peanut butter and 400g of biscuits. **Most of the people who arrived for the parcels were chased away. This community needs help, it is very bad.**

The Covid-19 outbreak is exposing a plethora of flaws in what we consider to be the normal system. These flaws always existed, but from our places of privilege we have been able to sweep them under the carpet, or ignore them. As the government tries to gain control over the movement of people, **in the inner city suburbs, lockdown is exposing issues around safe and adequate housing, drug dealing and addiction, homelessness, immigration, food security, the lack of protection for the informal economy and more.**

I have decided to quarantine in Elandskraal Village in Limpopo and unfortunately, it has become my first encounter with inhumane and corrupt leadership. As I am sending this e-mail, **the residents have not had water for over two weeks, and there is no transparency or communication from the local municipality to explain the hold-up or problem with the supply of fresh water.** There have not been any measures to combat the non-delivery of water

WHO WE ARE

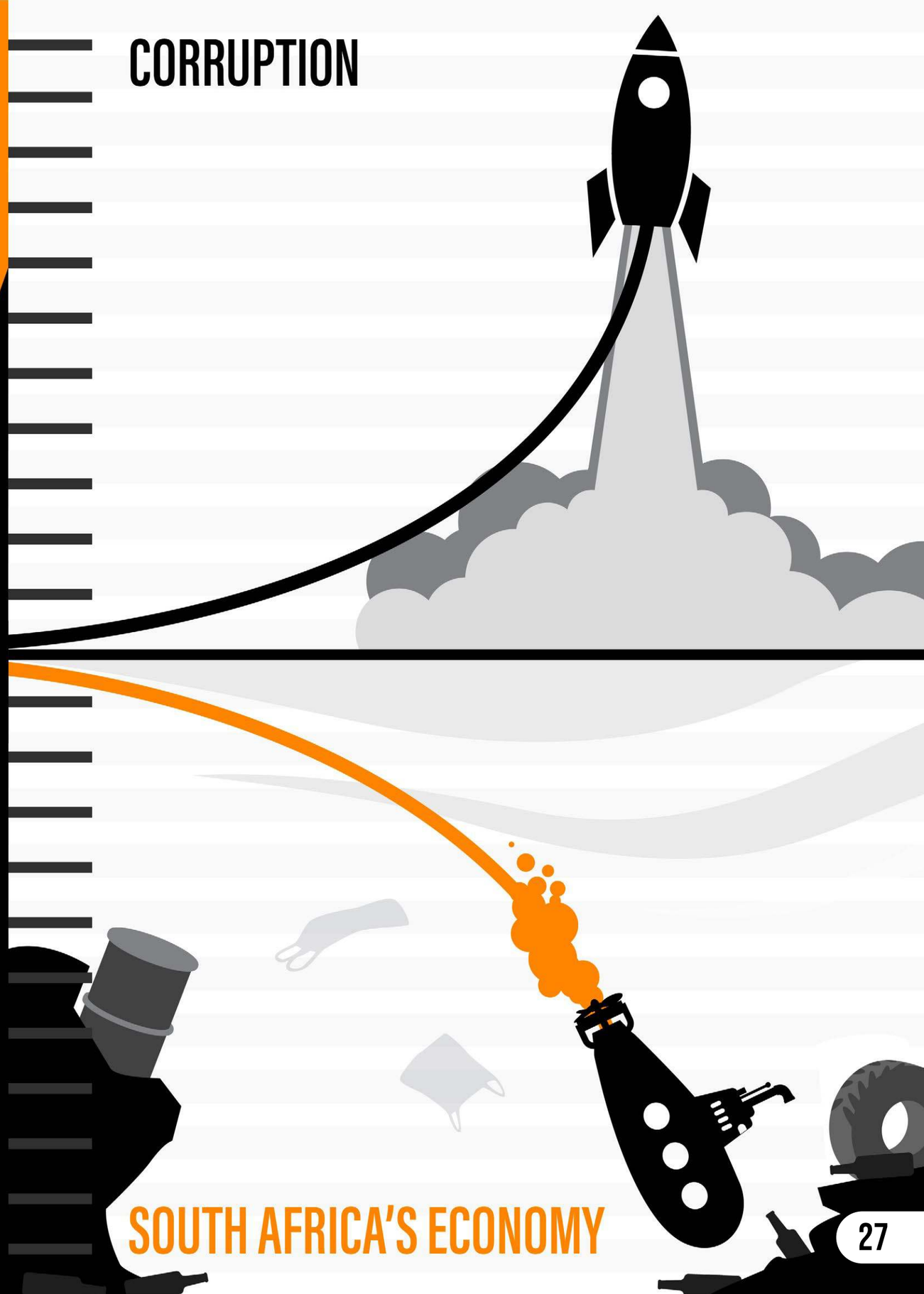
We Believe in Walking the Walk

CORRUPTION WATCH IS:

- **An independent civil society organisation** launched in 2012 in response to the spiralling corruption in South Africa.
- **The local chapter of Transparency International**, a global movement with one vision: a world free of corruption.
- **Focused on encouraging and enabling public participation and activism** to prevent, expose, report and combat corruption.
- **Not beholden to business, government or any other sector in our operations;** we hold both government and private sector to account.
- **Funded primarily by philanthropic institutions** in the social justice sector; and
- **Committed to a human rights approach** to the impact of corruption on society.

corruption watch

2021 IN REVIEW



SOUTH AFRICA'S ECONOMY

The numbers tell the story

Transparency International Corruption Perceptions Index

South Africa and the Corruption Perceptions Index (CPI) have not had a productive relationship over the last 10 years. The country's consistently mediocre ranking since 2012 has failed to produce the necessary impetus to lift it out of the doldrums – meaning that government's efforts to make real inroads against the root causes of corruption have been futile.

The CPI, respected as a leading global indicator of public sector corruption, scores and ranks 180 countries and territories around the world based on perceptions of corruption. It draws on 13 expert assessments and surveys, and scores countries on a scale of zero to 100, where zero is highly corrupt and 100 is very clean.

In 2021 South Africa was one of a sorry group of 86% of all the countries assessed who have been stuck in virtually the same place for years. Indeed, stagnation is one of the key take-away points of the 2021 CPI. This is evident in the CPI global average, which remains unchanged at 43 for the 10th year in a row, with two-thirds of countries scoring below 50. According to TI, a score below 50 indicates a significant corruption problem.

South Africa scored an embarrassing 44 in 2021 and a decade earlier it managed 43. This year's score is the same as in 2020 and 2019. In 2018 and 2017 it scored 43 and before that, it managed 45 (2016), 44 (2015). 44 (2014), 42 (2013), and 43 (2012).

In 2021 the country shared its place with Jamaica and Tunisia, and sat at number eight on the regional sub-Saharan Africa (SSA) table – but this too is nothing to boast about given that the SSA is the worst scoring global region and has been for some time.

With 44 out of 49 SSA countries still scoring below 50, there is an urgent need for governments to implement existing anti-corruption commitments if they are to alleviate the devastating effect of corruption on millions of citizens living in extreme poverty.

The average score for SSA countries is 33, one point higher than last year, clear proof that there has been no significant action in addressing the high levels of corruption in the region.

Meanwhile, the increasing levels of corruption across are the world are eroding human rights and democracy.

While corruption undermines the ability of governments to guarantee the human rights of their citizens, respecting these rights is essential for controlling corruption because empowered citizens have the space and the platforms to challenge injustice, says TI.

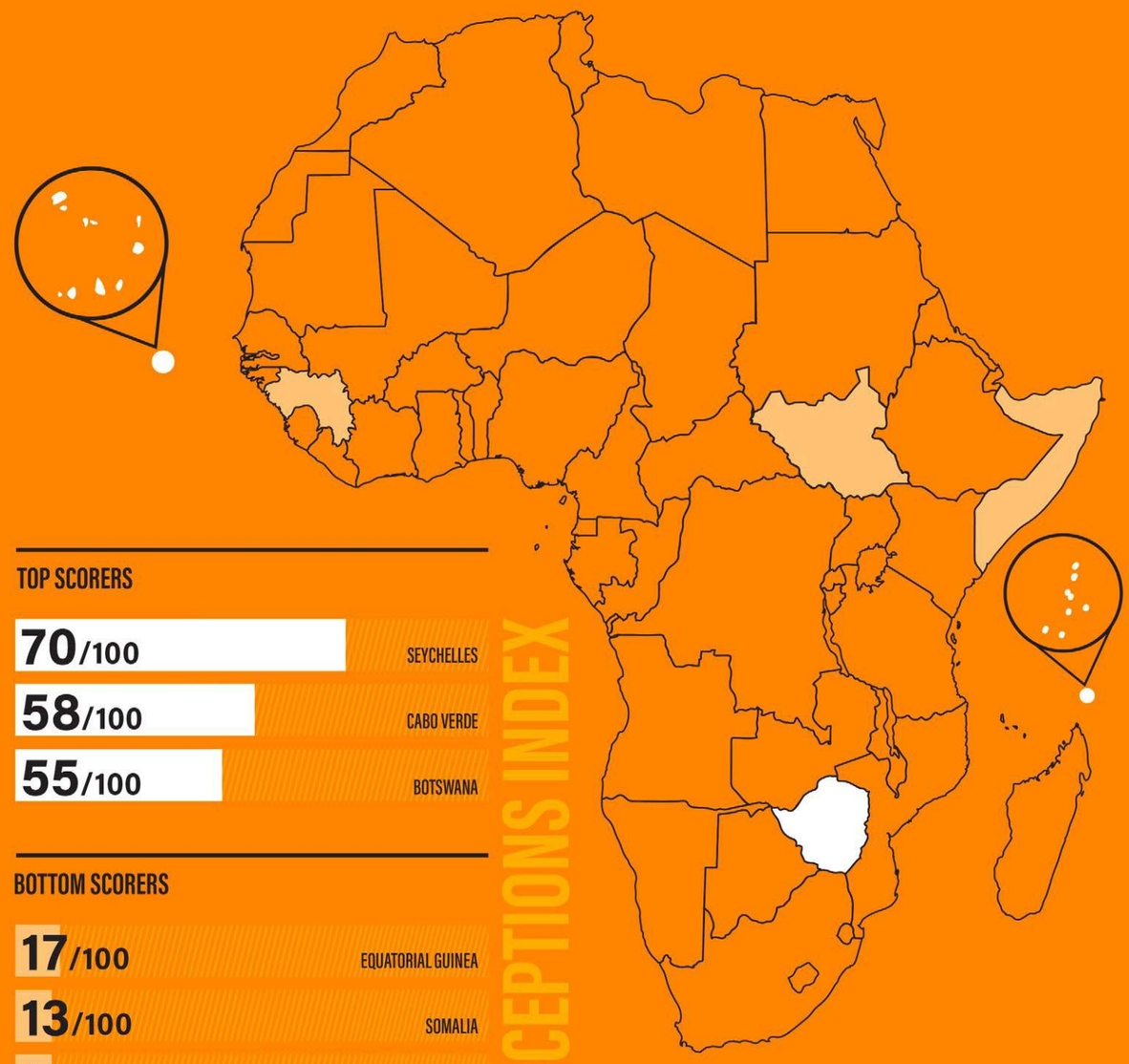
Furthermore, some governments are taking advantage of the Covid-19 pandemic to erode human rights and democracy – they must be stopped.

SOUTH AFRICA'S CPI SCORE 2021

44/100

HIGHLY CORRUPT — CLEAN

According to TI, a score below 50 indicates a significant corruption problem.



TOP SCORERS

70/100 SEYCHELLES

58/100 CABO VERDE

55/100 BOTSWANA

BOTTOM SCORERS

17/100 EQUATORIAL GUINEA

13/100 SOMALIA

11/100 SOUTH SUDAN

COUNTRIES ASSESSED

49

AVERAGE REGIONAL SCORE

33/100

CORRUPTION PERCEPTIONS INDEX

The global organisation also calls on the public to demand that governments act on their own anti-corruption and human rights commitments, some of which are decades old and remain unfulfilled. In South Africa, despite positive initiatives such as the inclusive process to develop the National Anti-Corruption Strategy (NACS), the failure to implement this and related plans means that corruption continues unabated. The NACS was adopted in November 2020, and prioritises measures to prevent corruption, while providing a framework and an action plan for the whole country. The more its execution is delayed, the longer we will stay in the same position, as an embattled country and on the CPI.

2021 DATA:

Journey with 36 200+ whistle-blowers:

Pushing for change

OVERVIEW

In 2021, 3 248 whistle-blowers approached Corruption Watch to report allegations and experiences of corruption and other forms of misconduct in South Africa, bringing the total number of complaints received since our inception in 2012, to 36 224.

We define corruption as the abuse of entrusted power for personal gain.

2021

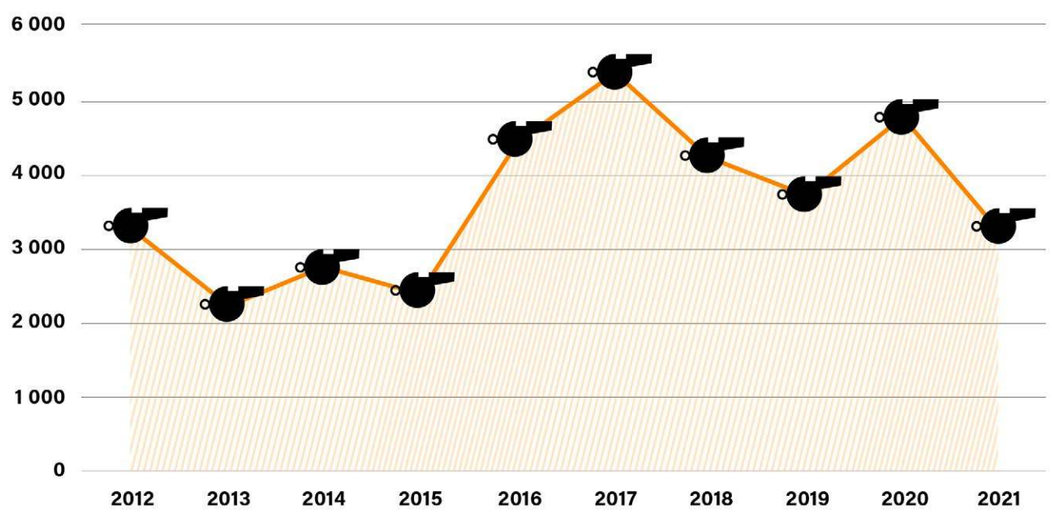
3 248

WHISTLE-BLOWERS

2012 - 2021

36 224

WHISTLE-BLOWERS



WHISTLE-BLOWER COMPLAINTS RECEIVED ANNUALLY

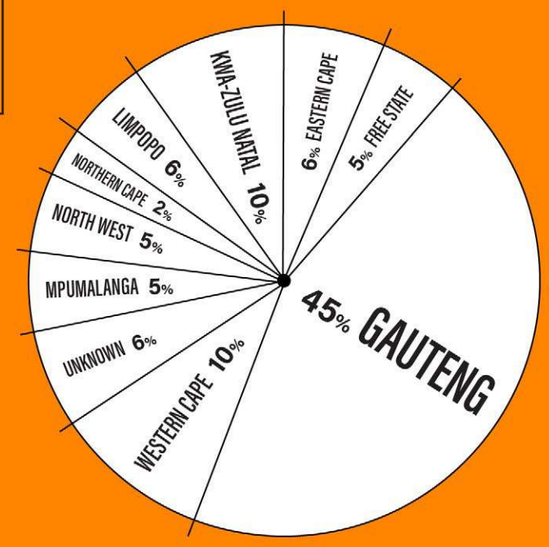
TYPES OF CORRUPTION

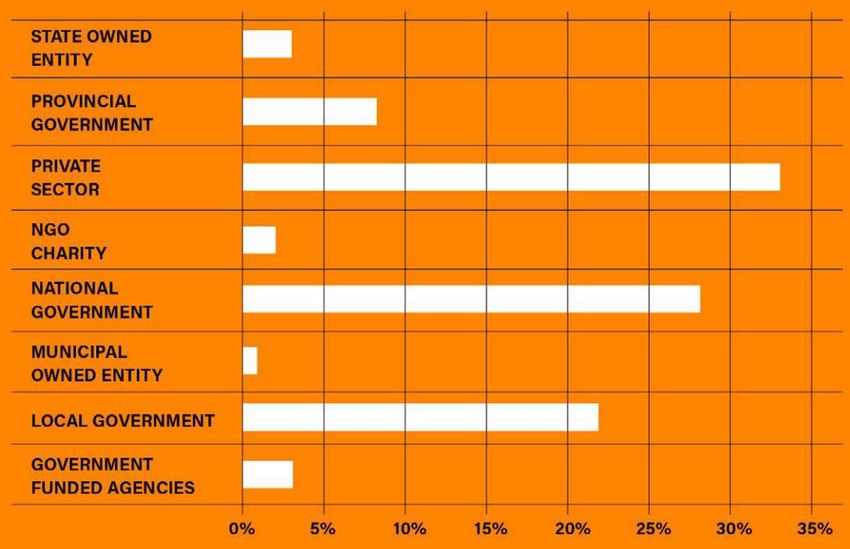
For the year in review, whistle-blowers came to us mainly with allegations of high levels of maladministration (18%), procurement corruption (16%), and abuse of authority (16%).

- 18% MALADMINISTRATION
- 16% PROCUREMENT CORRUPTION
- 16% ABUSE OF AUTHORITY
- 14% FRAUD
- 12% MISAPPROPRIATION OF RESOURCES
- 8% DERILICTION OF DUTY
- 8% BRIBERY OR EXTORTION
- 8% EMPLOYMENT CORRUPTION

COMPLAINTS RECEIVED

Following a similar pattern in comparison to previous years, the majority of complaints are located in Gauteng (45%), followed by KwaZulu-Natal (10%) and the Western Cape (10%).





The bulk of the reports (67%) relate to corruption or other forms of misconduct in the public sector – this includes the national government (28%), provincial government (8%), local government (24%), and state-owned entities (3%), among others.
A further 33% of reports allege corruption in the private sector.

REPORTS BY INSTITUTION

SECTORS

POLICING

COUNTS FOR **10%**

Most common types of corruption reported

40%	35%	26%
ABUSE OF AUTHORITY	DERILICTION OF DUTY	BRIBERY OR EXTORTION

Trending Provinces

47%	15%	11%
GAUTENG	WESTERN CAPE	KWAZULU-NATAL

SCHOOLS

COUNTS FOR **5.8%**

Most common types of corruption reported

24%	20%	18%	17%
ABUSE OF AUTHORITY	MISAPPROPRIATION OF RESOURCES	EMPLOYMENT CORRUPTION	PROCUREMENT CORRUPTION

Trending Provinces

37%	14%	13%
GAUTENG	EASTERN CAPE	LIMPOPO

HOUSING

COUNTS FOR **3.1%**

Most common types of corruption reported

39%	27%	25%	9%
MALADMINISTRATION	FRAUD	ABUSE OF AUTHORITY	BRIBERY OR EXTORTION

Trending Provinces

55%	12%	7%
GAUTENG	WESTERN CAPE	KWAZULU-NATAL

HEALTH

COUNTS FOR **2.7%**

Most common types of corruption reported

31%	19%	19%	17%
PROCUREMENT CORRUPTION	MALADMINISTRATION	FRAUD	EMPLOYMENT CORRUPTION

Trending Provinces

41%	15%	13%
GAUTENG	KWAZULU-NATAL	WESTERN CAPE

SECTORS

TRAFFIC

COUNTS FOR **2.7%**

Most common types of corruption reported

67%	33%
BRIBERY OR EXTORTION	ABUSE OF AUTHORITY

Trending Provinces

83%	5%
GAUTENG	KWAZULU-NATAL

LICENSING

COUNTS FOR **2.3%**

Most common types of corruption reported

77%	13%
BRIBERY OR EXTORTION	FRAUD

Trending Provinces

47%	14%	11%
GAUTENG	MPUMALANGA	NORTH WEST

MINING

COUNTS FOR **1.2%**

Most common types of corruption reported

63%	21%	17%
MALADMINISTRATION	EMPLOYMENT CORRUPTION	PROCUREMENT CORRUPTION

Trending Provinces

31%	25%	17%
LIMPOPO	NORTH WEST	MPUMALANGA

COVID-19 RELATED CORRUPTION

COUNTS FOR **3.6%**

Most common types of corruption reported

34%	21%	18%	15%
MALADMINISTRATION	PROCUREMENT CORRUPTION	ABUSE OF AUTHORITY	BRIBERY OR EXTORTION

Trending Provinces

42%	13%	12%
GAUTENG	KWAZULU-NATAL	WESTERN CAPE

TEMPORARY EMPLOYMENT RELIEF SCHEME

Most common types of corruption reported

58%	42%
MISAPPROPRIATION OF RESOURCES	MALADMINISTRATION

TERS NUMBER OF REPORTS **56**

Trending Provinces

32%	20%	12%
GAUTENG	WESTERN CAPE	KWAZULU-NATAL



Observations on corruption trends revealed in the data

In respect to corruption in the South African Police Service, abuse of authority refers to incidents of graft wherein police officers and officials make use of state resources to exert pressure or act violently towards civilians. Officers and officials are usually motivated to behave in this fashion when they are protecting their personal interests or the interests of criminals. Likewise, in cases of dereliction of duty, we find that police personnel are reluctant or disinterested to act upon complaints levelled against one of their own.

In relation to bribery or extortion, officers and officials solicit these from members of the public when ordinary persons seek the protection of the police or when the police accuse them of being in the wrong. A common allegation with regards to bribery or extortion is the deliberate bundling of cases, whether administratively or flouting investigations.

In terms of corruption in schools, it is worth noting the flouting of procurement and recruitment processes, mainly by principals working alongside a school governing body (SGB) member. Corruption Watch continues to receive allegations of school officials hiring friends and relatives, or employees being required to perform sexual favours to keep their employment or to be promoted. Principals in cahoots with an SGB member are said to be swindling money meant to purchase goods or pay for services, by either receiving kickbacks from companies that they have chosen or returning goods and asking that the refunds be deposited in their personal banking accounts.

Lastly, with regards to acts of corruption related to Covid-19 or the management of activities to do with the pandemic, whistle-blowers point fingers at a number of key sectors wherein administrators and politicians either underperformed or wilfully committed wrongdoing. In these cases, most notably, it is purported that under the pretext of being expeditious, officials would disregard procurement processes only to award lucrative PPE contracts to companies to which they have ties.

During the times when regulations, such as the curfew, were still mandatory, the police allegedly solicited bribes from informal businesses as well as illegal tavern operators found to be in contravention of the law. Meanwhile, in schools, PPEs would be budgeted for, but after so-called procurement processes had concluded, the equipment would be nowhere to be found.



Some people believe that Corruption Watch (CW) is an organisation that focuses solely on receiving corruption reports from the public. However, significant research and data mining – based on those reports – goes into shaping the focus areas or sectors that CW tackles each year. This research is developed into reports, surveys, handbooks, and traditional studies.

Besides informing, the material produced from these projects also puts matters into perspective for the public on the state of corruption in the country. Where possible, it guides them in the various ways they can take part in fighting graft, and always aims to encourage the reporting of any corruption experienced.

As an example, our annual sectoral report highlighted a major concern that plagues ordinary citizens – the lack of service delivery. Released in August, the local government-focused *South Africa Needs Clean Hands* showed that service delivery failures are not necessarily because of lack of funds, but often because of the corruption deeply entrenched in municipal operations. The report found municipal managers to be the biggest culprits in enabling corruption, and sometimes participating in it themselves.

A fact both encouraging and disheartening is that the number of whistle-blower reports implicating local government grew by 50% from 2020 in four provinces, showing that even during a deadly pandemic the poor suffered under the greed of their leaders and were denied basic services when it mattered most.

The most prevalent forms of corruption at local government level are bribery, irregular procurement processes, employment irregularities, abuse of power, and embezzlement of funds. All these directly link to the quality of service delivery – as shown in the report, certain private companies contracted to municipalities inflated prices with the help of municipal officials who would get kickbacks in return, and in some instances, these companies either did not finish the job, or were paid for a job not done.

Such actions unfortunately deprive the poor while enriching those entrusted with service delivery. Money irregularly spent means less money for service delivery. Another unfortunate aspect, as the report says, is the impunity afforded to those implicated.

South Africa Needs Clean Hands brings the message home that, especially in local government, people need to choose better leaders.

ANALYSING CORRUPTION TRENDS

In September 2021, CW released its fifth annual *Analysis of Corruption Trends* (ACT) report, which is based on corruption complaints received for the first six months of the year. It shows corruption trends in different sectors like law enforcement, Covid-19, schools, procurement, and others, observed during the period under review.

Basically, the report reflects what members of the public go through to access basic services and how those services are inaccessible because of corrupt individuals. It is also a useful tool for public officials to know where public money is misused or abuse of power is taking place, enabling them to act on those transgressions.

In a departure from the normal style of reports, the 2021 ACT report was published in podcast form complemented by a dashboard of infographics. The aim was to reach out to a wider audience to inform the public about the work that CW does, as well as to bring attention to the plight of the whistle-blower using different platforms to share this message.

Like the organisation's other areas of research, the ACT report drives CW to develop campaigns and put special focus on certain sectors, based on the nature of corruption trends recorded. It has inspired a number of projects, reports and campaigns, such as the *Corruption in Uniform* sectoral report on police, which later led to the development of the Veza tool through the *Bua Mzansi-Know your police station* campaign. This tool gives citizens access to information about their police station and they are able to report corruption through it.

Previous ACT reports also veered into other sectors like corruption in land, bringing about *CW's Unearthing Corruption in the Land Sector* report. Both of the afore-mentioned reports were published in 2019.

SUPPORTING WHISTLE-BLOWERS

One of CW's public participation interventions was a whistle-blower perceptions survey, conducted in late 2021. The survey focused on the views of whistle-blowers and potential whistle-blowers, with the aim of understanding their awareness of the reporting channels available to them, and their thoughts on whether the country is creating a conducive environment for whistle-blowers. A dominant concern from this study is that most participants showed little faith in the work of the South African Police Service, instead expressing greater trust in civil society organisations and the media.

Studies like this one are imperative in the fight against corruption as they reflect the feelings of those who bear the brunt of speaking out and as a country that claims to take corruption seriously, these voices should serve as a learning tool and a guide for policy-making.

ADVOCATING FOR COMPETENT, ETHICAL LEADERSHIP AND APPOINTMENTS REFORMS

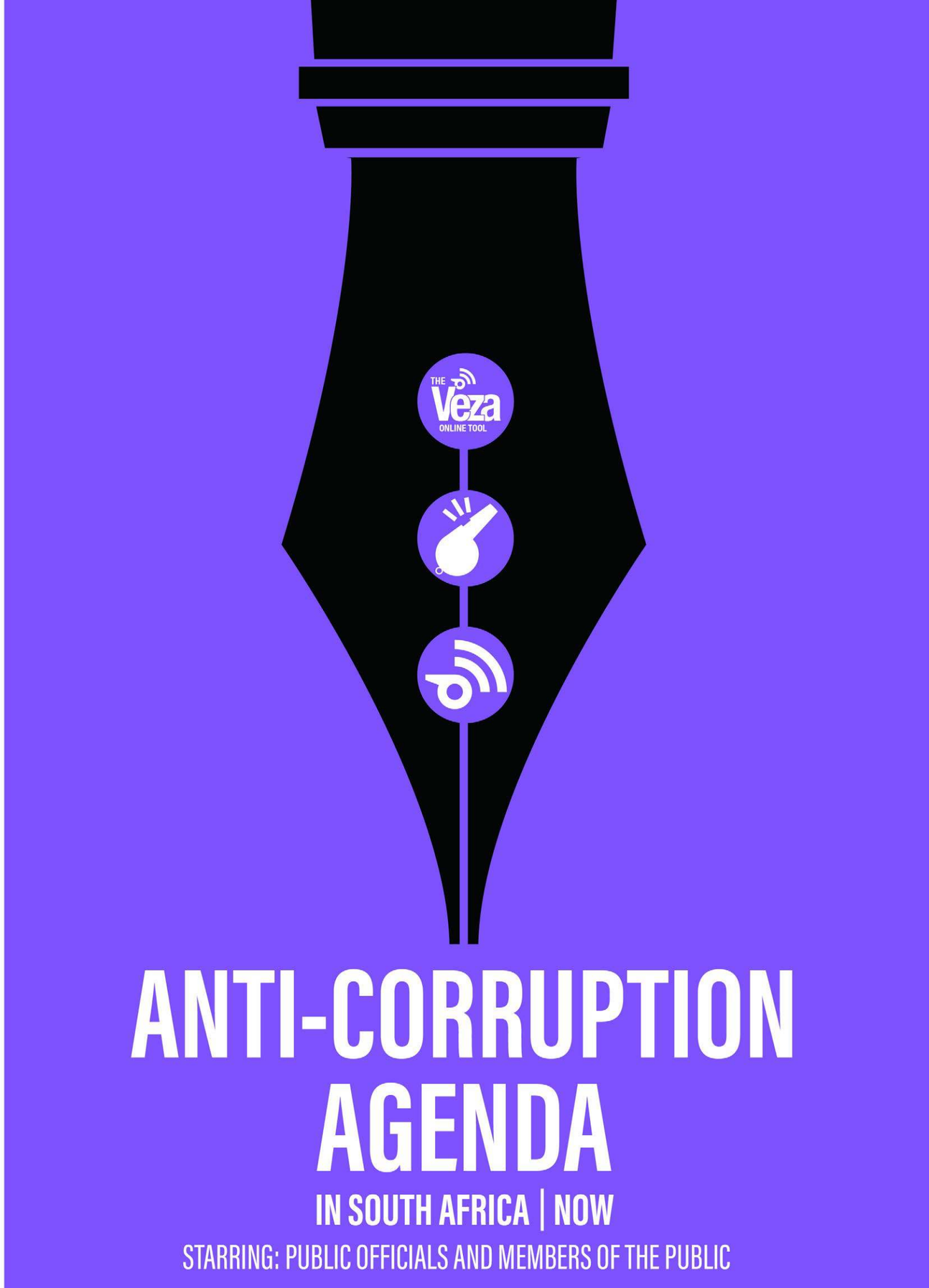
CW has been actively involved in appointment processes of leading personnel in crime and anti-corruption bodies, state-owned entities, and other government institutions. These high-ranking positions are prone to interference and corruption for either personal or political gain. To ensure an untainted appointment process, CW has researched a handbook that lays out best practices and basic principles that should reinforce appointment processes, for release in the future.

Some years ago, the organisation initiated its campaign calling for public participation in the appointment of key leadership positions to promote transparency.

In search of its new commissioner, the Public Service Commission (PSC) recently sought public participation on the appointment. The PSC invited members of the public to submit their comments on the selected candidates, reassuring people that their voices count when appointing public officials.

Emphasising this point, Acting Chief Justice Raymond Zondo, in his much-anticipated report on the state capture commission, called for an open process in the appointment of heads of important state institutions, including the South African Revenue Service (SARS). This comes after he found that former SARS commissioner Tom Moyane was complicit in the capture of the service. Zondo said that to advance interests of certain individuals, Sars was systemically and deliberately weakened.

The research and educational material that CW produces will continue to promote the anti-corruption agenda. With the will and participation of public officials and members of the public, the material can play a huge role in the fight against corruption.



COLLABORATION DURING 2021

The collective work of civil society organisations intensified during 2021

The Corruption Watch (CW) approach of participation in multi-sectoral, multi-disciplinary fora and partnerships remained a key component of advancing its work in holding public and private sector leaders to account for corruption and mismanagement, and in urging an intensification of anti-corruption efforts across the board.

Collaboration over the year covered many sectors, focus areas, and included multiple partners. A summary of these collaborative engagements included:

BUDGET JUSTICE COALITION

The Budget Justice Coalition (BJC) is a voluntary coalition of civil society organisations that aims to collaboratively build people's understanding of and participation in South Africa's budget and planning processes.

CW sits on the steering committee of the BJC, and is actively involved in shaping strategy and advocacy plans to advance a pro-poor budget that prioritises socio-economic rights. In addition, CW continues to be instrumental in driving the communications and media strategy of the BJC.

HEALTH SECTOR ANTI-CORRUPTION FORUM

Corruption Watch is an active member of the steering committee of the Health Sector Anti-Corruption Forum (HSACF), a multi-stakeholder body appointed by President Ramaphosa and comprised of government departments, civil society organisations, law enforcement agencies and the private sector. The objective of the forum is to collectively tackle fraud and corruption in the health sector.

In 2021, CW continued to receive important updates on six matters referred to the forum, which were receiving attention from various law enforcement agencies, including some tabled for investigation by the Hawks. Following the death of the Gauteng health department whistle-blower Babita Deokaran, CW partnered with the HSACF on a webinar on 20 September 2021. With a focus on whistle-blowing, the event featured Professor Thuli Madonsela, Advocate Andy Mothibi and Willie Hofmeyr. The event had over 1 300 registrants, over 500 attendees, and was broadcast live on SABC News, channel 404.

NATIONAL ANTI-CORRUPTION STRATEGY (NACS) REFERENCE GROUP

The former executive director of Corruption Watch served as a chair of the National Anti-Corruption Strategy (NACS) reference group. During 2021, meetings were focused on working through a number of administrative issues prior to the release of the strategy, which had still not been launched by the end of 2021. As part of its contribution, CW tabled the results of a mapping exercise it conducted in relation to six NACS pillars, and presented the Veza tool to the members of the NACS reference group.

CIVIL SOCIETY WORKING GROUP ON STATE CAPTURE

During 2021 the CW team continued to be well-represented in meetings of the Civil Society Working Group (CSWG) on State Capture, a coalition of civil society organisations aimed at playing an oversight role on the outcomes of the Zondo commission, in the interests of the public.

On 8 March 2021, the CSWG issued an open letter, released as a press statement, to commission chairperson Raymond Zondo, giving strong support to the work of the commission and insisting that former president Jacob Zuma must abide by the law. On 23 July, the group issued a statement following the unrest in KwaZulu-Natal and Gauteng, calling on leadership and law enforcement agencies to not only hold people accountable for inciting violence, but to also call for the corporations and individuals that enabled state capture to be held to account and brought to book.

The CSWG continued to seek options for highlighting the key outcomes and focus areas of the Zondo commission, linking these to organisations' ongoing activities, and coordinating efforts in advance of the release of the commission's final report in early 2022.

LOCAL GOVERNMENT ANTI-CORRUPTION FORUM

CW has been active in engaging with the Local Government Anti-Corruption Forum, which seeks to establish a forum (modelled on the Health Sector Anti-Corruption Forum) that is well-placed to receive and investigate allegations of corruption at a local government level.

THE CORRUPTION RISK MITIGATION PLAN TASK TEAM

Corruption Watch continues to participate in a multi-stakeholder forum chaired by the DPME looking at corruption risk factors relating to vaccine procurement and rollout. CW was instrumental in helping to develop a risk register that was presented to the inter-ministerial committee.

INFRASTRUCTURE BUILD ANTI-CORRUPTION FORUM (IBACF)

The Infrastructure Build Anti-Corruption Forum (IBACF) was launched by Minister of Public Works and Infrastructure Patricia de Lille and Special Investigating Unit head Advocate Andy Mothibi, on 24 May 2021. This initiative of the Anti-Corruption Task Team, which brings together government, civil society and law enforcement agencies, was established to monitor infrastructure projects more effectively and put systems in place to detect and prevent corruption.

CW has been appointed as a co-chair of this new forum, the third of its type following those in the health and local government sectors, and although in its infancy, the multi-stakeholder forum has been well-attended and responsive to the development of an anti-corruption agenda.

POLITICAL PARTY FUNDING COALITION

The Coalition on Political Party Funding was launched on 3 August, with CW as one of the endorsing partners, along with My Vote Counts, Right2Know, Open Secrets, the Ahmed Kathrada Foundation, and other interested civil society organisations.

A press statement was issued to coincide with the launch, and further information about the coalition can be found at: https://myvotecounts.org.za/political-party-funding-coalition/. The CW team has continued to participate in coalition meetings and sessions, and has provided communications support where needed.

GIZ – TRANSPARENCY, INTEGRITY AND ACCOUNTABILITY PROGRAMME

The GIZ's TIP is a partnership resulting from a country-to-country agreement between the governments of Germany and South Africa. Its objective is to support state and non-state actors to contribute to the implementation of the NACS in a whole-of-government and societal approach. Active citizenship, development of key anti-corruption institutions, and multi-stakeholder partnerships are key elements of the TIP in support of the overall objective.

The programme was developed with extensive inputs from state, civil society and private sector actors. The lead executing agency of the TIP is the Department of Planning, Monitoring and Evaluation (DPME). CW is the co-chair of the Programme Steering Committee (PSC), along with the DPME, the first meeting of which was convened in November 2021.

PROCUREMENT REFORM WORKING GROUP

The CW team has been part of the formation of a procurement reform working group with other civil society organisations focused on this issue, including the Public Affairs Research Institute and the Public Service Accountability Monitor. The group is working on a theory of change and other joint initiatives relating to addressing issues around open contracting and legislative reform. The group has drafted various correspondence to the Presidency and minister of finance regarding progress towards holding hearings and public engagement around comments received on the Public Procurement Reform Bill.

DEFEND OUR DEMOCRACY

Corruption Watch is an endorsing civil society partner of the Defend our Democracy (DOD) campaign. The CW team was represented at regular meetings during 2021, providing inputs into activities and materials during the lead-up to local government elections, as well as plans for DOD's anti-corruption week from 3 – 10 December. CW participated in a press conference held on Monday 8 November in which the campaign unveiled its plans for the anti-corruption week.

COLLABORATION IN POLICING SECTOR

As part of its ongoing work in the policing sector, CW contributed content and a link to the Veza tool in the creation of a factsheet to enable members of the public to hold the police accountable, to understand police powers, to know their rights when they encounter police, and their options for reporting abuses of power by the South African Police Service. This initiative is the result of a partnership between the Institute for Security Studies in partnership with the African Police Oversight Forum, the C-19 People's Coalition, Corruption Watch, the Legal Resources Centre, the Socio-Economic Rights Institute and Viewfinder.



CAMPAIGNS

JOURNEYS WITH WHISTLE-BLOWERS



Police Campaign

THE JOURNEY: WHERE IT STARTED

Corruption Watch (CW) launched its first campaign on corruption in the policing sector close to six years ago, following a steady flow of reports highlighting the challenges in the sector since the organisation's inception in 2012.

Over the years, evidence emerged of the large-scale erosion of the systems and institutions that constitute the law enforcement agencies in South Africa, as corruption and crime spiralled out of control. The apartheid-era culture of impunity, brutality and abuse of power is still all too present in the way policing is dispensed in the country, resulting in a stark decline in public confidence in the police service, and a serious tarnishing of the tireless and courageous efforts of the many dedicated police officers who put their lives at risk to protect those whom they serve.

The need for stronger accountability mechanisms in law enforcement agencies, and a more transparent and robust process of appointing leaders in this critical sector, could not be more urgent, if there is to be any chance of effectively combating corruption and breaking the cycle of impunity in South Africa.

In July 2017, CW teamed up with the Institute for Security Studies to launch Top Cops, a joint public awareness campaign that focused specifically on the appointments of the South African Police Service (Saps) national commissioner, and the head of the Directorate for Priority Crime Investigations (the Hawks).

Since then, CW has broadened the scope of its work in policing by creating public awareness about police corruption, how it manifests, and what the public can do about it, encouraging people to report their experiences of police-related corruption. The campaign incorporates research, community consultations, rights-based training, investigations and legal interventions, with a shift from a high-level to a more grassroots focus as the team works closely with communities to try to understand the problems on the ground and people's widely varying experiences of police corruption.

In November 2018 CW received a US$250 000 award, as a winning participant in the Google Impact Challenge. This grant enabled the development of an online open data tool that promotes transparency and accountability in the Saps, while empowering the general public with information about their local police stations. The tool was launched in 2021 (see next page).

More recently, there has been proactive engagement with various police bodies, including the Civilian Secretariat of Police and the Independent Police Investigative Directorate, in a bid to balance the narrative of poor and corrupt policing, by understanding and highlighting the challenges and gaps in resources and capacity. Meanwhile, work continues to address the public's concerns about the brazen abuses of power experienced at the hands of the police.

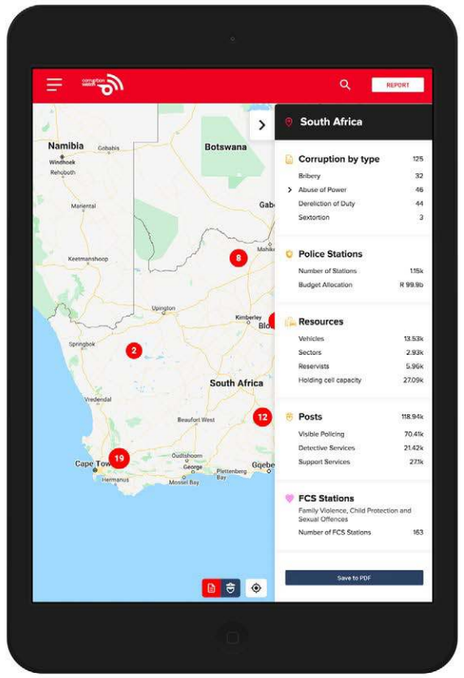
Similarly, CW is committed to engaging with Parliament, and has made several submissions to key pieces of legislation relating to the sector, providing opinions and advice on what is needed to ensure effective policing in the country.

WHERE WE ARE NOW:

The prolonged impact of the Covid-19 pandemic in 2021 prevented a full resumption of face-to-face activities with stakeholders and communities around the country. As in 2020, the CW team continued to work around these limitations by finding innovative ways to engage with its key constituents. The following activities took place during the year:

VEZA TOOL

- In February 2021, Corruption Watch released the much-anticipated Veza Tool – an open data platform that promotes transparency and encourages public participation in South Africa's police services and can be accessed at www.veza.org.za. Since the launch of Veza, we have gathered the following data:
  - 115 whistle-blower reports on police misconduct and corruption. The majority of the reports are located in Gauteng, followed by the Western Cape;
  - Over 12 000 users of the site – a user is a visitor who initiated a session on the site;
  - 24 000 page views;
  - 480+ ratings of police stations across the country; and
  - 40+ nominations for ethical and honest cops.
- Currently efforts are focused on obtaining updated data for the tool, improving its usability, and encouraging the public to use the site.



ENGAGEMENTS AND WEBINARS

- A series of 12 engagements with community radio stations took place in the first half of 2021 across three provinces – Gauteng, Mpumalanga and the Eastern Cape – with a primary focus on training and informing audiences on how to use the Veza tool. Community broadcast engagements on selected radio stations in the Western Cape and Northern Cape resumed in the last quarter of 2021, providing training to the public on corruption issues relating to policing, healthcare, local government and youth.
- Stakeholder engagement sessions with civil society and government organisations showcased the tool and advocated the use of technology to advance transparency and accountability. Organisations included:
  - Gauteng Ethics Advisory Committee;
  - The Gauteng province department of Community Safety, facilitated by the Office of the Premier, a key contact for the collection of outstanding information in relation to policing in the province;
  - The Saps Anti-Corruption Unit and Communications Office, to share information emanating from the Veza tool. These Saps units are committed to collaborating with CW to promote the tool and provide the necessary information for the upkeep of the site.
- A webinar titled *The Use of Technology in Policing, Safety and Security*, exploring how technology can be used to ensure effective policing and promote safety and security in vulnerable communities.
- In September 2021, CW coordinated and participated in a panel discussion at the Civic Tech Innovation Forum (CTIF) on the topic of developing anti-corruption tools in Africa. Department head Kavisha Pillay was also featured on a CTIF podcast on young innovators.

SUBMISSIONS

In August 2021, Corruption Watch made a submission on the Draft Firearms Amendment Bill, which focused on four issues: 1) the repeal of firearm ownership for the purposes of self-defence, 2) accountability in relation to firearm ownership, 3) accountability of police and official institutions, and 4) the firearms appeal board. This supports the organisation's ongoing work in the field of police accountability and anti-corruption, namely its advocacy for a public participation process to be included in the appointment of ethical leaders, and the discussions and consultations held with Diepsloot, KwaMashu and Cape Flats communities affected by police violence and criminality.



Leadership Appointments

THE JOURNEY: WHERE IT STARTED

The appointment of appropriate leaders to key institutions in South Africa is a serious matter. Independent and robust anti-corruption institutions that act in the public interest and operate without fear, favour or prejudice, are the bastions of our constitutional democracy. All too often in the past, unqualified or unsuitable candidates have been appointed, sometimes with devastating consequences. The erosion or even collapse of these institutions gives rise to a state where there are no adequate checks and balances, where impunity prevails, and where the public is made vulnerable to abuse of their constitutional rights.

Many appointments have been made without due consideration for transparency, or the public's interest and involvement in the process, despite the provision in the South African Constitution and much of its legislation for a participatory democracy that has often not been exercised.

Since 2016, Corruption Watch (CW) has been actively campaigning for more transparency in the appointment processes of leaders of state-owned enterprises, institutions in the criminal justice system, and institutions established under chapters 9 and 10 of the Constitution of South Africa. The aim has been to ensure that candidates are appointed in a transparent manner, assessed against clear, merit-based and objective criteria, and that avenues for public participation in appointment processes are made available.

Consequently, for the past six years CW has conducted extensive public awareness and advocacy campaigns around appointment processes, including the public protector, the national commissioner of police, the executive director of the Independent Police Investigative Directorate (Ipid), the deputy public protector, the auditor-general, the National Lotteries Commission (NLC) board chairperson, South African Human Rights commissioners, Information Regulator commissioners, the inspector-general of intelligence, and board members of the National Youth Development Agency.

WHERE WE ARE NOW

The year 2021 kicked off with four submissions, continuing CW's focus on processes around key leadership appointments in the country. The organisation made an oral submission to the Judicial Commission of Inquiry into Allegations of State Capture, or Zondo commission, on the subject of parliamentary oversight, or the lack thereof, in relation to appointments to key crime and corruption-fighting bodies. This followed the written submission made during 2020.

Two written submissions were also sent to the Portfolio Committee on Justice and Correctional Services regarding the process to appoint commissioners to the South African Human Rights Commission (SAHRC), and a further written submission to the Portfolio Committee on Trade and Industry on the appointment of the chairperson of the NLC, also carried over from 2020.

However, the delay in parliamentary processes resulted in positions at both the SAHRC and the NLC remaining vacant for much of the year, despite the interviews having taken place in March 2021.

The Portfolio Committee on Justice and Correctional Services had recommended Fatima Chohan for the position of deputy chairperson and Phillile Ntuli as full-time commissioner at the SAHRC, while the Portfolio Committee on Trade and Industry shortlisted Barney Pityana, Terry Tselane and Muthuhadini Madzivhandile for the position of chairperson of the NLC board. It remains for Minister Ebrahim Patel to appoint one of the three shortlisted candidates to the post.

By mid-year, the team had made a submission on the Municipal Systems Amendment Bill, which introduces processes and criteria for the appointment of municipal managers. The submission highlighted the need for transparency and public participation in these processes, along with stronger accountability mechanisms at local government level.

CW also made a submission regarding the shortlisted candidates for appointment to the board of the National Youth Development Agency (NYDA), encouraging principles of transparency, public participation and merit-based selection criteria for candidates. In addition, CW provided the results of a vetting exercise of the 40 candidates to the Portfolio Committee on Women, Youth and Persons with Disabilities, recommending to the selection committees that candidates who could potentially be compromised be avoided at all cost. A total of 17 names were submitted to President Ramaphosa, who then appointed eight members in November 2021. At least three of the NYDA board members have links to the ANC and had occupied positions in the ANCYL, signalling a disturbing trend of cadre deployment and patronage.

A further submission was made to the Joint Standing Committee on Intelligence, regarding the appointment of the inspector-general of intelligence (IGI), which called for an open, transparent appointment process that includes public participation, given that previously the appointment of the IGI was not open to the public. There is no rational reason for this process to be closed to the public, especially within the context of the current state of the country's intelligence services, and the important oversight function that the IGI aims to serve.

The final appointment-monitoring activity during 2021 involved an intervention in the appointment of officials to the Information Regulator. CW made a submission to the Portfolio Committee on Justice and Correctional Services, following a desktop vetting exercise of individuals who had applied to occupy positions at the Information Regulator. Parliament then confirmed the re-appointments of Pansy Tlakula as chairperson, and advocates Collen Weapond and Lebogang Stroom-Nzama as full-time members. This issue aligns squarely with state capture commission chairperson Raymond Zondo's recommendations, particularly when it comes to appointments of leadership and boards at SOEs.





Health Sector Campaign

THE JOURNEY: WHERE IT STARTED

Corruption in the health sector has been on Corruption Watch's (CW) radar since it opened its doors in 2012. Reports of corruption in public healthcare have been an ongoing feature in assessing corruption trends and hot spots over the years, indicating that this is a sector highly vulnerable to corruption and mismanagement.

South Africa's Constitution is clear about access to health services as a fundamental human right. Section 27 of the Constitution stipulates that everyone has the right to have access to health care services, including reproductive health care services, and no one may be refused emergency medical treatment. It further provides for the state to "take reasonable legislative and other measures, within its available resources" to achieve the progressive realisation of this right, and other rights[4].

The right to health is considered "fundamental to the physical and mental well-being of all individuals and is a necessary condition for the exercise of other human rights[5], which includes the pursuit of an adequate standard of living.

It is therefore of great concern that the media and by civil society groups have, for several years now, consistently reported on the deterioration – if not near collapse – of the health sector across the country, in large part a consequence of increasing corruption, irregular tenders and/or expenditure, and financial misconduct. The reality that the systems intended to work towards providing universal access to health are unable to deliver even the most basic levels of care, not to mention life-saving support, should be treated as a national crisis.

PUSHING FOR CHANGE

In response to the emergency posed by broken healthcare systems, in 2018 CW joined forces with fellow activist organisations SECTION27 and the Treatment Action Campaign to expose high levels of corruption in the Gauteng Department of Health (GDH). The focus of this action was a report compiled by the Special Investigating Unit (SIU) and released by the Office of the Presidency to SECTION27 in May 2018, highlighting serious maladministration, unlawful expenditure of public money and improper conduct by GDH officials. In June of that year, the three organisations released the report to the public as a way of heightening scrutiny of the way in which provincial departments are implicated in the deterioration of healthcare services. In particular, the report highlights the instrumental role of Brian Hlongwa, former Gauteng health MEC and former ANC chief whip in the Gauteng Provincial Legislature, in facilitating and abetting corrupt activity at the GDH.

The unfolding crisis in Gauteng's health system can be traced back to the gross financial irregularities that occurred during Hlongwa's tenure as health MEC. The civil society partners wrote letters to the National Prosecuting Authority, the Gauteng Provincial Legislature, and the ANC Ethics board by way of protest, and held a public march to the provincial legislature demanding that Hlongwa be removed and face justice for his actions.

In November 2018, Hlongwa resigned from the provincial legislature and an internal report by the ANC recommended that he not be allowed to serve on the provincial executive committee. In December 2021,

4. https://www.justice.gov.za/legislation/constitution/chp02.html | **5.** General Comment No.14 (2000) The Right to the Highest Attainable Standard of Health, (Article 12 of the International Covenant of Economic, Social and Cultural Rights). UN Committee on Economic, Social and Cultural Rights, 2000. para 1

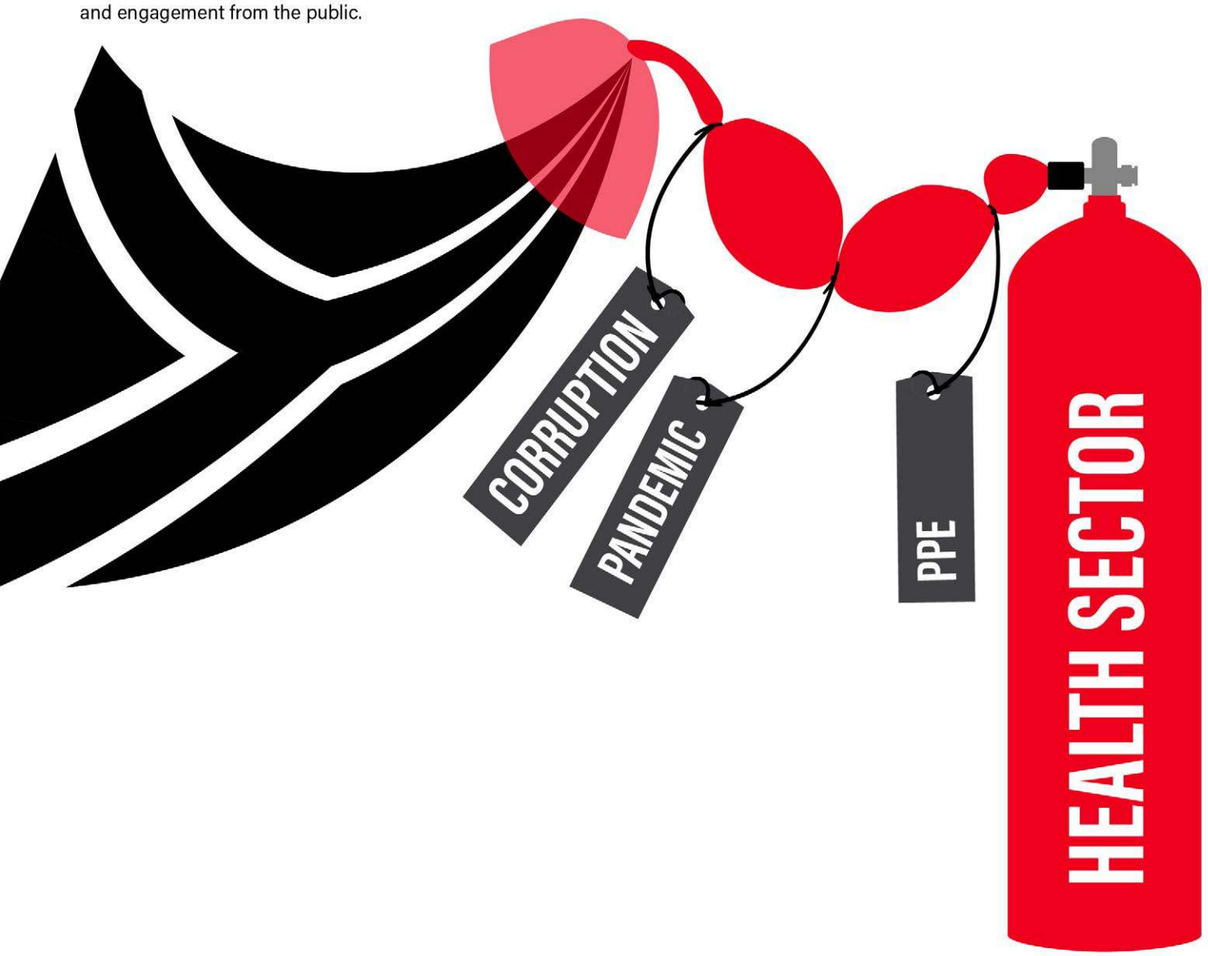
Hlongwa, his wife, and other co-accused appeared in court to face charges of fraud, corruption, money laundering and racketeering.[6]

The Covid-19 lockdown regulations imposed in March 2020 gave rise to increased use of community radio stations as a way of reaching communities. The team conducted a series of mass training interventions on corruption in the health sector during 2020, establishing ongoing relationships with communities in four provinces.

In July 2020, CW released a report titled X-Ray: The critical state of the health sector in SA, exposing the extent to which corruption in this sector has disrupted people's lives. The report, which revealed trends, patterns and hotspots of corruption in healthcare, garnered widespread media interest and engagement from the public.

CW has continued its activities in highlighting corruption in the healthcare sector on several fronts, considering the mammoth failure of the state to manage and oversee procurement during the pandemic.

This has included demanding transparency and reform of the tender processes to avoid future misuse and abuse of public funds, driven largely by our work through the Open Contracting for Health project (see next page) which advocates for greater public access to contracting information that will allow effective monitoring of the implementation of tenders by third parties.



6. https://www.dailymaverick.co.za/article/2021-12-07-for mer-gauteng-health-mec-brian-hlongwa-and-co-accused-granted-bail- in-decade- old-r221m-tender-graft-case/

PARTNERSHIPS
HEALTH SECTOR ANTI-CORRUPTION FORUM

In June 2018, Corruption Watch joined other stakeholders working in the public and private health system to take part in the launch of the Health Sector Anti-Corruption Forum (HSACF), convened by the SIU. The forum is comprised of public sector bodies (Department of Health, SIU, the Hawks, Saps, Anti-Corruption Task Team, Financial Intelligence Centre and the National Prosecuting Authority), private sector bodies (Board of Healthcare Funders of Southern Africa, Health Funders Association, Council for Medical Schemes, Health Professions Council of South Africa) and civil society organisations (Corruption Watch and SECTION27).

The forum was established to foster relationships of collaboration, consultation, mutual support and co-operation between the parties as a way of more effectively addressing corruption in the health sector. In 2018 CW was appointed to serve on the steering committee of the HSACF, which meets on a monthly basis to discuss corruption reports and data trends, and since then has referred health corruption reports to the body for investigation that could potentially lead to criminal prosecution and civil litigation.

A year after it came into being, President Cyril Ramaphosa officially launched the HSACF on 1 October 2019, publicly signing the terms of reference along with the forum stakeholders.

Since its launch, the forum has proved to be an effective space for collaboration in addressing corruption in this key sector, and as an active member of the HSACF, CW is able to be at the forefront of proposed interventions to respond to whistle-blower complaints, with relevant investigative bodies present in the room.

CW also led the forum's entry into the webinar space from 2020, hosting four webinars on issues relating to corruption in the public and private health sector. Topics covered the vulnerability of the National Health Insurance to corruption, fraud and collusion in the private health sector, as well as updates from the heads of South Africa's top law enforcement agencies on their investigations into Covid-19 related corruption.

OPEN CONTRACTING FOR HEALTH (OC4H)

Corruption Watch comprised the South African arm of a five-country study and advocacy campaign promoting open contracting in public healthcare procurement, joining Kenya, Uganda, Zambia, and Nepal on the project.

Open contracting can be understood as activities relating to the publishing and use of open, accessible and timely information on government contracts to engage citizens and the private sector in identifying and fixing problems in supply chain processes.

The objective was to facilitate open contracting in the Department of Health's procurement processes as a way of boosting integrity, fairness and efficiency in public contracting, and ensuring better use of scarce public funds in health. Participating sectors included civil society, government, and business.

The project set about advocating for an open approach to procurement to strengthen transparency and access to information within the procurement space. It sought to accomplish this by building the capacity of health and procurement institutions to adhere to the Open Contracting Data Standards developed by the World Bank.

To kick off the project, in December 2018 the CW research team produced a scoping study on procurement corruption in the public healthcare system in South Africa, the report of which formed the basis of the two-year project.

Engagements with various civil society organisations revealed that efforts to monitor the implementation of tenders is undermined by the lack of access to information. Requests under PAIA are routinely met with the lawful ground of refusal that the information is commercially and legally sensitive. The team therefore undertook legal research to determine exactly which information has to be published, ways to access it, and what is actually considered to be legally and commercially sensitive.

The project also included data analysis involving technical mapping of South Africa's e-procurement portals with the purpose of determining what fields of information are currently being captured and the type of analysis they make possible. The legal and data analyses have been important advocacy tools in establishing which open contracting methods are most appropriate for South Africa.



HEALTH SECTOR PROCUREMENT PROCESSES INTERVENTIONS

PUSHING FOR CHANGE

The project provided for a range of interventions and activities to advocate for change in health sector procurement processes. These included:

- The development of a comprehensive activity plan in 2020/2021, together with Transparency International (TI), that took account of the legislative opportunities in South Africa and the uncertainties presented by Covid-19 and the lockdown.
- Ongoing engagement with the National Health Insurance (NHI) process and participation in joint strategy meetings, spearheaded by SECTION27, regarding advocacy around the NHI.
- Attendance at a TI-convened workshop in Kenya in February 2020 which focused on the implementation of open contracting in developing countries.
- Active involvement of CW and the OC4H project in Imali Yethu, a coalition of civil society organisations working with the National Treasury (NT) to make budget information more accessible, user-friendly and empowering through the Vulekamali data portal. Although the Vulekamali project has come to an end, Imali Yethu is engaging with NT on setting up a second phase of the project to ensure that the momentum is not lost.
- An opinion from Adv Johan De Waal of the Cape Bar on the Public Procurement Bill. This was commissioned by the project and informed part of CW's mid-year submission on the bill to Parliament in 2020. Corruption Watch and the Public Affairs Research Institute also sent an open letter to the president and the minister of finance, calling for them to exercise greater leadership in advancing the Procurement Bill process.
- The development of a note on emergency procurement, commissioned by the project from Professor Geo Quinot of the University of Stellenbosch, with a focus on procurement under the state of disaster.
- Training sessions hosted by the Open Contracting Partnership on behalf of the project for journalists and civil society in December 2020, focusing on identifying red flags for procurement fraud investigations.
- A joint *article* co-authored by CW and FTI Consulting, titled *South Africa's governance structures need an overhaul to address corruption challenge*. The piece discussed the need for a more transparent procurement system, and set out the benefits of open contracting.
- In partnership with Open Cities Lab, the release in March 2021 of two reports on health procurement data, the result of an extensive mapping task of all available information currently published on government procurement portals. The reports constitute important advocacy tools for CW, and include a policy brief, *The State of Transparency of Health Procurement Data in South Africa*, and a full field and indicator analysis in the *Health and Procurement Data: Full Analysis 2021 report.*
- Monitoring of vaccine procurement and roll-out. This took the form of an exchange of letters with NT who provided substantive answers to various, though not all, questions, and a referral to the National Department of Health, to whom additional correspondence was drafted in February 2021. This was unanswered.
- An academic paper commissioned by CW on the *question of vaccine procurement* and roll-out, that was published and formed the topic of a webinar on 3 March 2021 with contributions from leading South African procurement law experts.
- Participation in a GIZ-sponsored round table on issues of procurement reform to inform a new GIZ anti-corruption program dealing with transparency, integrity, and accountability. CW will serve as the lead civil society implementing partner in the three-year program in 2021/2022.

The OC4H project ran until March 2021.



WHERE WE ARE NOW

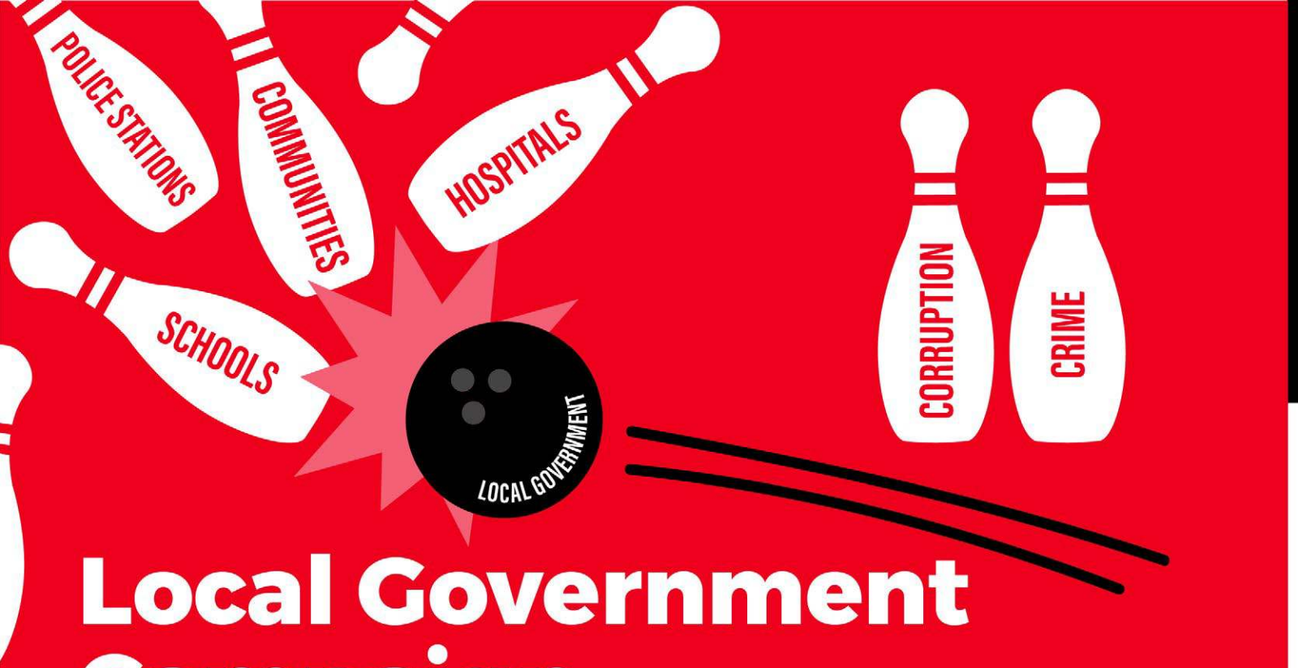
Corruption Watch continued its focus on corruption in the health sector in 2021 through targeted and focused interventions.

The organisation continues to be an active member of the HSACF, and during the year, six matters were put forward for attention from various law enforcement agencies. Following the tragic death of Gauteng health department whistle-blower Babita Deokaran, CW partnered with the HSACF and the Daily Maverick to launch a series of webinars on whistle-blowing. The first webinar took place on Sunday, 20 September 2021, featuring Professor Thuli Madonsela, Advocate Andy Mothibi and Willie Hofmeyr. It was broadcast live on SABC News, with over 500 attendees.

Through the OC4H project and the Procurement Watch project, the CW team has strengthened its work in monitoring procurement and engaging with procurement reform, which has been a major focus in 2021.

This engagement has wide interface with monitoring government's response to the Covid-19 pandemic, including letters to NT on how emergency procurement was taking place. These went unanswered during the course of the year.

CW has successfully developed a profile as a thought leader on issues relating to procurement fraud and corruption, in no small part due to the attention given to the issue through the focus on health and transparency.



Local Government Campaign

THE JOURNEY: WHERE IT STARTED

Local government is the sphere of government closest to the people, and under the Constitution, people have a right to live under local governments that work and deliver on their promises, providing basic services and promoting social and economic development in the areas for which they are responsible.

Corruption Watch (CW) has long been aware of the way in which corruption manifests in communities where people live and work. Of the 36 200+ whistle-blower reports received by CW to date, over 5 000 of them expose the scale of corruption in local government. Add to this the regular reports from the Auditor-General that highlight the pervasive levels of corruption within metropolitan, district and local municipalities across the country, and it is clear that this is a sector highly exposed to malfeasance and corrupt activities.

From 2017, CW embarked on a series of provincial roadshows with the aim of engaging remote communities on issues of corruption, and gaining insight into how their lives are impacted by the corrupt actions of those in charge of resources and development in their communities.

These face-to-face community interventions have become a critical element for CW in devising strategies, campaigns and solutions for holding the powerful accountable. They have exposed the dire conditions in which many people live in South Africa, and how their access to basic services, and in some instances dignity and human rights, has been compromised by the diversion of resources and abuses of power. In plain terms, the harsh effects of corruption experienced by communities are frequently owing to the mismanagement or theft of state funds earmarked for schools, hospitals, or police stations in municipalities. The team has seen this in mining communities across the country, where the mineral wealth of the land is literally taken from under their feet, as private and public sector officials make deals that exclude people from their mineral rights. It is evident at schools where children use pit toilets but have no running water or sanitation or even basic learning materials. It can be seen at hospitals where medical supplies are depleted or fail to arrive, unqualified staff are unable to provide health services, and life-saving machinery is nowhere in sight, not to mention PPE supplies failing to materialise during the global Covid-19 pandemic. It is glaringly obvious in communities marred by violence and substance abuse, where police collude with gangsters and criminals, at the expense of providing safety and protection to the public they are mandated to serve.

WHERE WE ARE NOW

Against this backdrop, there is no doubt that functional and well-run local municipalities have a key role to play in addressing systemic inequality in the country, and contributing towards the realisation of socio-economic rights for the people of South Africa.

In recognition of this fact, CW established a campaign in October that focused on corruption within local government. This was a targeted intervention in the run-up to the 2021 local government elections on 3 November, with the aim of providing knowledge of how local government functions, empowering citizens to understand their rights and responsibilities in electing suitable leaders, and encouraging active citizenship in holding local officials to account.

In 2021, corruption reports relating to local government made up 24% of the total number.

"What is evident in the majority of corruption cases relating to local governance is that South Africa, broadly, has a leadership crisis … Consequently, the hedges of the country's democracy are unprotected because politicians and administrators alike are serving personal, factional and private interests. Not even a global pandemic could make them pause and think about the people they promised to serve. During their frenzy, the hardships experienced by the elderly, unemployed youth, the impoverished men and women, were compounded due to a lack of basic service delivery." Melusi Ncala, CW researcher, author of *South Africa needs clean hands.*

ACTIVITIES / ENGAGEMENTS / WEBINARS

The campaign encompassed a range of activities designed to shed light on the importance of local government and the election of qualified individuals to positions of power within that sphere.

The activities were also intended to mobilise the public towards active citizenship in the selection of leaders representing them in their communities, and provide information and knowledge about systems, processes and candidates.

CW rolled out a programme of activities during the course of 2021 that included diverse methods of engaging and educating the public, as follows:

- **Report:** The release of a sectoral report on local government in August 2021, highlighting the municipal corruption that has been reported to CW for almost 10 years.
- **Webinars:**
  - Between June and August 2021, the team hosted two webinars unpacking corruption in local government, and another focusing on avenues for the public to hold local leaders accountable.
  - The team hosted a webinar on Active Citizenship and Accountability in local government on 13 August 2021. A total of 682 people registered for the event, with 148 live attendees, and 52 replays of the event. The link can be accessed here.
- **Community broadcast engagements:**
  - There were 12 engagements on community radio stations across Gauteng, Mpumalanga and the Eastern Cape during the first part of the year, comprised of hour-long interview slots and Q&A sessions with communities about corruption in local government.
  - A second round of community broadcast engagements took place in the Western Cape in November/December 2021, after the elections. The aim was to provide broad training to the public on corruption issues relating to policing, healthcare, local government and youth-related matters.
- **Public education materials:** Over the second part of the year, the team developed public education material for dissemination across municipalities and stakeholder and civil society networks, as a contribution to expanding the knowledge base of local government issues.
- **Representation at stakeholder events:**
  - Presentation to the City of Johannesburg's Group Fraud Investigative Services – 5 August;
  - Local Government Anti-Corruption Forum – 11 August;
  - Presentation to the Eastern Cape Provincial Cross-Sectoral Anti-Corruption Forum;
  - Presentation to the Ehlanzeni District Municipality – 3 September;
  - Presentation to the Nelson Mandela Bay Metropolitan Municipality – 14 September.
- **October programme of events:** Every Friday during October 2021, the team focused on the upcoming elections through the following activities:
  - Corruption Watch pocket guide to understanding local government (1 October);
  - Analysis of political party manifestos, with a specific focus on corruption issues (8 October 2021);
  - Webinar: Hot seat engagements with the ANC, DA and EFF, probing their efforts to root out corruption from municipalities (15 October 2021);
  - Podcast: Examining the state of local government (29 October).
- **Training sessions:** The stakeholder team also conducted four training sessions with municipal officials, on understanding corruption and whistle-blowing. In attendance were officials from NelsonMandela Bay Metro Municipality, Fezile Dabi District Municipality, Ehlanzeni Municipality, and Sarah Baartman Municipality.

The matter of corruption in municipalities will continue to be a focus area for the CW team in 2022 and beyond. The election of new leaders tasked with running municipalities and fixing the problems of the past, presents an opportunity for increased vigilance, ongoing monitoring and scrutiny to ensure that they fulfil their mandate and achieve what they promised. There can be no letting up until people are able to access their fundamental rights to basic services, protection under the law, and dignity and equality, as enshrined in the Constitution and the Bill of Rights.

Corruption in the mining sector

1. MINING ROYALTIES

THE JOURNEY: WHERE IT STARTED

We launched the mining royalties project in 2016, marking the first mining focused project for the organisation.

The project was developed from a whistle-blower report from community members in the Bakwena ba Mogopa traditional community in the North West, which unpacked the large-scale corruption between mining companies, local government and traditional leaders. The communities lost millions out of their tribal accounts.

We embarked on preliminary research and investigations and found that the Bakwena ba Mogopa story was the story of countless traditional communities housing mineral commodities on their land.

To understand the corruption vulnerabilities and ascertain the veracity of the maladministration, we engaged extensively with mine-affected communities in Limpopo, North West, Northern Cape, and Mpumalanga. Each engagement revealed a lack of transparency, accountability, and community participation in decision-making processes.

Our interventions therefore took a multi-stakeholder approach at both policy and investigative outputs. Our investigative focus was on the Bakwena ba Mogopa community and selected North West traditional communities. We engaged with North West public officials responsible for the administration of community funds and oversight on traditional governance processes, and elevated the engagements to oversight bodies of the North West Auditor-General. We also requested urgent intervention of the Standing Committee on Public Accounts on the findings of deviation of financial administration processes by certain public officials for private gain, to the detriment of those most affected by mining operations.

In 2018 we released the Mining Royalties research report which unpacked the seriousness of the investigative findings and government's lack of prioritisation of this key issue. The report laid bare realities of the whistle-blowers that came forward – they live in abject poverty with no knowledge of financial arrangements made in their name, and very little opportunities for economic mobility or benefiting from the wealth of the minerals beneath their land. At one of the community engagements in Pachsdraai, roughly 100km outside of Gaborone, Botswana, an older gentleman lamented that 'living in Bakwena is like standing in the middle of the river and dying of thirst.' This simile was echoed in the genuine testimonies of mine-affected communities across the country and illustrated the very clear misalignment of the policy and legislative framework aimed to advocate for the protection, development and sustainability of those communities.



We therefore made parliamentary submissions on the Mining Charter, Mineral and Petroleum Resources Development Act, and Traditional Khoi-San and Leadership Bill (TKLA, now Act), all highlighting key corruption vulnerabilities and illustrating the link between lack of community engagement and heightened corruption in traditional communities.

The report, policy submissions, and advocacy work in the space led to a fruitful working relationship with the mineral resources minister's special advisors tasked with tackling corruption within the department.

We hosted critical reflections sessions at the 2020 Alternative Mining Indaba. The 2018 session was a multi-stakeholder session with government, community and private sector representatives, all discussing the importance of community engagement and creating better processes to achieve meaningful engagement.

We formed partnerships with selected mining companies and encouraged a policy standardisation of information sharing with communities regarding the forms of benefits that accrue to them. We formed strategic partnerships with civil society organisations such as MACUA/WAMUA to continuously engage with issues on the ground, encourage corruption reporting, and intervene.

Our partnership with Richard Spoor attorneys has also allowed for strategic impact litigation interventions on key issues of mining communities' rights to consultation and engagements, and in 2021 we entered, as amicus curiae, the constitutional challenge of the TKLA to argue its corruption vulnerabilities (see litigation section).

WHERE WE ARE NOW

Throughout 2021 we focused on developing impactful campaigns and research that will create agency for mine-affected communities regarding the administration of their community royalties/funds, and will result in their economic mobility being espoused in the legislature.

We launched a media campaign focused on the Bapo ba Mogale community and the calls to release the report of the Mafereka commission of inquiry. This was a North West provincial government-mandated inquiry, out of which the succession of the Bapo ba Mogale traditional leader would be confirmed. This would allow for traditional governance processes and legitimacy of financial arrangements with mining companies regarding the community royalties.

Despite its completion in mid-2013, the Mafereka report has never been released to the public and the Bapo ba Mogale traditional community. This has severely impacted traditional governance processes, and the large-scale looting of community royalties, confirmed in findings, has continued unabated.

The media campaign included a petition for the release of the report which was signed by more than 500 South Africans, and a series of media publications focused on placing pressure on the North West premier to release the report. We shared with the public the lack of transparency in this space. We also placed a media billboard near the premier's office demanding the release of the Mafereka report. During the media campaign we engaged with the South African Human Rights Commission on possibilities to intervene as this is a joint priority area – these engagements are ongoing.

Phase 2 of the mining royalties report, released in August 2021, focused on providing rights-based public education material for communities, and providing insight to good practice for policy makers. The report was therefore in two parts – a policy analysis on the legislative framework that can aid or be enhanced to achieve transparency in flows of community benefits to enable financial mobility, and an extensive research report on avenues for communities to advance their rights to transparency in decision-making processes.

The reports were launched via webinar with Prof Sonwabile Mnwana from the University of Fort Hare and Erica Emdon from the Public Interest Practice, who unpacked the vulnerabilities for the attendees. The report launch recording is available on the Corruption Watch YouTube page.



2. ACCOUNTABLE MINING PROJECT

Corruption Watch (CW) has been a partner and implementing chapter of the Transparency International (TI) accountable mining programme since its inception in 2016. After nearly six years as part of a global project with more than 20 TI participating chapters in mineral-rich jurisdictions, CW has amassed a solid body of work in the mining space, on a national, regional and international level.

The Accountable Mining Programme has both a research and an advocacy component. The research took place in 2016 and 2017 with a focus on assessing the corruption vulnerabilities in mineral approval processes in the country. This was done through the development and implementation of the Mining Awards Risk Assessment Tool (MACRA) which determines the nature and source of corruption risks in mining licensing across the globe.

MACRA identified 14 vulnerabilities in the South African application processes of the awarding of mineral rights, permits and contracts – from lack of adequate consultation with key stakeholders, to lack of skills and knowledge within the Department of Mineral Resources and Energy. CW had a rich database of corruption report from communities illustrating the impact of irregular awarding of mineral rights, and MACRA enabled us to map these findings to root causes and develop interventions.

In 2017 we released the Mining for Sustainable Development research report which unpacked our research findings and methodology to communities, government representatives, and the private sector. We also spotlighted the impact of irregularities in mineral rights, as a member of a traditional North West community revealed the environmental damage caused by mining operations to her village and the frustration of having no company or individual to hold accountable for the lack of legislative compliance. This led to the deterioration of traditional governance processes and social relations within the community beyond just the operations. This whistle-blower account provided a tangible description of the violations that can take place if corruption thrives in the first stage of the value chain, and how our collective efforts must seek to strengthen policy and practice before the ground is even broken.

We focused on three thematic areas from the research which we believed would have the desired long-term impact – strengthening community engagement policy, improving business integrity of operating mines and explorers, and encouraging best practice of beneficial ownership transparency to enable government to know who they are granting mineral rights to.

In each case we have managed to place the body of work with critical governance actors and establish strategic partnerships to enable longevity of the programme.

Important private sector partnerships include those with the Extractive Industries Transparency Initiative (EITI), the World Economic Forum's Mines and Metals Group, Open Ownership, and the Partnering Against Corruption Initiative. We pooled our individual resources to convene industry players, catalyse dialogue, and generate new knowledge and insights, with the overall goal of having private sector actors adopt and implement bold business integrity and anti-corruption controls, procedures and practices during mining sector permitting. These engagements led to engagements with Rio Tinto, Anglo American Platinum, Anglo Gold Ashanti, Impala Platinum, Glencore Rhovhan and the minerals council in sessions at the Mining Indaba, series of meetings and implementation of the Business Integrity Tool.

Government partners include the Department of Public Service and Administration (DPSA), the Financial Intelligence Centre (FIC), the Department of Trade and Industry (DTI) on beneficial ownership transparency more broadly, and the Department of Mineral Resources and Energy on the specific practices and regulations required to ensure due diligence for mineral applicants.

The working relationships with civil society organisations such as MACUA/WAMUA, and Alliance for Rural Democracy, each of which has a strong footprint in mine-affected communities, have led to joint campaigns and community engagements. We held a series of sessions at the Alternative Mining Indaba with each organisation represented, with great success.

Community engagement is a significant pillar of this project and we have used media through well-placed opinion pieces both nationally and with our Transparency International partners in various jurisdictions to advocate for transparent processes for meaningful engagement with mine-affected communities. We have also drawn on insights from the partnerships and the series of community engagements to make a parliamentary submission on the Minerals Petroleum and Resources Development Regulations and the Draft Upstream Petroleum Resources Bill, emphasising the importance of meaningful engagement. Both submissions resulted in invitations to the DMRE for consultative workshops and official presentations of our policy recommendations

WHERE WE ARE NOW

Covid-19 in 2021 required us to be innovative in terms of sustaining our presence in mine-affected communities and reflecting accurate lived experiences of communities in policy and advocacy initiatives.
We used technology to create electronic surveys focused on ascertaining the extent of engagement communities have with government and mining companies during mineral approvals, operations and mine closures – depending on the business unit in the community. Ordinarily this would be conducted during community engagements – but to gather the data as accurately as possible we engaged with Survey Monkey and Vodacom to disseminate the surveys to target communities in North West, Limpopo, Northern Cape, Free State, KwaZulu-Natal and Mpumalanga. With Vodacom we deployed a reverse-billed USSD link for community participation in the surveys with easy access to any mobile device, and at no charge.
We launched the USSD link in December 2021 and will keep it active well into 2022, with the added advantage of expansive reach of Vodacom to beyond our target communities.

Parallel to the deployment of the UDDS link, we profiled, in various opinion pieces and Transparency International Australia publications, the corruption risks associated with lack of community engagement.
Our focus was on best practice for public participation in mineral approvals.

On the business integrity body of work, during 2021 we continued to participate in multilateral engagements with key private sector stakeholders, and operating companies in South Africa regarding implementation of the business integrity tool for junior companies.
We attended the online Junior Indaba to establish the relationships into 2022, and the side sessions at the online Mining Indaba. The profile of our work in this space has opened up possibilities for expansion into different aspects of the mineral value chain, and there is keen interest from actors in the hydrocarbons sector to look into enhancing contract transparency and due diligence practices.

The beneficial ownership transparency thematic area has largely been upscaled to broader financial transparency through the Ford Foundation-funded beneficial ownership project. The current focus for the accountable mining programme is for EITI standardisation in South Africa. During 2021 CW maintained a successful partnership with EITI, as the leading global standard setting body in oil, gas and minerals transparency, and worked closely with the EITI Secretariat on their outreach activities in South Africa. CW held an online civil society-scoping meeting with key SA-based CSO's focused on revenue transparency, and good governance in extractives sector. The outcomes of this meeting was a deep dive into civil society's role into the EITI beneficial ownership transparency model and what are the minimum standards to be applied for the framework to be effective within a South African context. This meeting included our expert resource reference partners from Afrosai-e (African Organisation of English-speaking Supreme Audit Institutions) and EITI officials – this allowed for technical assistance and ensure feasibility of our transparency objectives.
This body of work is an important aspect and provided great references for our parliamentary submissions to the Companies Amendment Act focused on beneficial ownership transparency.

3. BENEFICIAL OWNERSHIP TRANSPARENCY PROJECT

This project is a scaled-up version of the beneficial ownership thematic area under the accountable mining programme, now focusing on research into and advocacy around broader financial transparency.

This project was launched in 2021 and has two main objectives:

- to demystify financial and beneficial ownership concepts/data in order for policy reform and enable
- communities use of financial data for the advancement of rights; to create sustained advocacy of policy reform and EITI implementation.

In light of this CW made submissions on the Companies Act which focused on bold reforms to enable access and scrutiny of beneficial ownership data, and followed this up with opinion pieces and profiling of our financial transparency work. We also work closely with the TI Secretariat (TI-S) on the FATF Recommendation 24 amendments on global beneficial ownership transparency standards.

CW has presented this exciting body of work on various panels during 2021, including an Extractive Industries Virtual Workshop with AFRO-SAI, UNODC Financial Crimes Workshop, and Africa Oil Week engagements with hydrocarbon actors. This work will continue into 2022 with the aim of providing innovative and creative means of communicating transparency reform in this space.



CW launched the project in October 2021 with our implementing partners Alliance for Rural Democracy (ARD) under the name Project Lefatshe la rona – Setswana phrase meaning "Our Land" (Project Larona).

ARD hosted a series of community engagements in various mine-affected communities in the Bapo ba Mogale traditional community, which were focused on creating dialogue on issues at the intersection of land and mining, and avenues for financial mobility for land right holders. These engagements will carry over into 2022.

CW has further conducted various strategic policy interventions for the advancement of land rights of vulnerable groups and specifically rural women.
CW made parliamentary submissions on the Land Court Bill and the Upgrading of Land Tenure Rights Act.

In both submissions we highlight the corruption vulnerabilities resulting from the lack of decision-making platforms for women in traditional communities, as well as the lack of opportunities for traditional communities to benefit from development on their land or achieve financial mobility though access and use of natural resources.

These submissions were well received by the portfolio committee and are currently under deliberation.

CW will make oral presentations in this regard in 2022.

4. THE EUROPEAN UNION RALLYING EFFORTS TO ACCELERATE PROGRESS PROJECT (EU REAP PROJECT) CW'S PROJECT LARONA

This multi-jurisdictional project commenced in July 2021 and is led by TI-S and funded by the European Commission (EuropeAid). Its focus is to directly support groups at the intersection of income, wealth and social inequalities, who have been among those most left behind in Kenya and South Africa, and more broadly in Africa.
As the co-applicant of the grant, CW will take the lead on interventions in South Africa – these will focus on the creation of platforms for land right holders in mine-affected areas, so they may actively participate in decision-making processes that affect their land, property, environment and livelihoods. This includes research, advocacy and public outreach initiatives throughout the project's life.

Procurement Watch

THE JOURNEY: WHERE IT STARTED

In 2020, the Corruption Watch (CW) team conceptualised the development of an innovative procurement tool with the aim of strengthening the monitoring of public procurement, which the OECD maintains is the single largest corruption risk, particularly in developing countries. It is hoped that more proactive monitoring of procurement will help to improve the way in which the public's finances are spent.

A further reason for undertaking the project was to develop a tool focusing on deviations, expansions, and debarment, for CW's investigative team to use for procurement monitoring.

We launched the Procurement Watch project in the final quarter of 2020, in response to the widespread abuse of procurement practices, as evidenced at the state capture commission, and the loss of billions of rands of taxpayers' money through deviations from accepted supply chain management rules and contract expansions.

The initial stage of the project included an assessment of all of National Treasury's instruction notes for emergency procurement relating to Covid-19, and a letter to Treasury outlining concerns about the lack of legal certainty and transparency regarding emergency procurement regulations and notices.

The outline of the Procurement Watch website requirements, development of the website roadmap, scraping of data, and development of an information repository for the website to draw on commenced at the end of 2020, along with briefs for the design component, to be implemented in 2021.

WHERE WE ARE NOW

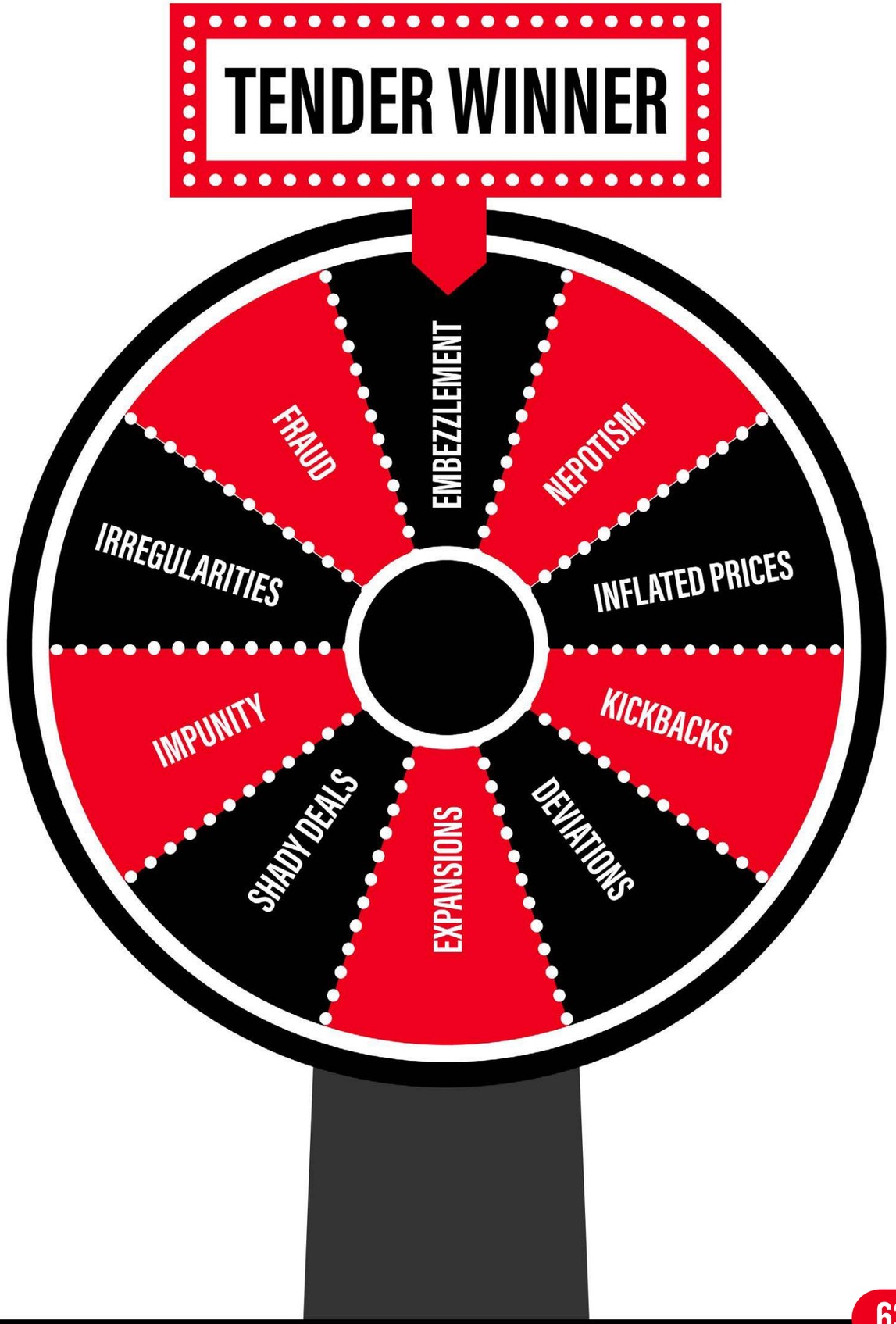
The development of the Procurement Watch tool continued during 2021, with the following tasks:

- Developing a website with sections for tools, analysis and resources;
- Creating a searchable restricted suppliers list to help determine if blacklisted directors and suppliers are doing business with the state;
- Making searchable reports on deviations from accepted supply chain management rules;
- Making searchable reports on expansions of contracts;
- Providing digitised analysis of deviations, expansions and restricted suppliers; and
- Scoping out the next phase of website development based on available procurement information.

Other development steps have involved the design of a logo and icons, aligned with the CW brand, for the site, the drafting of a legal disclaimer for users of the tool, and the development of content for users on procurement data, legal framework and regulations. This latter work required the input of a procurement law expert.

The first phase of the Procurement Watch project concluded with a soft launch of the tool in October 2021, the release of a procurement trends report and a two-part public-facing webinar on the report and the tool. Moving forward, the team will monitor the extent to which this information is made available by Treasury on a quarterly basis, along with the ability to feed information into the tool that will enable tracking red flags in procurement spending.

Currently work is being done to develop the tool to full levels of functionality, through engagement with civil society partners in the digit-tech-for-justice space. This is to ensure the long-term sustainability of the site, and the value that it represents for advancing transparency in procurement.



THE ZONDO COMMISSION PROJECT



By the time you read this, the state capture commission will have submitted to President Ramaphosa three out of four of its planned reports, all of which were released publicly. Political and news analyses will have been published and broadcast publicly from many quarters and quite possibly, review processes challenging the findings by commission chairperson Acting Chief Justice Raymond Zondo will be in place.

The commission was established in January 2018, with public hearings commencing in August that year. By the time that phase of its work was completed, some 400 days of hearings had been completed, over 300 witnesses had testified, and over 1 400 people and entities had been implicated.

At the event marking the handover in January, Ramaphosa undertook to have an action plan ready to present to the National Assembly by mid-year. What this will entail will only be known after it is debated and adopted, of course, so it will be a while before the country sees action in response to Zondo's recommendations. We anticipate that by the time we report on our work in next year's annual report, there will much to record on that.

OUR PROJECT

In past editions of this report where we have accounted on our Zondo commission project, we have highlighted the journey of the commission and our part in it. My coverage of its public hearings has been geared towards providing regular content to smaller media practitioners who would otherwise not have been able to run their own coverage owing to limited resources, as well as other organisations in our civil society networks. The latter have benefited from Corruption Watch's project in gaining insight into how to frame their own messaging or even academic research into the commission and the information that it has been revealing since 2018.

Some of the feedback we have received from both quarters:

"I always felt that I could rely on the CW updates to provide me with a balanced and succinct update on the latest developments at the Zondo Commission. Considering how important the Zondo Commission process was, and the amount of information we have to negotiate in our interactions with news media, I have always very much appreciated having access to this information source."

- David Bruce, independent researcher specialising in policing and public security

"Well done to all those who helped record a vital part of South Africa's history."

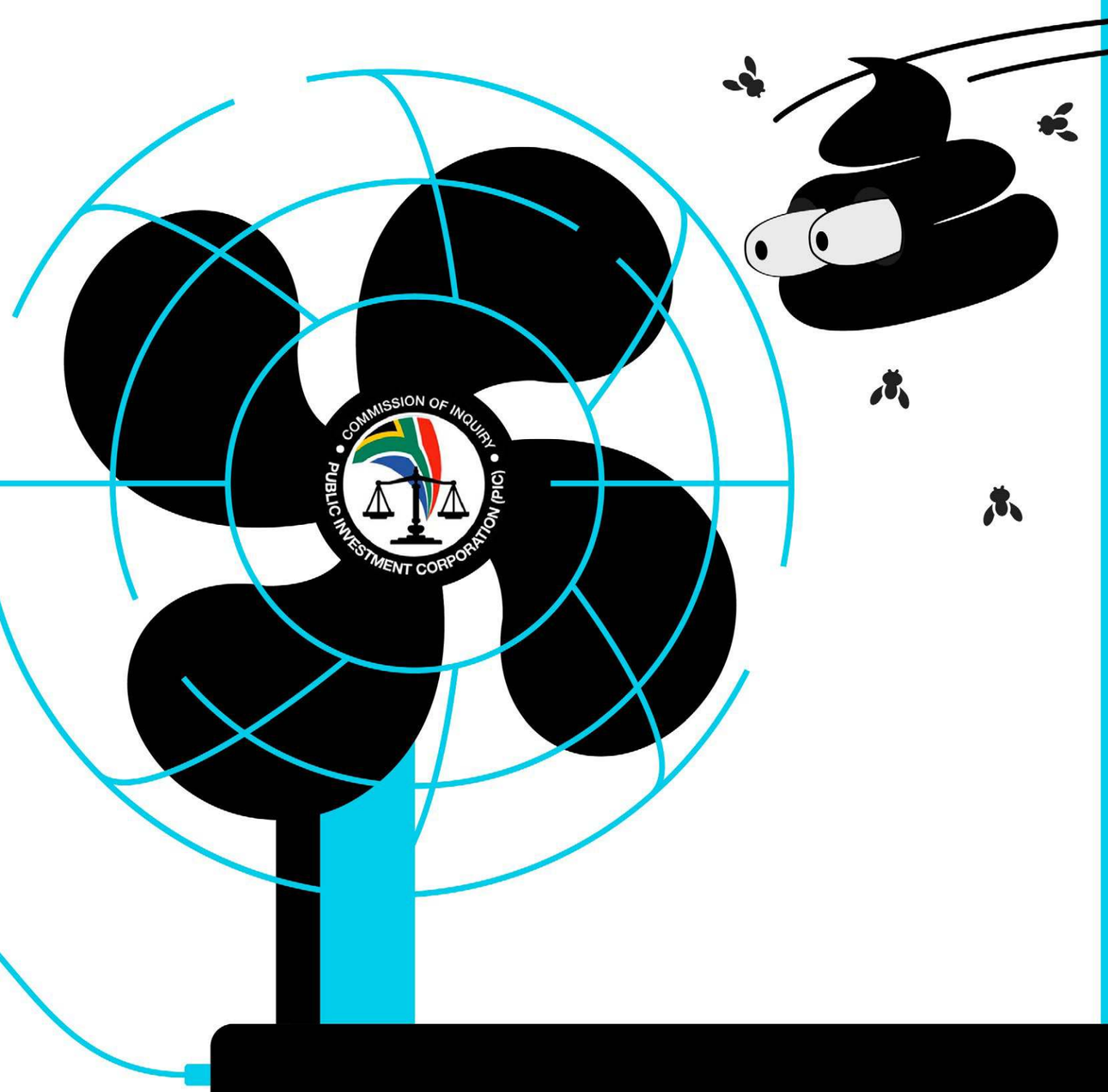
- Aakash Bramdeo, Editor: POST

For us, the main lesson has been the impact of such a project on the daily lives of South Africans who were able to tune into local radio stations and read from local and regional newspapers about our insights on the topic of the commission.

During the public hearings, we engaged with local and mass media outlets alike, and represented Corruption Watch's position on the importance and impact of the commission in the body politic of the country; its relevance in the fight against corruption; and the integrity and credibility of its chairperson.

Some of the other topics that have – quite importantly – come into prominence during the course of our public engagements on the state capture commission include:

- South Africa's public procurement system and its challenges and weaknesses;
- The plight of whistle-blowers;



Much of the evidence heard before the commission points to a blatant disregard of procurement policies and their enforcers, or the innocent but nevertheless detrimental misinterpretation of legislation and national treasury regulations by overwhelmed practitioners.

- The complexity of the anti-corruption legislative framework;
- The strength of our law enforcement agencies in dealing with corruption;
- The interruption by politicians of judicial processes and their mandates.

Openly discussing these and other very important topics can only bring South Africa closer to the resolutions meant to address the shortcomings of our many, complex systems.

Back to the report. As expected, there have been mixed reactions to the contents of the report, from criticism of Zondo's approach to how culpable players in state capture should be dealt with, to his selective method in arriving at findings against alleged perpetrators. As has been the case since the establishment of the commission four years ago, much of the criticism has been more about the man than the process, with many in political circles questioning his motive, more notably after the position of chief justice became vacant upon the departure of Mogoeng in October.

Developments in the commission led to some quite dramatic turns during 2021 – most notably the incarceration of former president Jacob Zuma after he was found in contempt of court, having defied a Constitutional Court order for him to appear before the commission. Following this, violent protests erupted in KwaZulu-Natal and Johannesburg that left many businesses looted and devastated, and over 300 people dead.

THE WAY FORWARD

Some of the recommendations from the commission's report are a welcome step in addressing systemic inadequacies and eliminating the political interference that has plagued public institutions, as the commission has found. Corruption Watch has welcomed the following, among others:

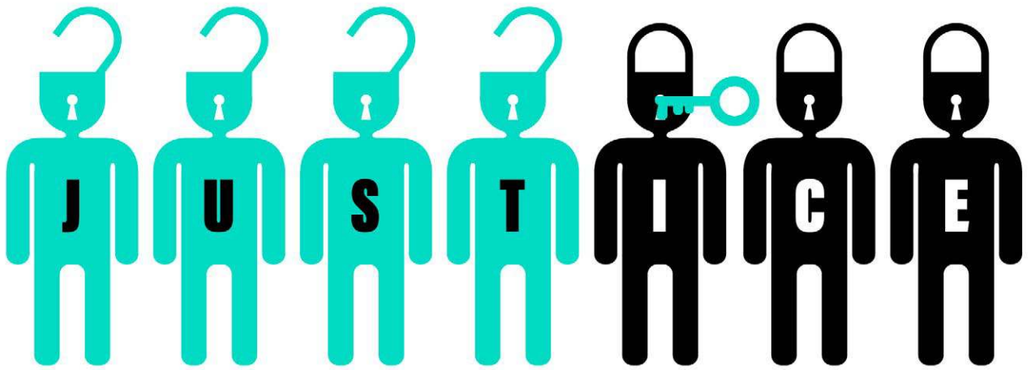
- The establishment of an independent anti-corruption agency, because its mandate would be determined outside of executive powers, ensuring its complete independence from political interference. Of particular importance is the envisaged role of the agency in the support and protection of whistle-blowers, without whom corruption would go uncovered. The establishment of a specialised court under this agency would also mean that more focused investigations and prosecutions of those accused of corruption would be expedited for swifter justice.
- An overhaul of the public procurement system and its accountability processes, particularly when it comes to the thorough training and empowerment of officials working in the area of public procurement. Much of the evidence heard before the commission points to a blatant disregard of procurement policies and their enforcers, or the innocent but nevertheless detrimental misinterpretation of legislation and national treasury regulations by overwhelmed practitioners. Another important recommendation is a professionalised structure for said officials that will ensure an accountability loop that is central and protected from abuse.
- Alternatives to traditional processes of prosecution, such as deferred prosecution agreements (DPAs), also serve to address the challenges that National Prosecuting Authority faces in the pursuit of its state capture obligations. On DPAs, Zondo says: "The aim of a DPA is to incentivise self-reporting by, and secure future compliance from, the misbehaving corporation and to detect and punish serious crimes committed by the natural persons – employees, directors and officers - through which the corporation acted. As such, DPAs may provide a useful alternative to prosecution."

The fact that our national discourse on corruption is not divorced from the commission and the work it has done, means that it has had an impact on many South Africans' views of our government. For Corruption Watch and many other organisations that form part of the Civil Society Working Group on State Capture, we continue to have our work cut out for us in making sure that those entrusted with seeking justice and recouping resources stolen from our public purse through state capture, do so in a transparent, accountable manner.

Beyond the life of the Zondo commission, these are the principles of good governance that we cannot stray from as a nation.

LEGAL AND INVESTIGATIONS

A REFLECTION ON 10 YEARS



Public Interest Litigation

Only a handful of civil society organisations have the skills and capacity to litigate in the public interest. For 10 years, Corruption Watch (CW) has made a commitment to operating a fully functioning and capable legal and investigations team.

While it is a powerful weapon in CW's cache, public interest litigation is generally a means of last resort. Litigation can be an unpredictable and protracted affair; it requires considerable resources from the litigant, and unique legal skills. We elect to litigate when all other means of eliciting transparency, accountability and justice have failed or when it becomes clear that there is no other workable solution available which will result in the social and political change we seek.

Before launching a court case, each matter is fastidiously considered – we ask ourselves if we have sufficient resources to take the matter to the finish line; whether the matter has sufficient merit to withstand a rigorous litigation process; whether we have the appropriate standing; whether the case falls within CW's long-term anti-corruption strategy; and whether the matter will ultimately benefit our society and democracy.

The last decade has seen CW litigate on some of the most impactful, significant, and high-profile matters across South Africa's justice system. It is these cases that have catalysed changes on the social and political landscape, which have contributed to the testing and development of the country's anti-corruption laws, and which have contributed to the building of public interest, human rights and constitutional jurisprudence.

HOW WE GOT HERE

Corruption Watch's litigation journey has been significant. These are some of the impactful matters from the last 10 years:

2013: CW intervened as amicus curiae in *Allpay Consolidated Investment Holdings (Allpay) and Others v The South African Social Security Agency (Sassa) and others.* Allpay, a losing bidder on a R10-billion Sassa tender for the distribution of social grants, sought to review and set aside the tender in the lower courts, but was unsuccessful and turned to the Constitutional Court.

2014: CW intervened as amicus curiae in a matter between the DA and the board of the SABC regarding the binding nature of recommendations made by the public protector. CW made submissions on the importance of the Office of the Public Protector in fighting corruption, and the importance of its recommendations having binding powers.

2015: CW co-joined as amicus curiae in the Supreme Court of Appeal (SCA) appeal of *City Of Cape Town Vs South African National Roads Agency (Sanral) & Others*, against a High Court judgment prohibiting publication of information regarding a Sanral tender for new toll roads in the Western Cape. The SCA set aside the High Court order.

2015: CW intervened as amicus curiae at the SCA in *Hlaudi Motsoeneng vs DA & Others*, a case that involved a determination of the nature and status of the public protector's remedial directions and powers, among other issues. In its judgment, the SCA agreed with the public protector and CW. Also see 2014.

2015: CW launched an application in the High Court against the CEO of Sassa, which was to pay an amount of R317-million to Cash Paymaster Services without following supply chain management procedures. CW claimed that this was irrational and illegal, and was successful, as the agreement between Sassa and CPS was set aside. Also see 2013.

2015: Corruption Watch and Freedom Under Law joined forces in the matter of *Corruption Watch & Others Vs President Of RSA & Others*, seeking a High Court review and setting aside of the National Prosecuting Authority's settlement agreement with the former national director of public prosecutions, Mxolisi Nxasana. The matter was escalated to the Constitutional Court, which handed down judgment in 2018 confirming the High Court's two declarations of constitutional invalidity.

2015: CW intervened as amicus curiae in *EFF Vs Speaker of the House; DA Vs Speaker of the House*, in which the applicants sought the implementation of the public protector's report on then president Jacob Zuma's private residence in Nkandla. CW's submission focused on compliance by state officials and the president with regards to the public protector's remedial actions. In a unanimous judgment in 2016, the court confirmed that the public protector's recommendations are binding.

2016: In August, CW intervened as amicus curiae in the Constitutional Court in *National Society for the Prevention of Cruelty to Animals / Minister of Justice and Constitutional Development and Another*. CW argued that the Criminal Procedures Act can be interpreted to allow juristic persons to privately prosecute, and the court agreed.

2016: CW and the Right2Know Campaign (R2K) launched a High Court challenge to the findings of the Arms Procurement Commission (Seriti commission). The matter aimed to review on procedural grounds the Seriti commission's report, which found no irregularities in the procurement of arms during the arms deal. In August 2019, the North Gauteng High Court handed down judgment setting aside the report.

2017: CW intervened as amicus curiae in *Black Sash Trust v Minister of Social Development and Others*. Its submissions focused on the agreement between Sassa and CPS, as well as the red flags that indicated the presence of corruption in the contract and grant-making process. A unanimous judgment ordered that the court will take over the supervision of the implementation of the current and future grants process.

2018: Corruption Watch (RF) NPC v Eskom Holdings SOC Limited and 6 others - in November 2018, CW lodged this delinquency application against five former Eskom board members implicated in the state capture report, as well as the public enterprises minister, in terms of the Companies Act and the Public Finance Management Act. The matter is ongoing but due to be heard in 2022.

2019: CW intervened as amicus curiae in the matter of Robert McBride and Ipid v Minister of Police and the Portfolio Committee on Police to compel the parliamentary committee to decide on the renewal of McBride's contract for a further five years, prior to the end of his term on 28 February 2019. The matter was settled by agreement by the parties and the committee decided not to renew McBride's contract.

2020: CW was approached to consider being the applicant in an application to compel President Cyril Ramaphosa to sign off on the Political Party Funding Act. The process would start with a letter of demand and proceed with an application to court, if necessary. The president responded to CW that the Act would commence on 1 April 2021.

2021: CW and the Centre for the Advancement of the South African Constitution gave oral submissions at the Constitutional Court hearing of *Speaker of the National Assembly v Public Protector*. The amici submitted that Parliament's rules for removing the office bearer of a Chapter 9 institution are in line with international jurisprudence. In February 2022 the Constitutional Court found in favour of the applicants.



Investigations

"The world will not be destroyed by those who do evil, but by those who watch them without doing anything" – a quote attributable to the late Albert Einstein, renowned all over the world for his wisdom and fortitude.

It also speaks to a principle that many in our society subscribe to, that in order for broken systems and malfunctioning governments to be fixed, it is up to the citizenry to take up that task, every day. If we all choose to do nothing and accept that South Africa's corruption problem is someone else's to fix, we lose the opportunity afforded us by that most symbolic act of a democratic structure – our vote – to force change for the better. Our collective responsibility does not end at putting an "X" next to our favoured political party or representative, but we are also encouraged, even mandated by our laws to hold recipients of our votes accountable.

WHISTLE-BLOWERS ARE OUR CURRENCY

For those who go further than most to expose the wrongs in our governing systems, there are very few rewards. But Corruption Watch (CW) has valued them since its doors first opened in 2012, because without their brave act of reporting corruption, the organisation would not be in the positon that it is in today. We are 10 years strong this year because of more than 36 200 brave men and women who have brought their complaints to us.

They are called whistle-blowers, because they raise the alarm on wrongdoing and enable us as a country to stop, reflect, and correct what has gone wrong in our society. To CW, they are the currency that keeps the organisation in the know about corruption and fraud, both in the public and private sectors, and enables us to investigate and expose it.

Our investigations work goes back to the beginning, and has presented both triumphs and challenges alike. What drives us most is the passion with which whistle-blowers who come to us wanting to fight corruption, but understanding that their one complaint is one of many that we get. Our reciprocal passion lies in both the need for justice for those who seek our assistance, as well as the quest for accountability on the part of our government leaders.

Whistle-blowers are like you and me, and want the same things as you and me: a country that stands and thrives on the values of its people and cherishes the calling of public service. The investigations we have carried out over the years have inspired us as an organisation to do more because our whistle-blowers see the value of our fight against corruption.

We have made it our mission to bring corruption reports to the attention of affected government institutions with the expectation that measures will be taken to rectify the wrongs and hold the necessary culprits accountable. The responses over the years have been a mixed bag of positive feedback with an appetite to work with us, acts of defensiveness on the part of institutions in which we expose corruption, and even indifference to our efforts. For those within Corruption Watch who work on the demanding tasks of investigating corruption reports received, it's the quality of the results more than the quantity that gives assurance that we are winning against the scourge, one case at a time.

CORRUPTION TRENDS

Often we notice trends of corruption in certain sectors of our government system, and using a collection of reports relating to a particular theme, we take the approach of engaging and partnering with government departments or institutions regulating that sector for a broader response to the problem.

As mentioned above, we are not always a well-received interruption, but where we do forge good relationships we endeavour to address all aspects of whistle-blower accounts that we can, in order to find justice.



Once such relationships are established and cemented on the basis of a common commitment to fix what is wrong, we develop a referral process that ensures that the institution carries forward the complaint, while also monitoring its progress. The reasons for this approach range from us having limited resources that make it a challenge to investigate each and every report, to holding the relevant institution accountable for the responsibility of probing wrongdoing and achieving an outcome.

Some of the investigations we've conducted ourselves from start to end have resulted in definitive action taken against perpetrators, while some remain unresolved. For our small team of investigators, the rewards are in the little steps taken in the pursuit of accountability, even though justice is not guaranteed.

Below are some of the broad themes under which our investigations work has focused over the past decade:

1. COMMUNITY PROJECTS UNDER THE SPOTLIGHT

One of our first and biggest investigations was exposed around our first anniversary, in January 2013, and involved a case of fronting in a R30-million community project managed by rural NGO Mvula Trust. Mvula had bid in a project that was part of the Department of Cooperative Governance and Traditional Affairs' (Cogta) community works programme (CWP), and was later contracted as a lead agent.

Under Mvula, hundreds of unemployed people in different parts of the country would find employment in small projects relating to construction, maintenance of the built environment and other areas.

But our investigation found that Mvula sub-contracted a significant part of the awarded contract to a third party, in an arrangement where neither Mvula nor the third party, Ubuntu Sima, disclosed the latter's involvement in the initial bidding documents as required. Interestingly, the Mvula board was also chaired by a sitting deputy minister at the time, Rejoice Mabhudafasi.

The revelations followed a four-month investigation that revealed a number of questionable links relating to conflicts of interest between Mvula and Ubuntu Sima. CW submitted its findings to Cogta in May 2013 as part of an internal enquiry that the department was to conduct into the CWP.

Still on the community work theme but on a smaller scale, the Johannesburg Child Welfare also came on to our radar when an employee alleged abuse of power by its director Lyn Perry in 2014. The whistle-blower approached CW after submitting a dossier to the Gauteng department of social development back in 2013 which they claimed was aimed at correcting Perry's conduct. The broad allegations against Perry included the mismanagement of the NGO's funds; the flouting of supply chain procedures; and the abuse of its resources for her own personal gain.

Perry's lawyers wrote to CW demanding that an article published on the matter be removed from our website. In the correspondence, there is a categorical denial of the allegations in the department's report and questions are raised about the purpose of the investigation. Their claim was that the investigation by the department had not followed proper processes. The article remains on our site.

2. THE PROBLEM WITH SCHOOLS

The quality of the schools in our communities helps define the quality of those communities, and when good values are not only taught but also practised at school, it is the community that benefits, knowing that their children's education and personal development are in safe hands.

Corruption happening in public schools became one of our focus areas after CW noticed towards the end of its first year that a significant number of the reports we were getting involved these educational institutions. In January 2013 we launched our schools campaign, which grew to become one of our most successful (read about it in more detail in our campaigns section). The report numbers grew even more once the public profile of the campaign widened, and they informed a major part of our investigations work.

From teachers to school governing body members and ordinary parents, the reports carried a common theme: the mismanagement of school resources by those in positions of leadership. There was the collusion between principals and SGB chairpersons in the abuse of school funds; school administrators helping themselves to funds and learning materials and other resources; principals and other education officials creating "ghost teachers" in order to benefit from the salaries drawn; and even the coercion of learners into sex-for-marks schemes. Quite alarming were the allegations around teacher unions' involvement in jobs-for-pals schemes. All these areas were investigated, but for some there were no conclusive outcomes due to lack of access to witnesses or information.

Our *Loss of Principle* report published in October 2015 highlighted the complicity of principals in 10 investigations that we drew from the ever-growing pool. Our probe into each of them revealed sinister motives of principals siphoning funds and resources in various ways, faking higher learner marks, and even intimidating school governing body members.

Responding to an increasing number of complaints alleging gross financial mismanagement of various kinds, we discerned a need to develop a pilot project specifically for schools complaints, for the purpose of addressing and finding concrete solutions on the various allegations brought to our attention. The legal and investigation team launched the pilot project in 2021, conducting preliminary investigations and more research into the allegations of corrupt activities happening in various schools. Following our investigations, we took steps to address the situation, including engagements with the Department of Education's senior officials, and sending complaints and enquiries to the department. We decided to deal with each matter case by case and have identified the department's district offices with which we can work to combat and address the raised concerns.

WHERE WE ARE NOW

We are finalising a report which covers all of the activities that happened in 2021 as well the correspondence received from co-operating education department district offices. We are hoping to publish the completed report not only internally or to relevant key stakeholders only but also to the general public to give them a platform for their opinions and suggestions that might assist in the next strategy in dealing with schools complaints. CW continues to receive an alarming number of school-related complaints and it is our intention to continue with our intervention to combat these acts of corruption.

3. CORRUPTION AFFECTING REFUGEES AND ASYLUM SEEKERS

Over the years CW has gained insight into worrying corruption trends in the immigration sector. In 2016, CW and 11 organisations came together to form the People's Coalition against Xenophobia, to ensure a safer environment where refugees and migrants could report corruption to our partners. That task yielded results, as we did institute a better system for securing more detailed reports that are actionable. The coalition later published a report titled *Costly protection: corruption in South Africa's asylum system*.

We received 314 complaints alleging corruption in the form of extortion and threats by government officials to foreign nationals. Irregular activities happened every day, involving home affairs officials and translators, security guards, metro police, and the South African Police Service. Those complaints became our 2016 report titled *Project Lokisa: The Price of Asylum*, which records a number of our investigations carried out with the assistance of several NGOs working in the sector.

The revelations therein show the utmost disregard for processes by home affairs officials who prey on vulnerable asylum seekers and refugees.

The Project Lokisa launch was met with some backlash by the Department of Home Affairs (DHA), and characterised as an ambush, despite the existence of numerous pieces of correspondence between ourselves and the department on our clear plans. The DHA denied corruption in their offices and refused to act against the corrupt officials named in the investigative report.

This did not affect our endeavours, however, and our investigations continued. We uncovered the presence of a network of syndicates working both within and outside refugee centres – most impactful at the Marabastad centre in Tshwane – who fleece desperate asylum seekers and refugees for services that should be rendered for free.

Each of the different phases of the application process for these individuals presents a new opportunity for an official to demand a bribe in order to process it, we were told. All submissions made to the DHA resulted in little or no action to remedy the situation. Corruption Watch later made a submission in contribution to a DHA white paper aimed at modernising its systems for better processing. The paper sets out, for the first time, the DHA's exclusive mandate and its central role in the state and society.

That mandate is three-fold:

- Manage the official identity and status of persons,
- Manage international migration,
- Manage asylum seekers and refugees.

WHERE WE ARE NOW

The home affairs minister appointed a ministerial committee to review the issues of permits (permanent resident permits, professional skills permits, visas and so forth), under three areas:

- Look into regulatory and legislative framework on immigration act;
- Analyse how other countries in Africa and abroad deal with foreign nationals and documentation;
- Investigate and analyse the assessment work group looking at different types of permits.

CW met with two committee members to discuss a working relationship. It was agreed that we will provide the committee with information so it can apply data analytics techniques and analyse the data. We are currently compiling the data from whistle-blowers to send to the committee.

4. THE BIG RDP HOUSING SCAM

Just as with the schools campaign, CW's housing campaign was launched in 2012 after we received a significant number of reports highlighting corruption in the low cost housing sector.

Like many other services provided by government, the national low-cost housing programme under the Department of Human Settlements has long been plagued by incidents of corruption and poor management.

In 2013 CW handed over an investigation to the Gauteng human settlements department to form part of its wide-ranging review of how houses are allocated across the province. The cases that CW itself had probed highlighted gaps in the allocation process that saw many would-be beneficiaries – some of whom had been on waiting lists for years – deceived by officials. The manipulation of these lists, allegations of kickback schemes for pliable officials willing to sell houses or move certain beneficiaries up the lists, ward councillors getting involved in the allocation process ahead of elections – these are some of the common issues raised in reports sent to CW.

5. COVID-19 RELATED CORRUPTION

Like much of the rest of the world, the South African government was caught unprepared for the systemic and policy shortcomings that would be exposed by corruption relating to the Covid-19 outbreak in 2020.

When the nation was placed under the Disaster Management Act lockdown in March 2020, large chunks of the different business sectors had to halt operations due to the restrictions. For many of the companies affected by the lockdown, the effects are still felt today, even after many initial restrictions were relaxed. Among those who did not slow down, however, are individuals and companies who practiced unprecedented acts of corruption, even under the dire circumstances the country found itself in. Such can be found in our investigation of the Temporary Employer/Employee Relief Scheme (TERS) introduced by government in 2020 as part of its relief efforts to mitigate the disastrous impact of the pandemic on the economy.

From June 2020 to around December, we received many complaints alleging corruption of various kinds in the application and receiving of the TERS money. Most of the allegations referred to employers either registering employees for TERS but not paying the employees when the pay-outs arrived, or companies claiming on behalf of the employees but giving them only a fraction of the money due to them. Certain unscrupulous companies gave the pay-outs to employees as loans that their staff would have to repay. We were aware that the Special Investigation Unit (SIU) was given a proclamation to investigate complaints of corruption related to TERS, therefore we submitted dossiers to the SIU for further intervention. Since 2020 to date we referred 43 cases to the SIU.

Our report, titled Covid19: TERS Corruption at Work, was released in February 2021, after we received over 100 new reports alleging corruption or non-compliance by employers. The report recommends that:

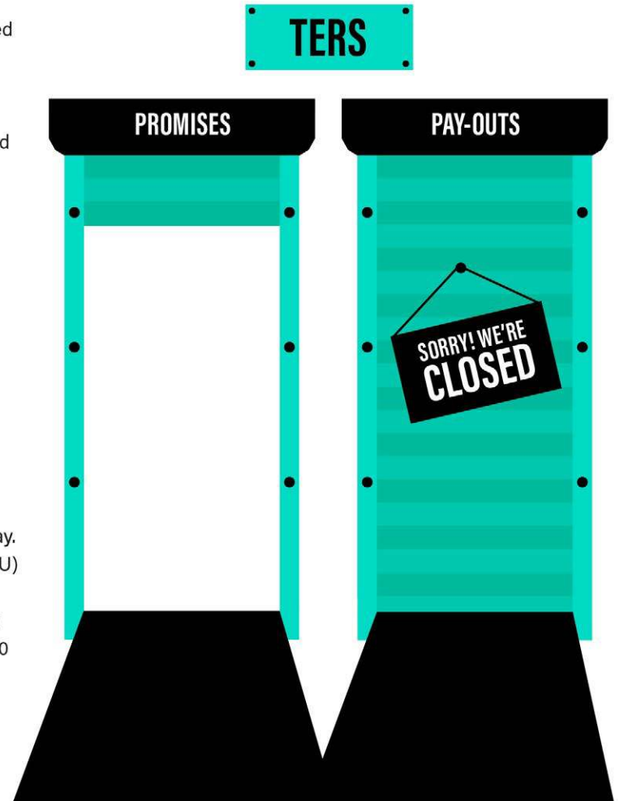
- Government's law enforcement Fusion Centre look into practices of employers who are not paying over employees' UIF contributions and engaging in other forms of tax evasion,
- Fusion Centre investigate cases of employers bribing inspectors and Department of Employment and Labour officials, as it undermines labour rights,
- Law enforcement continues to recover TERS amounts paid erroneously or due to misrepresentation.

WHERE WE ARE NOW

The SIU advised us that they are finalising their investigation into TERS complaints, and will share the report with us as soon as it is completed.

These highlight only part of the work that has consumed our investigations team, and does not cover all of the work of the past decade. We remain hard at work in this area, with new investigations being tabled on a regular basis. CW endeavours with all investigations to not only find justice and resolution for the whistle-blower, but to also motivate positively for change.

To see the highlights of investigations over the past 10 years, click here.



Investigator's personal experience during 10 years at Corruption Watch

For the past 10 years, my experience in the investigation work has been very interesting. I've worked with diverse people. It has also been satisfying seeing solutions being implemented and justice prevailing.

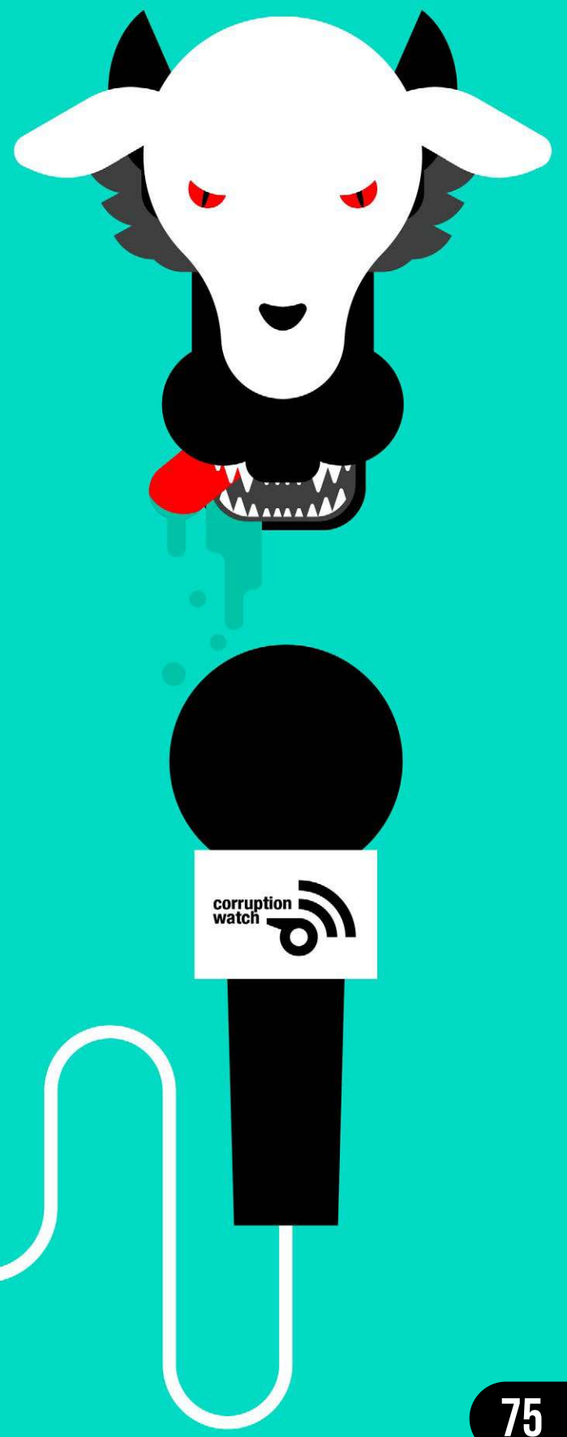
I have also come to realise that things are always not what they seem in the investigation process. You may find yourself working with a perpetrator pretending to be a victim or you may invest your time and effort in an investigation process, only to realise that some information or evidence provided is misleading.

I think dealing with whistle-blowers requires understanding and an open mind, because you are dealing with people who went through something terrible either directly or indirectly and that ultimately affects their co-operation or patience. It is also inevitable that you will work with some whistle-blowers who end up becoming victims for blowing the whistle – this is still a big problem in our country.

However, I have learned that the most crucial thing as an investigator is to develop relationships with other institutions and to be able to seek guidance when needed. The truth is an investigation process can be very confusing at times; as an investigator, with every complaint or complainant you learn something new.

I have also learned that communication is key in the investigation process, and it is important to build a trust between yourself and the whistle-blower because each case is unique, important and must always be taken seriously.

Overall, I have learned a lot, and I am still learning. I find this field very fascinating because it gives me a platform to engage with different people at all levels. Being at Corruption Watch is also a bonus because the people in this environment are willing to work together to combat corruption at all costs.



Summary of law reform and other submissions 2012-2021

For over a decade, CW has been an active participant in the law-making process, lobbying for a more robust and comprehensive anti-corruption policy framework. To this end, we have made numerous submissions on relevant bills and legislative amendments pending before Parliament. Where appropriate, we have written directly to oversight bodies to draw salient information to their attention and to advocate for the imposition of consequences against corrupt actors.

A summary of some of the highlights of our advocacy in this area appears below.

PUBLIC ADMINISTRATION MANAGEMENT (PAM) ACT 2014

- **In 2013**, CW submitted detailed written comments on the PAM Bill to the Department of Public Service and Administration, making suggestions for improvements.
- **In 2014**, when it became clear that two key provisions of the Bill (relating to the establishment of an anti-corruption bureau and the introduction of a "cooling-off" period before public officials may enter the private sector) had been removed, CW made further submissions to the parliamentary Portfolio Committee on Public Service and Administration in an (ultimately unsuccessful) attempt to get these issues back on the agenda.
- CW remained involved with this law after its initial adoption in December 2014. In 2016, we made submissions on the draft regulations, focusing on the need for state officials to declare conflicts of interest; and in 2018, when the Act had still yet to be brought into operation, CW wrote to the president seeking an explanation for the extended delay.

PROTECTED DISCLOSURES ACT (PDA)

- **In 2014**, CW (along with Section27) submitted written comments to the Department of Justice and Constitutional Development regarding the PDA Bill, arguing for the need to include "citizen whistle-blowers" within the ambit of the PDA. In 2016, we expressed concern in further submissions that the proposed amendments were not comprehensive and left gaps in certain areas. More submissions followed in **2017**, this time focusing on the expanded definition of "occupational detriment", sections which excluded civil and criminal liability for protected disclosures, and the introduction of offences for disclosures made in bad faith. These provisions appear in the final Amendment Act, which was adopted in 2017.
- We also made submissions in 2018 on the PDA's regulations, here focusing on the expansion of institutions to which protected disclosures are made.

HIGHLIGHTING CORRUPTION AT THE SOUTH AFRICAN REVENUE SERVICE (SARS)

- **In 2016**, CW wrote to then Sars commissioner Tom Moyane concerning his failure to act decisively on a report from the Financial Intelligence Centre (FIC) which detailed fraud and corruption by senior Sars employees. We also laid criminal charges against Moyane for contravention of his obligation, under the Prevention and Combating of Corrupt Activities Act, to report knowledge or suspicion of corrupt transactions, and for disclosing the findings of the FIC report to senior Sars employees in breach of the Financial Intelligence Centre Act.
- **In 2017**, after the Hawks failed to investigate this matter, we filed a complaint with the Independent Police Investigative Directorate (Ipid) to follow up on the issue. We also wrote to the Standing Committee on Finance regarding Moyane's decision to reinstate a senior official implicated in the FIC report.
- As the findings of the Zondo commission show, Moyane was instrumental in the attempts to capture Sars. While we did not know the full story at the time, CW is to be commended for taking proactive steps to hold Moyane to account from the beginning.

MCKINSEY COMPLAINT

- **In 2017**, we filed a formal complaint with the US Department of Justice (DOJ) regarding McKinsey's unlawful benefiting from a deal involving Eskom and the Gupta-linked Trillian. In 2018, we met with the DOJ to discuss this matter further, after which the DOJ asked us to assist them with their investigation by providing documents and arranging for them to meet key witnesses.
- We also submitted this complaint dossier to the Zondo commission. The commission went on to uncover considerable wrongdoing on McKinsey's part.

POLITICAL PARTY FUNDING

- CW was heavily involved with the amendments to the Public Funding of Represented Political Parties Act, which eventually blossomed into a new piece of legislation, the Political Party Funding Act. This new legislation commenced in 2021.
- **In 2017,** we made both written and oral submissions to the parliamentary Ad Hoc Committee on the Funding of Political Parties. We made further written and oral submissions to the draft, highlighting the importance of ensuring transparency in political party funding (in line with global conventions). In particular, we focused on the nature and scope of disclosures, foreign and private funding, and the role of oversight bodies.
- **In 2018,** we made further submissions to the National Council of Provinces and continued to follow up on the implementation of the proposed changes.
- At present, CW continues to work on the monitoring and implementation of the Political Party Funding Act, as an active member of the multi-stakeholder Political Party Funding Coalition.

STATE CAPTURE

CW has supported work and provided coverage on the Zondo commission since its inception. In 2019, we and the Institute of Security Studies made a joint submission to the commission detailing the capture of the criminal justice system. We have also been active in the Civil Society Working Group on State Capture, taking part in its meetings and providing analysis on the People's Hearing on State Capture.

SUBMISSIONS ON APPOINTMENTS

A persistent theme in CW's advocacy has been the importance of appointing ethical and properly qualified people to positions of public power. This is clear from our submissions relating to appointments.

For example:

- **In 2019,** we made submissions to the parliamentary Portfolio Committee on Police regarding the process to determine the renewal of the head of Ipid's contract.
- **In 2020,** we wrote to the parliamentary Ad Hoc Committee on the Appointment of the Auditor-General with a detailed submission containing our views, plans, and recommendations. We focused on the need for transparency, public participation, and objective assessments in the process.
- In the same year, we wrote to the both the portfolio committee and the minister of trade and industry with a set of recommendations for the appointment of the board of the National Lotteries Commission.

PROCUREMENT REFORM

- **In 2020,** CW made a submission on the draft Public Procurement Bill in response to calls for comments by the National Treasury. The submission focused on where the Bill falls short in terms of governance, accountability, and transparency, and provided several recommendations for improvement. CW has also been active in the Procurement Reform Working Group, another civil society coalition conducting advocacy to this end.





South Africa's dynamic history has a strong narrative of youth activism that transcended the dark days of a violent apartheid system and the accompanying restrictions it. From the young pupils who were attacked by the security police in the 1976 Soweto uprising, to the countless others across the country who used literature and other art forms to expose the realities of the time, the country has never been short of activists.

Fast forward to present day South Africa, and you will realise that it is young people who continue to grapple with much of society's ills. More organised, more informed and more vocal than ever on politics, crime, gender-based violence, and unemployment and education, among other issues, the social justice landscape is rich with the insights of young minds who want change for South Africa at any cost.

Asked in an interview that is carried elsewhere in this report, former executive director of Corruption Watch (CW) David Lewis said the one thing that inspired him to persevere in the early days of the organisation was the rate at which it attracted young people who were sincerely committed to its cause.

HEEDING THE CALL

Social justice is a calling many take up with optimism that they can make a positive change in the world. For CW's young activists, inspiration comes from knowing that they make a small difference, but a difference nonetheless, that will leave a mark in our democracy. Researcher Melusi Ncala says he has always known that he was wired differently and could make waves by just engaging his mind. "I recall one of my high school teachers describing me as an inquisitive person and that stuck with me. It would be this label, which I of course thought about ad nauseam, that helped me in my undergraduate and postgraduate studies at university."

His job is not to merely collate and analyse all the data that CW works with, but to help build a narrative that there is no dignity in engaging in corrupt practises. His inquisitive mind remains intact, and has not stopped questioning the status quo. "I constantly self-reflect and wonder about the world I live in. Why are we so troubled as a people? Where do these problems come from? Am I adding to the hardships and if so, how can I contribute positively to people's lives?"

Colleague and youth campaign co-ordinator Mzwandile Banjathwa shares the same spirit. His background is youth politics, and his passion for South Africa's young people is easily identifiable in the way he engages them on a host of topics in his everyday work.

Banjathwa believes that with the indomitable spirit of the youth firmly in place, the fight against corruption can be won. **"Corruption Watch has brought together a group of diverse young people that we refer to as the Youth Forum, giving them a platform to engage in corruption-related matters and help come up with innovative means of fighting the scourge."**

"This forms an integral part of the youth campaign in that it views youth as a great vehicle for driving forward a message of anti-corruption and in fostering behavioural change amongst their peers."

Behavioural change for the youth means moving from not only the traditional challenges as a society, but also the traditional solutions. "Youth community engagement provides an opportunity for Corruption Watch to engage with a wider demographic of young people in their own communities … forum members choose their own topic to engage on, CW then assists in developing content and logistics."

It is clearly a case of the youth deciding what works for them and engaging in debates that find solutions from their contemporaries.

LEAVE NO-ONE BEHIND

But doesn't this mean that challenges in the less diverse communities do not get the same attention? Surely rural youth, too, must have a voice on how their socio-economic circumstances would improve in a corruption-free South Africa.

Enter Mashudu Masutha, one of CW's legal researchers and project manager for its mining-related work. The excitement with which she speaks of the two projects under her watch – the Mining for Sustainable Development (M4SD) Project and the Mining Royalties Programme (MRP) – will cause anyone to stop and listen. The M4SD and the MRP are two of the organisation's flagship projects, and have taken Masutha to some of the country's most vulnerable communities while positioning CW as an expert participant in the two related topics.

"The success of the Mining for Sustainable Development Report in 2017 and the Mining Royalties Report in 2018 cemented the convening powers of CW in the mining space as credible experts of corruption vulnerabilities of the South African mineral sector," Masutha says. "Since then our contributions and strategic partnerships with key institutions in the space have created a noteworthy body of work for the organisation and for the colleagues that have worked extremely hard on the mining projects over the years."

The two projects highlight the plight of communities that have lived on land used for mining activities. Their case for development and compensation is often overlooked by mining companies, government, or both. By and large these are communities that suffer neglect because the legitimate structures that

should be protecting their rights in the public sector are misunderstood or even overridden, in some cases because of abuse of power.

"We wanted to respond to that call and commit to creating change for communities that lived in very challenging conditions with concerning limitations, and help them to exercise their Constitutional rights," explains Masutha.

"Our commitment was emphatic. One of the highlights in the early days of the mining work was a five-day series of extensive community engagements with the Bakwena ba Mogopa traditional community in the North West. The CW team, which included researchers, attorneys, investigators and media experts, met with more than 100 community members each day in different villages, all expressing their concern at the rate of corruption in the community."

She adds: "During these engagements there was a palpable sense from the community that CW was going to bring change, that with our organisational mandate we would be able to provide answers to the many questions around where community funds have disappeared to, and how the law and activism can help to bring accountability and transparency.
"I can confidently say that as a team, we all felt an almost personal responsibility to meet this expectation, and we delivered."

POLICING THE POLICE

Other community work we have done as CW relates to our police campaign. Here, we sought to get insight from different communities around the country on what service delivery from the police looks like. The feedback was seldom positive, and reflected a desperation from communities that wanted protection and accountability from the police officers who work in their areas.

What developed from these engagements was a need to empower communities and place a tool in their hands that enables them to do just that – make their police stations and the SAPS leadership in their areas, accountable. This is when the concept of the Veza tool came to light.

Kavisha Pillay, CW's head of stakeholder relations, spearheaded this first of its kind innovation. "In 2017/18, the campaigns team began a series of roadshows across the country where we would engage communities on their experiences of corruption, particularly in relation to healthcare, schools and policing. Our engagements on policing always revealed a disturbing trend of abuse that vulnerable communities were/are subject to," she says.

"As a team, during our debriefing sessions, we often expressed frustration about our inability to help individuals and communities who were experiencing high levels of police corruption – this ranged from police officers who were refusing to allow women to open domestic violence cases against their partners, to victims of violence who were aware that the police were in the pockets of perpetrators."

Each team member was tasked with looking at local, regional and international approaches to deal with some of the experiences that were being reported to CW. This became the basis for the Veza tool.

"We took global and local examples and developed a site that we hope will improve the power imbalance that exists between the public and the police. In the first year since launching Veza, over 12 000 people have accessed it, we received 100 + reports of police corruption, 450+ individuals rated their police stations, and we received 35+ nominations of ethical cops. We are still in a pilot phase, and we hope to one day anchor the Veza tool as a central site on matters related to policing."

CW'S YOUTH CHANGING THE WORLD

Great strides are made in our work as CW when the young activists in our team go out into the world to seek answers. Their ask in return is a world that changes, at least for the few individuals they get to encounter in their everyday work, so that they too can claim a place in a just society.

Ncala puts into perspective why activists thrive in the task of helping others: "Research has given me an opportunity to look at issues from a number of angles guided by the answers emanating from questions that I think about as I attempt to problem-solve.

"Applying it to the theme of corruption, as a social justice issue, it has opened my eyes to the depth of people's depravity and how politics is simply about self-interests. I have had to refocus my activism in such a way that I address issues holistically through understanding the intersectionality between corruption and other socio-political areas such as race, class and gender."

For Banjathwa, it's the empowered feeling that he gets from voicing the struggles of others, that matters.
"I'm able to see and engage the complexities brought forth by corruption and I also have the unique opportunity to articulate it with the authority entrusted to us by our courageous whistle-blowers."



10. BOARD OF DIRECTORS

Corruption Watch had seven sitting board members at the start of 2021,but six upon the departure of both David Lewis and Mavuso Msimang and the appointment of Karam Singh as executive director at the end of December 2021.

The board helps to steer the course of our work and provides valuable insight and experience across a range of sec tors in which its members operate. It also helps to ensure that all legal requirements are met, that workplace policies and governance issues are observed, that the financial health of the organisation is intact, and that the strategic direction of the organisation addresses the needs of our society.



Mavuso Msimang
Chairperson

Msimang is the former CEO of the Oliver and Adelaide Tambo Foundation, and also previously served as the director-general of the national Home Affairs department and CEO of SANParks. He sits on the board of WWF South Africa. His non-executive board directorships include Harmony Gold, the African Parks Network and the Peace Parks Foundation, and he is a former chairperson of the iSimangaliso Wetland Park, a world heritage site.
His term as the chairperson of the Corruption Watch board ended in December 2021.

Dr Mzukisi Qobo is currently the acting chairperson.



David Lewis
Executive director

Lewis is the founder of Corruption Watch and until his retirement in December 2021 was its executive director. He was involved in the trade union movement from 1975 to 1990, serving as the general secretary of the General Workers Union and national organiser of the Transport and General Workers Union. He chaired the Competition Board from January to August 1999 before his appointment as chairperson of the Competition Tribunal.
He was deputy chairman of the Industrial Development Corporation's board from 2002 to 2008, and chairman of its human resources committee. In 2009, Lewis was appointed an extraordinary professor at the Gordon Institute of Business Science.

Lewis has been succeeded by Karam Singh.



Dr Mzukisi Qobo
Author, thought leader, political risk analyst and public speaker

Dr Mzukisi Qobo advises organisations on mitigating political risks and helps them to capture opportunities from regulation. He previously worked at the Department of Trade and Industry as chief director for trade policy.

Among his many accomplishments and activities, Qobo is a senior associate at Tutwa Consulting and a research associate affiliated with the Department of Political Sciences, University of Pretoria. He is author of *The Fall of the ANC: What Next?*, published by Pan Macmillan (Picador Africa), and is currently working on a book focusing on *The New Contours of Transformational Leadership in South Africa.*

Qobo has assumed the role of acting chairperson of the CW board.



Alice Brown
International human rights advocate

Alice L. Brown is an international human rights advocate and an expert on the use of the law for the public good.

Her distinguished career has focused on civil rights litigation and social justice philanthropy, with an emphasis on institution building for civil society organisations. Brown is a visiting research fellow at the University of the Witwatersrand and a member of the Council on Foreign Relations. She is a board member of SECTION27, Jacana Literary Foundation and Keystone Accountability, and a former board member of the South Africa- United States Fulbright Commission.



Firoz Cachalia
Adjunct professor

Firoz Cachalia currently works as an adjunct professor at Wits University's School of Law. He was a member of the executive council of the provincial Gauteng government from 2004 to 2011, first in the safety and security portfolio and later in the economic development portfolio. He later headed the provincial government's planning commission between 2011 and 2012, the board of which he continues to sit on to date. Cachalia also sits on the boards of the South African Reserve Bank, where he chairs the board risk committee, Hlanganisa Institute of Development of Southern Africa, and the Helen Joseph Hospital, and is a member of the Council for the Advancement of the South African Constitution.



Gugu McLaren-Ushewokunze
Social transformation strategist

Gugu McLaren-Ushewokunze has worked across sectors, including civil society, consulting and corporate, and in varying industries. Most of her career has been spent in the corporate sector, where she spearheaded the development and the implementation of sustainable development strategies.
She spent six years at Discovery, where she supported the company's shared value business model, and now leads the National Business Initiative's Social Transformation programme, where her responsibilities include developing and implementing the NBI's programme to engage business in driving social transformation, with the aim of addressing inequality and inequity.



Thabi Leoka
Economist

Dr Thabi Leoka is an economic strategist, currently working at Argon Asset Management.
She has held top positions at Renaissance Capital, Standard Bank Corporate and Investing, Barclays Wealth, and Investec Asset Management – she was based in London for the latter post.

She is a regular columnist for Business Times in the Sunday Times, and for Money Management.
She is also an accomplished speaker and was an economic advisor to the Fees Commission as well as former finance minister Nhlanhla Nene.

11. FUNDERS

Anglo American

Anglo American is a leading global mining company committed to business integrity and to a wide range of other sustainability initiatives supported both through its mainstream business and through the Anglo American Foundation

Claude Leon Foundation

The Claude Leon Foundation is a South African registered grant making charity established in 1963. Over the years it has provided, inter alia, huge financial support in the tertiary and non-tertiary education fields, primarily through grants totalling over R200M for Postdoctoral research in the sciences at SA universities. Currently, and for some years, its principal area of focus is in social justice and human rights where it supports numerous non-governmental organisations in the forefront of defending democracy and the Constitution and promoting good governance.

Ford Foundation

The Ford Foundation believes in the inherent dignity of all people. But around the world, too many people are excluded from the political, economic, and social institutions that shape their lives. Across eight decades, the Ford Foundation's mission has sought to reduce poverty and injustice, strengthen democratic values, promote international cooperation, and advance human achievement.

TI Secretariat

"A world free of corruption is that where power is held to account for the common good. Only the proper use of power will bring the social, economic, environmental, and security benefits that people need."

Millennium Trust

Millennium Trust supports (a) an open constitutional democracy and an engaged civil society - independent media, investigative journalism, independent judiciary and protection of human rights; (b) clean and efficient government; (c) quality education to learners in low income communities; (d) economic policies towards inclusive growth and higher levels of employment; and (e) celebrates what is good about South Africa.

Gesellschaft für Internationale Zusammenarbeit (GIZ)

GIZ is a public-benefit enterprise commissioned by the German Federal Government to support partners worldwide in a wide variety of areas, including good governance, economic development and employment promotion, energy and the environment, as well as peace and security.

Red Foundation

The RED Foundation is a family philanthropy which supports a range of advocacy and educational organisations in South Africa. The RED Foundation has supported Corruption Watch since 2020. Prior to that, from 2016 to 2019, Corruption Watch was funded by the Mary Oppenheimer & Daughters Foundation.

Please be advised that this does not reflect all the funders of the work of Corruption Watch during 2021. Please access the full list of funders here.

12. PUBLIC FUNDRAISING

THE WATCHERS' CIRCLE

The environment for fundraising remained impacted by the effects of the Covid-19 pandemic during 2021. As we continue to experiment our way back to the norm and adjust to the conditions imposed by the pandemic, our efforts to solicit donations during this time were no different.

Foremost, we commend the unwavering commitment of our supporters, those who conscientiously submitted their monthly pledges against all odds and others who responded to our fundraising appeals throughout the year. We say thank you for ensuring the continuity of our work and partnering with us to make a meaningful contribution to the fight against corruption in South Africa.

In 2022, we are officially launching a new major giving programme, The Watchers' Circle, or what we refer to as "our inner circle". Most of the development work for this initiative happened during 2021 and we are excited to see it come to fruition.

The Watchers' Circle is an annual membership programme attracting a group of individuals who are ready to invest in and advance the efforts of uprooting corruption in our country on a more sustained basis.

The Watchers' Circle supports three major areas of Corruption Watch's work – our flagship campaigns (policing, whistle-blowers, or health), our analytical anti-corruption activities (research, assessing corruption patterns, or promoting open data projects), and our outreach initiatives (community engagements, workshops, or producing public education materials).

Flagship Campaigns

- Policing
- Health
- Leadership appointments
- Whistle-blower campaign
- Litigation / advocacy

Analytical Anit-Corruptiion Intelligence

- Conducting Research
- Assessing corruption patterns
- Providing accessible reporting channels
- Promoting open data projects

Outreach Programmes

- Convening community engagement
- Conducting capacity building workshops
- Rolling out mass media campaigns
- Producing public education materials

R100 000+ Free Speech Circle

R50 000+ Scarlet Circle

R20 000+ Torch Red Circle

R5 000+ Rosebud Circle

There are four membership levels ranging from R5 000 to over R100 000 per year, with each donation tier offering exclusive member benefits. In naming the levels, we opted to use different shades of red, varying in intensity, to identify each giving level.

Corruption Watch's logo is a colour known as free speech red, and we have named each level for various evocative tones of red: the **Rosebud Circle, the Torch Red Circle, the Scarlet Circle, and the Free Speech Red Circle** — where Free Speech signifies the highest membership level.

By becoming a member of The Watcher's Circle, you are investing in the courageous foot soldiers who are at the centre of our work, and in a small but dedicated team here at Corruption Watch, who together are ready to take the fight forward.

BE PART OF THE FIGHT!

More info and membership requests:
members@corruptionwatch.org.za

EFT Payments:
Bank: Standard Bank
Type: Savings Account
Account Nº: 00 483 4747
Branch: 004305
Branch Name: Rosebank
SWIFT Address: SBZA ZA JJ
Account Holder: Corruption Watch (RF) NPC
Please email your proof of payment and contact details at **members@corruptionwatch.org.za**

BECOME A MEMBER

JOIN US

FROM R5 000 PER YEAR.



corruption watch

2012
2022

10 YEARS PUSHING FOR CHANGE

REPORT CORRUPTION ONLINE

Report an incident online on our website now. The communication is secured and your information will be treated with the outmost care and security.

corruptionwatch.org.za

REPORT CORRUPTION VIA WHATSAPP

082 579 5220

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