

a news service from transparency international-kenya

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IS KENYA READY FOR ASSETS RECOVERY?

Hon. Robinson Githae, Assistant Minister for Justice and Constitutional Affairs, on Assets Recovery

How prepared is the government to recover stolen assets?

A lot of Kenyan wealth was looted by members of the previous KANU regime, and the government intention is to recover as much of that wealth and as quickly as possible. Recovering looted money normally takes a number of forms

International courts system or the Manila way: Philippines took the former dictator Ferdinand Marcos to the international court in an effort to recover stolen money mainly banked in Switzerland. The money was recovered but the main drawback is the time it takes. It has taken Philippines over 20 years.

The Nigerian way: Nigeria negotiated with families of former looters and they agreed on a 70% and 30% ratio. They would return 70% of the stolen money to the state and the family would retain 30% of it. The system is quick because it took them less than a year, but the main drawback is that in effect you are condoning corruption. But the important thing is to make an economic decision- whether you want part of the money within a year, or the full money in 20 years. From an economic point of view, most people would rather get a portion of the money within a year.

Appeal: This is a method fronted by the church in which the state appeals to the looters to return the money. I am not sure this would succeed in Kenya.

The China way: This was used in China's dictatorial system in which all the looted money was confiscated and the looters executed through a firing squad. Although it is a draconian method, it is very effective.

So there are various options some of which we can borrow from.

What is the government's objective in seeking to repatriate wealth? Is it part of the wider anti-corruption strategy?

I wish that looted money was invested in the country. That way it would be helping our people. According to some sources, the estimates range from 240billion upwards. If interests and penalties are included in this loot, it would amount to over 600billion. If this kind of money came back to Kenya, it would give Kenyans a tax holiday for one year because 240 billion is what we collect from revenues in a year.

It is important to bear in mind that we are talking about people with tons and tons of money, and they are in a position to hire top notch lawyers to make application after application in court just to delay the issue, just as happened to the Goldenberg case that resulted in it taking over 10 years, until the Goldenberg Commission of Inquiry was appointed.

Recovery of these assets is part of the wider anti-corruption strategy and it is only one of the measures taken by the government in this war. We have also passed the Anti-corruption and Economic Crimes Act, and the Public Officers' Ethics Act, and there are various other bills in the pipeline such as the Procurement Bill and Privatization Bill. All these are tools that the government is going to use to fight corruption.

Is it possible that this danger of hiring top notch lawyers could still happen in the process of assets recovery?

Yes we could face the same danger, but two things are in our favour. First, the government is totally committed to eradication of corruption, and there are no sacred cows in this. If it will be prosecution, it will be an effective one. Secondly, we have hired a top notch lawyer as our Director of Public Prosecution, and we can therefore match them in this.

The courts are also very willing to support us in this endeavour. They are no longer willing participants in derailing justice.

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...Is Kenya ready for assets recovery?

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Asset recovery involves, among others, uncovering complex international money transfers, and the freezing and eventual recovery of such assets. Will they not cover their footsteps to make tracing impossible?

Fortunately money can never be destroyed. The only money that disappears or is spent without trace is the one spent on food. The rest of the money may be used to buy property or other assets or just banked. This money is traceable in one form or the other. So tracing the money will not be a problem.

Right now we are doing the tracing. Once we accomplish that, we are open-minded and we can accept confessions and those who willingly return the money may be allowed to go free even if it is not the whole amount. That would even be better before we have decided which process to take. Hon. Amos Kimunya, Minister for Lands and Settlement, has taken a good precedence by granting amnesty to those who return title deeds of grabbed land before actual legal redress is put in place.

How confident is the government in getting cooperation of governments in whose countries this money is stashed?

Public opinion is now against the so called sixth accounts. These countries and their public have realized that such money was looted from poor third world countries, so even their citizens are totally against their governments accepting these looted funds. So public opinion worldwide is now in our favour.

Previously it was impossible to access information on sixth accounts in Switzerland. But now, if you can prove that this money was obtained illegally, the banks are in a position to open the accounts and tell you who owns the account. Previously they would fight tooth and nail to maintain the banking secrecy. Now there are provisions to open up the banking secrecy laws.

Asset recovery requires some specialized skills and substantial resources. Does the government have the necessary skills and is it worth spending so much money on it yet there are more pressing social needs in Kenya?

We do not have the necessary skills but fortunately there are international law and accounts or audit firms that deal

with this. There is also the support of international bodies such as World Bank and they are ready to assist us on this.

In terms of resources, if we can spend 500 million to recover 240 billion, leave alone 600 billion, then it is a worthwhile investment. In any case, we need to close this chapter so that we will never again experience such mega scandals.

In terms of legal infrastructure, the Anti-corruption and Economic Crimes Act has enlarged the definition of corruption, which was the main bottleneck with the previous act. Now there is no giver and taker as separate entities in the new act. At the international level, foreign governments are ready to work with us.

We also have an anti-money laundering act. Now it is illegal to launder money. Central Bank of Kenya is monitoring the local commercial banks. It is, however, unfortunate that Central Bank allowed itself to be used through Goldenberg to facilitate the looting of money. It is a constitutional body under the government and it is the officials who messed up in the first place.

What is the government doing to ensure that the looting of public resources does not re-occur?

I cannot see it happening again in future because the government has clearly stated that there are no sacred cows. The full force of the law will apply to everyone regardless of his or her position in society.

Secondly, we have the declaration of wealth every year. We can monitor the acquisition of wealth by individuals yearly. This will act as a monitoring mechanism.

Thirdly, we will tighten rules on procurement. Already the procurement appeals board has overturned quite a number of tenders, which is a positive move that should be encouraged.

We also have a very vibrant media to support us. We are also encouraging whistle blowing. With all these in place, I do not see us going back to the era of mega scandals.

FACE OFF on 96.4 Nation FM

Join us this Sunday as we discuss recovering Kenya's stolen assets.

*Tune in to FACE OFF, every Sunday
at 5.30pm on 96.4 Nation FM.*

Call in with your comments on 020-251964

ASSETS RECOVERY: LEGISLATION VITAL

An interview with George Kegoro, Secretary, Law Society of Kenya

Is the current legal framework effective enough to facilitate asset recovery?

Unfortunately we do not have the required legal framework. The challenge is to develop one. What we have is the Anti-corruption and Economic Crimes Act and the Public Officers' Ethics Act which between them obligate disclosure on the part of public officials of their assets and liabilities. What is left out is the fact that there are people who used to be and are now no longer public officials, and who therefore are not required to make the disclosure.

Secondly, even for public officials, they should voluntarily declare assets. If the property is stolen, as we understand a lot of it is, then it is unlikely to be reported. If it is reported, and we wanted to recover it, there is no obvious mechanism to do so. So the legal framework dealing with asset recovery needs to be developed

...the extremely high levels of impunity that have been in existence in this country ... meant that it was hardly necessary to launder money ... if there is no one asking you to account for the money, then it is hardly necessary to hide it.

With the regards to assets held here, the Anti-corruption and Economic Crimes Act requires the responsible officials to freeze and attach assets that are the result of corruption. What we need over and above that is financial intelligence as to where assets are held either locally or abroad. This needs to be covered in an anti-money laundering legislation which is yet to be developed in this country.

In the prevailing circumstances where there is no anti-money laundering legislation, we can supplement the required intelligence through legal mutual assistance in which we can use expertise held in other jurisdiction to assist in the recovery of assets. However, we do not have specific mutual legal assistance legislation. We need to invest in information about what mutual legal assistance opportunities exist outside Kenya because it is partly up to our own legislation, and more important the legislation of those countries where the assets are held, to find the scope of mutual legal assistance that exists in those countries.

In view of the absence of these legislations in the country, how should the government go about recovering the assets?

We don't have a dedicated legal framework, so what the government may have to do is use whatever exists within the legal framework and approximate closest to what it requires.

Within the commonwealth, the mutual legal assistance opportunities are good. There is the Harare scheme which is a very detailed mutual legal assistance instrument that was developed by commonwealth countries. Other countries, like in Europe, should have similar arrangements, but we have to research into this including the pre-conditions that we need to satisfy so that that legal mutual assistance can be availed. What normally happens is that we can access that legal mutual assistance in a

commonwealth country if we have started a judicial process on asset recovery. The mutual legal assistance can also be granted if there is a police investigation or a request by a competent public authority. There are specific requirements that vary from country to country.

Should the government be focusing on recovery of assets abroad before it comprehensively deals with the issue at home?

We should look at the issue holistically. There are strategic decisions that have to be made. Countries that have tried to recover assets held abroad have either gone through the criminal or civil law. Kuwait, for instance, decided to recover. It chose the civil route and filed civil proceedings in London against the Grupo Torras. The litigation made very significant

progress in recovering that wealth. But this route is complex in terms of private lawyers, forensic accountants, litigation beyond territories- thus you deal with many different jurisdictions and laws making it very expensive.

Secondly, you don't have control over the civil litigation. It is the courts in those countries that control civil litigation. Thirdly, you don't have any assurance of success and you could be throwing away good money after the bad money. Fourthly, in civil proceedings, you don't have freezing of the assets before litigation. So by the time you succeed in court the money has moved on. Fifthly, you don't have coercive power that the criminal courts have to disclose records. These are the considerations to bear in mind if that route was to be followed.

On the other hand if the route of criminal law was followed, as was the case in Nigeria, then the criminal law then the government has more control of the criminal process. Secondly, it triggers mutual legal assistance from other countries which the civil route does not attract. Therefore the country can avail itself for mutual legal assistance in a different jurisdiction and that helps in costs. Costs in criminal proceedings are much lower that those in civil proceedings.

Through the route of criminal proceedings, which is supported by mutual legal assistance, a country can obtain a freezing of the assets so that while litigation is going on, one is assured the money is intact and cannot be used or transferred.

How has technological development such as e-banking impacted on money laundering?

E-banking has made it very easy to move money around and in large volumes. This has facilitated money laundering

...Assets recovery: legislation vital

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because it is possible to move bad money hidden in amounts of good money relatively easily. One requirement for a successful money laundering operation is to make the bad money appear as a genuine legitimate financial transaction.

Secondly, e-banking gives the customer more control than the banker. Anti-money laundering legislation requires that the banker must know his or her customer, which is not possible in e-banking because the customer does not interact with the banker. What is required in this case is to set up artificial intelligence for detecting money laundering, although it is debatable as to what extent this intelligence can replace human intelligence.

Money laundering is not a crime in Kenya at the moment except in relation to the proceeds of drugs and to a narrower extent under the Anti-corruption and Economic Crimes Act. But we don't have a wholesale and dedicated criminalization of money laundering. So conduits like banks, casinos, cash carriers and others are not necessarily covered under the existing legislation.

In view of the fact that a huge percentage of stolen money is laundered, what are the main money laundering schemes used in Kenya?

Conduits include banks and casinos because they are virtually unregulated. An interesting thing to note is the extremely high levels of impunity that have been in existence in this country which meant that it was hardly necessary to launder money. You do not need to launder money if there is no fear of the legal consequences. If there is no one asking you to account for the money, then it is hardly necessary to hide it.

In view of the cost implication in asset recovery, is it cost effective to recover this wealth?

It is an expensive process but according to official sources, though it is difficult to approximate how much is held abroad, the amounts are large and it will be cost effective.

TRACKING DOWN STOLEN ASSETS: THE NIGERIAN EXPERIENCE

By *Tim Daniel*

Last year Nigerians almost saw the return of US\$1.2 billion in funds stolen by the late dictator Sani Abacha, in what was hailed as a landmark settlement. Abacha has been accused of looting at least US\$3bn from his country. But in late 2002, Abacha's son stopped short of signing the agreement and the case is now being fought in the English courts as well as those of Switzerland, Luxembourg and Liechtenstein.

In May 2001 my law firm, D J Freeman, was instructed by the Federal government of Nigeria to assist with the recovery of monies looted by Nigeria's late head of state, Sani Abacha. The sums involved run into billions of dollars.

Typically, as the Abacha case has demonstrated, the process of recovering funds illegally taken by members of government will go through some or all of the following stages.

1. Investigations inside the country concerned

Corrupt leaders will often have been using the very mechanisms of government to enable them to get access to funds and to divert those funds to their own benefit. Following the ousting of those corrupt leaders an incoming government may itself get access to records of transactions that will assist an investigation into what monies have been taken, and the routes used to siphon off monies. The sort of records that may be of assistance are:

- Ø records of the country's central bank
- Ø records of other local banks to which the central bank can gain access

- Ø records of state-owned corporations
- Ø government-awarded contracts in which corruption may have played a role
- Ø evidence from more junior officials who may have helped the leaders.

In Nigeria, a Special Investigation Panel was set up comprising members of the police and state security services to gather such evidence, which formed the basis of a criminal prosecution there.

2. Mutual legal assistance from other countries

Almost invariably, stolen funds will have been taken outside the jurisdiction of the country concerned, and therefore the assistance of other countries will be required. The existence of a criminal investigation, or (still more so) a criminal prosecution in the home country, will not only facilitate the granting of mutual legal assistance, but may also increase the scope of the assistance that can be granted, e.g. to override bank secrecy laws in other jurisdictions.

The possible bases for a mutual assistance request are as follows:

- Ø a bilateral treaty, e.g. in the Abacha case there was such a treaty between Nigeria and the United Kingdom
- Ø a multilateral treaty or convention, e.g. the Harare scheme to which most Commonwealth countries

...tracking down stolen assets

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have acceded, or the European Convention on Mutual Assistance in Criminal Matters, of which most Council of Europe countries are signatories

- Ø ad hoc, e.g. even if no treaty exists between the requesting country and the country from which it

requires assistance, such assistance will often be forthcoming so long as the requesting country undertakes to reciprocate in the provision of assistance, and can satisfy the requested country that any material provided pursuant to the request will be dealt with according to the rule of law and that an accused party will be given a fair trial.

Some countries that were previously thought to be secretive about financial transactions, such as Switzerland and Jersey, are now much more willing to assist, and in the Abacha case both territories have launched investigations of their own into money laundering, leading to subsequent prosecutions of financial institutions within Switzerland and Jersey.

The sort of assistance that can be called for from other countries can take many forms, but typically consists of:

- Ø investigation by that country's criminal authorities;
- Ø provision to the requesting country of the information gathered by such investigation (the provision of such information will almost certainly be subject to the condition that it can be used solely for the purpose of a criminal investigation and prosecution in the requesting country);
- Ø freezing of assets held in the country to which the request is addressed.

Ultimately there is the potential for forfeiture of any assets found.

3. Civil action

The mutual legal assistance route can be very effective, but can also be a long and tortuous process. There are many opportunities for the target of the investigation, who will be armed with the proceeds of his corruption, to use part of those resources to impede and delay by judicial means the mutual assistance process. The Abacha case demonstrated that civil remedies can also be used as a powerful weapon to hit directly against the perpetrators of corruption. The English courts are a

particularly good place to instigate such civil actions where part of the proceeds of the corruption has flowed through England. There are two particular benefits of taking such action in England.

Following the ousting of those corrupt leaders an incoming government may itself get access to records of transactions that will assist an investigation into what monies have been taken, and the routes used to siphon off monies

Firstly, procedurally it is possible, as happened in the Abacha case, to obtain orders directly against banks that have handled the proceeds of the corruption, ordering them to disclose full details of the

accounts they have held and not to inform their customers that they are doing so. This enabled a very good picture of Abacha's dealings in the UK to be built up before substantive proceedings against the wrongdoers were launched.

Secondly, substantively a case against the wrongdoers can be based upon the concept of constructive trust. This means that anyone who has knowingly received or assisted in a transmission of dishonestly acquired funds will be liable to the full extent of the funds he has received or dealt with. In the Abacha case, therefore, although no more than US\$30m remained in the UK, the claim that could be launched in England totalled US\$1.3bn, the full amount that had at any time passed through the country.

In the Abacha case, the English court also ordered the wrongdoers to give a full account of what had happened to all the monies that had been corruptly taken. The threat of having to comply with this order, together with the other steps that had been taken by the Nigerian government, put sufficient pressure on the wrongdoers to bring about negotiations, which led to a settlement being announced in April 2002. The Abacha family agreed to return US\$1bn. In return, some criminal charges against them were to be dropped.

Unfortunately, the wrongdoers have reneged on the settlement, preferring, it seems, to take their chances with the litigation or, more likely, the hope that the present government in Nigeria will be replaced by a regime less inimical to their interests.

ABOUT THE AUTHOR

Tim Daniel is a partner in the Public International Law group at D J Freeman. Tim has represented the Nigerian government since the 1970s. He most recently acted for them in the Cameroon v Nigeria case before the International Court of Justice and continues to be actively involved in the recovery of the Abacha loot.

Scheme for Mutual Assistance in Criminal Matters within the Commonwealth as agreed by Law Ministers at their 1986 Meeting in Harare and endorsed by the Commonwealth Heads of Government at their 1987 meeting in Vancouver

Signed in Strasbourg, 20 April 1959

THE NYANGA DECLARATION ON THE RECOVERY AND REPATRIATION OF AFRICA'S WEALTH

We, the representatives of Transparency International in 11 African countries, meeting in Nyanga, Zimbabwe, on 1 - 4 March 2001,

Affirming the fundamental human right to development of all African peoples;

Aware of the negative role corruption has played in undermining Africa's fragile democracies and hindering her people's efforts to attain sustainable development;

Noting recent initiatives aimed at creating a just global socio-economic order, including the Jubilee 2000 debt cancellation campaign;

Aware that an estimated US\$ 20-40 billion has over the decades been illegally and corruptly appropriated from some of the world's poorest countries¹, most of them in Africa, by politicians, soldiers, businesspersons and other leaders, and kept abroad in form of cash, stocks and bonds, real estate and other assets;

Persuaded that, with the co-operation of all relevant actors, such illicit wealth is identifiable, traceable and potentially recoverable;

Noting that the Nigerian government has succeeded in recovering an estimated US\$ 750 million illegally appropriated and transferred abroad by the Abacha military regime, but that this is just a tiny fraction of the billions of dollars estimated to have been stolen by that regime;

Noting further the success of the Jewish Claims Conference in tracing and recovering assets of the Jewish people stolen by the Nazi regime during the 2nd World War;

Observing that while international law and the laws of many countries provide stringent measures to prevent the laundering of drug money and to trace and recover the proceeds of organised crime, they are completely silent on wealth stolen and illicitly transferred from Africa's poorest countries;

Recalling Nigeria's President Olusegun Obasanjo's address to the UN General Assembly in September 1999 calling for the creation of an international convention for the repatriation of Africa's wealth illicitly appropriated and kept abroad;

Supporting the Wolfsberg Anti-Money Laundering Principles, adopted by 11 major international banks under the auspices of Transparency International on 30 October 2000, as a first step towards stopping the movement of illicit wealth;

Hereby declare

1. That it is not only illegal but blatantly immoral that so much wealth stolen from some of the world's poorest countries is allowed to circulate freely in the economies of some of the world's wealthiest nations in Europe, the Americas, the Middle East and diverse offshore havens.
2. That while the call for the cancellation of Third World debt is noble and deserving of full support, it is inherently inconsistent to call for the cancellation of Africa's debts while much of the money originally lent remains illegally invested or banked in privately held accounts abroad.

3. That African Chapters of Transparency International shall spearhead an international campaign for the tracing, recovery and repatriation of Africa's stolen wealth and the formation of a Global Coalition of individuals, Non-Governmental Organisations, Community Based Organisations and other relevant actors to pursue this end.
4. That the global Transparency International movement should prioritise the recovery of Africa's stolen wealth in its activities and should show the same leadership it exhibited with regard to the Wolfsberg Principles by calling for and supporting an international legal framework to stop the illegal flow of illicit assets from poor countries and to recover and repatriate corruptly acquired wealth.
5. That the international community, under the auspices of the United Nations, should as a matter of priority, adopt a treaty to expedite the tracing, recovery and repatriation of wealth stolen from developing countries and transferred abroad, including sealing of all known loopholes, requiring banks to open their books for inspection where there is reasonable cause to suspect illegal activity, and mandatory liquidation and repatriation of assets known to have been corruptly acquired.
6. That all countries should tighten their banking laws to ensure that moneys illicitly appropriated from African treasuries are not granted safe havens in banks or non-bank financial institutions operating in those countries.
7. That African representatives of Transparency International should lobby their governments for legislative reform to seal all known loopholes that allow the illegal appropriation of public money from their treasuries and to punish the culprits, as well as to create frameworks for receiving recovered and repatriated moneys.
8. That the Organisation of African Unity should take a leadership role in representing the interests of Africa with regard to the return of Africa's stolen wealth wherever it may be found on the globe and, as a first step, should adopt all reasonable measures to prevent the illegal appropriation and transfer of moneys from Africa's treasuries.
9. That all international initiatives aimed at the promulgation of a more just global socio-economic order, including campaigns for debt cancellation, should insert into their campaigns an explicit focus on recovering and repatriating assets stolen from developing countries as a necessary condition to the realisation of a more just and fair global community.
10. That a strategic alliance be formed with all relevant actors from all parts of the world to keep the issue of the recovery and return of illicitly gained wealth at the top of the global agenda.

Adopted at Nyanga, Zimbabwe, 4th March 2001.

RECOVERY OF PLUNDERED WEALTH IN ZAMBIA WILL DEPEND ON SKILLS

By Speedwell Mupuchi

The success in the recovery of plundered wealth would largely depend on various specialised skills in gathering evidence across territorial boundaries, legal affairs minister George Kunda has said. Officiating at the graduation of 15 BoZ prosecutors who underwent an intensive prosecution course at Zambia Institute of Advanced Legal Education (ZIALE) yesterday, Kunda said criminals who used banks to clean their dirty money posed a serious danger to the integrity and stability of the country's financial system.

In a speech read for him by legal affairs permanent secretary Getrude Kalulu, Kunda said the graduation came at a time when government had embarked on an intensive crusade against corruption. Kunda called for close collaboration between BoZ and law enforcement agencies currently involved in investigating and prosecuting cases of corruption and plunder of public resources.

"I accordingly wish to see the Bank of Zambia and the Task Force on corruption engage in the exploration of the possibility of collaboration in investigation and prosecution of cases that require legal and financial expertise," Kunda said. He said it was common knowledge that some proceeds of crime including corruption were sometimes placed in banks and subsequently converted into clean money which offenders were able to use without fear.

Kunda said the abuse of the financial system required the officers' attention.

"As bank officials, you are aware that the integrity of institutions in the financial sector is dependent on the perception that our banks function within a framework of high legal, professional and ethical standards," Kunda said. He expressed fear that unchecked criminal activity in the banking sector would drive away foreign investors. He also said this would weaken the country's social fabric, negatively influence collective ethical standards and undermine democratic institutions of the country.

He challenged the officers to defend the integrity of the country's financial sector from criminals. "Criminals who use banks to clean their dirty money pose a serious danger to the integrity and stability of our financial system," he said.

Kunda also challenged them to be proactive instead of them only reacting after a bank had been completely overwhelmed by criminals. He said the success of the fight, particularly the recovery of plundered wealth and proceeds of corruption, would largely depend on the utilisation of various specialised skills in gathering evidence across territorial boundaries; tracing, seizing and forfeiting ill-gotten gains and identification of offenders for prosecution.

Bank of Zambia (BoZ) deputy governor, administration Felix Mfula has said the Zambian financial sector had been beset by bank and financial institutions' failures due to financial impropriety by bank directors.

Mfula said the failures had caused untold misery to many poor depositors. He said bank and institution failures threatened the soundness and stability of the country's financial sector.

"The causes of these bank failures have been well documented and quite a few of them hinge on financial impropriety by the directors of these failed banks," Mfula said. "Regrettably, in spite of the misery caused by these ill-minded managers and directors of failed banks, nothing has been done to bring them to book."

Mfula said it was in recognition of the danger posed by the status quo that BoZ decided to build internal capacity to address the problem of contravention of Banking and Financial Services Act Cap 387 of the laws of Zambia.

He said the bank had realised its employees were better placed to handle the matters because of their intimate knowledge of the subject matter.

He said in the execution of the prosecution role, the bank would work closely with the director of public prosecution. "The bank intends not only to concentrate on failed banks but also to generally use prosecutions under the Banking and Financial Services Act as a means to enforce general compliance with the law," Mfula said.

"It is hoped that this will not only keep market players on the straight and narrow path, it should also serve to bolster confidence in the financial sector." Mfula cautioned the BoZ prosecutors that mis-handled and ill-conceived prosecutions would not only be a disgrace to the bank's reputation but also a violation of human rights and integrity of suspect. He cautioned them against exposing the bank to unnecessary litigations. And ZIALE director justice Frederick Chomba said the role they played would hopefully contribute to the eradication of corruption in the country in general and the banking system in particular.

He challenged the graduates to use their training to ensure bank frauds and corruption cases were well investigated and later proficiently prosecuted. "If in your work you score maximum convictions as you prosecute cases, then those likely to succumb to the temptation of engaging in corruption activities will be deterred," justice Chomba said. He called on donors promoting good governance and the rule of law, legislative drafting, mediation, and arbitration to sponsor students wishing to pursue the courses. One of the graduating prosecutors Leonard Kalinde said the BoZ needed to step up its surveillance over financial institutions. He said banks had failed because of violations of the simple regulations. Kalinde said for any country to grow, it needed savings and that people would have confidence if they know their funds were secure.

*The Post, September 7, 2003
Lusaka, Zambia*

Upcoming Events

23 Sep: 6th Steering Group Meeting of Stability Pact Anti Corruption Initiative (SPAI)

Venue: Sarajevo, Bosnia and Herzegovina

Website: <http://www.oecd.org/daf/SPAIcom/>

24-28 Sep: 6th Nairobi International Book Fair (NIBF)

Organizers: Kenya Publishers Association

Venue: Sarit Centre, Nairobi

Tel: 254-020-3752344

Email: kenyapublishers@wananchi.com

Website: www.kenyabooks.org

15-17 Sep: The Role of the Chamber in Combating Corruption and Instituting Corporate Governance

Organizers/sponsors: CIPE, The International Chamber of Commerce

Venue: Quebec City, Canada

Website: www.cipe.org/whats_new/events/calendar

Think about it...

“We need to improve the access, transparency, and accountability in public management, which includes modernization efforts oriented toward the improvement of efficiency as well as other more important measures leading to reducing inequality and corruption. We need to strengthen the quality of public institutions and promote the modernization of the State.”

María Soledad Alvear, Chilean Foreign Minister. Speech during a meeting at the Organization of the American States, April 30, 2003.

On a lighter note

An auditor is checking the books of an airline. He is puzzled by the excess use of fuel on a Melbourne to Canberra flight. He rings up the pilot and asks for an explanation.

“It was late at night” says the pilot, “Canberra was covered in fog and I lost my bearings.”

“I’m sorry,” says the auditor, “but you’ll have to bear the cost yourself.”

“The cost of what?” asks the pilot.

“Of the bearings you lost.”

WHAT PRESIDENT MWANAWASA DECLARED

The holders of public office who should declare their assets and liabilities as provided for in the Zambian constitution under the Parliamentary and Ministerial Code of Conduct Act of 1994, Chapter 16 are as follows:

- (i) Presidential candidates: all aspiring presidential candidates are mandated to declare their assets prior to the elections. (The President’s declarations is not under Chapter 16, but he is still required to declare)
- (ii) Vice President: the Vice President is by law required to declare his assets after being Appointed in his office
- (iii) Cabinet Ministers: it is also mandatory for all cabinet ministers to declare their assets after being appointed in their portfolios by the president.
- (iv) Deputy Ministers and Provincial Deputy Ministers: similarly all deputy ministers as well as provincial deputy ministers are required to declare their assets.
- (v) The Speaker: the speaker of the National Assembly is also mandated by the constitution to declare his/her assets
- (f) Members of Parliament: Members of Parliament are not mandated to declare their assets but can do so if they express an interest in government contracts.

Mr. Levy Patrick Mwanawasa. SC. Republican President
As at 08-12-01

Assets

| | |
|----------------------------------|---------------------|
| Two houses in Ndola | US \$52,000 |
| Offices in Lusaka | US \$62,500 |
| House in Kabulonga | US \$83,000 |
| Several farms | - |
| Three motor vehicles | - |
| Work in progress at his law firm | US \$31,250 |
| Maurine Mwanawasa’s farm | US \$69,000 |
| In Ndola | |
| Three vehicles | US \$52,000 |
| London account | US \$15,000 |
| BBL Bank in Belgium | US \$10,000 |
| | US \$374,750 |

Liabilities

| | |
|------------------------------------|---------------------|
| Bank overdraft | US \$10,400 |
| Trade creditors | US \$52,000 |
| Balance for the purchase of a farm | US \$4,200 |
| His client’s Kwacha account | US \$16,700 |
| | US \$ 83,300 |

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