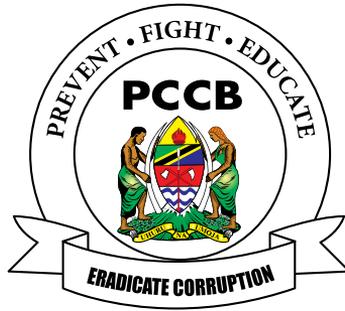# THE UNITED REPUBLIC OF TANZANIA

THE PREVENTION AND COMBATING OF CORRUPTION BUREAU

NATIONAL CORRUPTION AND ANTI-CORRUPTION INDICATORS

May, 2017

TABLE OF CONTENTS

LIST OF ABBREVIATIONS

ACS APRM	Anti-Corruption Squad
	African Peer Review Mechanisms
BEEPS	Business Environment and Enterprise Performance Surveys
BPI	Bribe Payers Index
CAG	The Controller and Auditor General
CBOs	Community-Based Organizations
CHRAGG	The Commission for Human Rights and Good Governance
CPI	Corruption Perception Index
CSOs	Civil Society Organizations
CSTI	Construction Sector Transparency Initiative
DG	Director General
DPP	Director of Public Prosecution
EITI	The Extractives Industries Transparency Initiative
ES	Ethics Secretariat
FBOs	Faith-Based Organizations
GCB	Global Corruption Barometer
GGCU	Good Governance Coordination Unit
GoT	Government of Tanzania
KRAs	Key Results Areas
LG	Local Government
LGAs	Local Government Authorities
LSRP	Legal Sector Reform Programme
M&E	Monitoring and Evaluation
MCC	Millennium Challenge Corporation
MDAs	Ministries, Departments and Agencies
MoFEA	Ministry of Finance and Economic AffairsPlanning
NACSAP-II	National Anti-Corruption Strategy and Action Plan II
NGACS	National Governance and Corruption Survey
PCA	Prevention of Corruption Act
PCAC	Presidential Commission against Corruption
PCB	The Prevention of Corruption Bureau
PCCA	The Prevention and Combating of Corruption Act No. 11 of 2007
PCCB	Prevention and Combating of Corruption Bureau
PCO	Prevention of Corruption Ordinance
PFMRP	Public Financial Management Reform Programme
PMU	Programme Management Unit
PPRA	Public Procurement Regulatory Authority
PSRP	Public Sector Reform Programme
REPOA	Research on Poverty Alleviation
STACA	Strengthening Tanzania's Anti-Corruption Action
TI	Transparency International
UN	United Nations
WGI	Worldwide Governance Indicator
WBI	World Bank Institute's

EXECUTIVE SUMMARY

Realizing that substantial progress in fighting corruption in the country requires more tailored and effective indicators, this study was commissioned to propose a set of homegrown corruption and good governance and anti-corruption effort indicators. This has been done while appreciating the current indicators used worldwide. At the most fundamental level, one should note that corruption is a complex concept, which cannot be easily measured by just using a single variable. This is also complicated by the fact that those who are involved in corruption are actively seeking to hide their behavior for fear of punishment or shame. So, the well-entrenched attempts for measuring corruption using the worldwide indicators have come under heavy criticisms leading to a call for re-designing some new effective and efficient ways of measuring corruption according to the local context.

The process of developing the proposed indicators entailed a comprehensive review of the current national and international efforts/measures. It also involved PCCB staff and ultimately external stakeholders who validated the indicators.

The indicators have been proposed at two principal results levels:

> *(a) Reduced extent of corruption in all its key dimensions*

> *(b) Strengthening good governance in all its key dimensions*

Based on a review of literature, the main dimensions of corruption to be measured are the following:

- *Bribery (both petty and Grand)*
- *Embezzlement/Fraud*
- *Nepotism*
- *Abuse of power*

Similarly, based on the literature on anti-corruption and good governance efforts in Tanzania, the main dimensions of good governance and anti-corruption efforts proposed to be measured are the following:

- *Rule of Law*
- *Government Effectiveness in Service Delivery*
- *Society Voice against Corruption*
- *Friendly Business Environment*
- *Effectiveness of Anti-Corruption Actors (State and Non-State)*

Two levels of overall indices have consequently been proposed. The first was an overall National Corruption Index. The second was an overall National Good Governance and Anti-Corruption Effort Index. Each index is computed in two categories – one, based on perception indicators and the other - based on quantitative indicators.

Each category of an overall national index is computed *geometrically* averaging the indicator scores of constituent dimensions/components. Prior to the averaging stage, each indicator score is standardized to vary between 0 and 1 in order to simplify the aggregation process. The standardized scores maintain up to 2 decimal places. For instance, a perceptual indicator with a value of 70% is interpreted as having a value of 0.7.

Basing on the aforementioned methodology, the **mini-baseline survey**[1] has established that the country's overall corruption index based on both perception and quantitative measures stands at **0.63 or 63.5%,** while the **overall index of anti-corruption efforts is 0.31 or 31%** (Table 0.1). **This suggests that more efforts are required since there is still a substantial level of corruption, while the extent of anti-corruption efforts is rather low.**

Table 0.1: Overall National Corruption and Ant-corruption Efforts Indices

	Perceived	Quantitative	Average Index
Corruption Index	0.65	0.62	**0.63**
Anti-Corruption Efforts Index	0.24	0.40	**0.31**

---

1 A separate mini-baseline survey was done to test the applicability of the proposed indicators and submitted as part of this report. The survey report entails detailed methodology and process for computation of indicators.

INTRODUCTION

1   INTRODUCTION

The Prevention and Combating of Corruption Bureau (PCCB) is established under the Prevention and Combating of Corruption Act No. 11 of 2007. This Act came about after the repeal of the Prevention of Corruption Act (PCA) Cap 329 (RE 2002), when the Parliament of the United Republic of Tanzania passed the Prevention and Combating of Corruption Bill of 2007 on April 16, 2007. His Excellency, the President of the United Republic of Tanzania, Jakaya Kikwete, assented the bill on June 11, 2007 to make it an Act of Parliament which came into force on July 1, 2007. The PCCA No. 11/2007 was made to provide promotion and enhancement of good governance and eradication of corruption.

Historically, the legal framework to combat corruption in Tanzania commenced during the colonial era under the British administration. The Prevention of Corruption Ordinance (PCO) was used by the British colonial government as from 1930s to punish corruption offenders. Subsequently in 1958, the PCO was repealed by the Prevention of Corruption Ordinance(PCO) Cap 400 in 1958.

In 1974, the PCA was amended by Act No. 2 of 1974, which provided for the establishment of the *Anti-Corruption Squad* (ACS). The government under the late President Julius Nyerere established the *Anti-Corruption Squad* (ACS) on the 15th January 1975 by Government Notice No. 17 of 1975. With its establishment, the ACS took over the anti-corruption function that was hitherto carried out by the Police Force.

In 1991, as a result of economic liberalization and political pluralism that loomed in Tanzania in the late 1980s, and early 1990s, the PCA was further amended to match with these changes. This led to the establishment of *the Prevention of Corruption Bureau* (PCB) which took over the functions of the ACS.

In essence, the PCA Cap 329 (RE 2002) had certain shortcomings that infringed the Bureau's operations. These, to mention a few, included:

- Being silent on how the PCB was to execute its functions of graft prevention.
- It did not give the PCB legal mandate or opportunity to follow up and or prosecute corruption related to fraud.
- It did not criminalize most corruption offences such as trading in influence, possession of wealth whose legality cannot be explained etc. and
- It was silent on sexual corruption that had been on the increase.

    Principally, these shortcomings were one of the reasons that led to the enactment of the current Prevention and Combating of Corruption Act No. 11 of 2007 (PCCA No. 11/2007).

2   PCCB Mandate and Set-up

PCCB has three major mandates, which are:*Prevention, Community Education and Enforcement* as stipulated in the PCCA, No. 11 of 2007. The Bureau is established under section 5 of the Act as an independent public body. Section 7 of the Act sets out the functions of the Bureau as to take necessary measures for the prevention and combating of corruption in the public, parastatal and private sectors. In this regard the Bureau is empowered to do the following:

a) Examine and advise on the practices and procedures of public, parastatal and private organisations, in order to facilitate the detection of corruption or prevent corruption and secure the revision of methods of work or procedures which appear to add to the efficiency and transparency of the institution concerned;

b) Enlist and foster public support in combating corrupt practices;

c) Advise public, private and parastatal bodies on ways and means of preventing corrupt practices, and on changes in methods of work or procedures of such public, private and parastatal bodies compatible with the effective performance of their duties, which the Bureau considers necessary to reduce the incidence of corrupt practices;

d) Cooperate and collaborate with international institutions, agencies or organisations in the fight against corruption;

e) Investigate and subject to the directions of the Director of Public Prosecutions, prosecute offences under this Act and other offences involving corruption; and

f) Investigate any alleged or suspected offence, conspiracy to commit an offence and conduct of a public official which apparently involves corruption under this Act.

The Director General (DG), who is the Chief Executive Officer, and other officers of the Bureau, are given special powers of investigation, which they can exercise in the course of performing their duties under the Act. Compared to the repealed legislation, under this Act, the Bureau has a much wider scope of operation, having to deal with twenty-four offences.

The Major Roles of PCCB

(a) To receive and investigate corruption complaints from various sources;

(b) To prosecute cases when investigation is completed;

(c) To research on services provided by government, its institutions as well as private companies aiming at detecting corruption elements and provide advice on such services if they lead to corruption;

(d) To educate and raise public awareness to the community on various laws and their rights; and

(e) To motivate citizens to participate in the fight against corruption.

3 Rationale and Objectives of Develpoing National Corruption Indicators and M&E Plan

Corruption is one of the commonest measures of poor or bad governance. For effective system of good governance to flourish, this requires some sustained efforts to combat corruption on all fronts. As it is widely known, when corruption becomes rampant and uncontrolled, it can be one of the major obstacles to good governance in any society. For example, in the public sector, the presence of corruption in service delivery does imply poor governance of the institutions responsible for the delivery of public services. Ironically, this could also mean that lack or the presence of a few incidences of corruption does imply poor governance of such institutions. Thus, whatever level of corruption that exists in a particular society, this can send a clear message of poor governance.

In this regard, progress in fighting corruption requires some effective measurement of corruption itself, in order to diagnose its forms, scope and potential impacts on governance through effective monitoring framework. This has been one of the key interests for the World Bank, Aid donors, Aid recipients, Investors, and Civil Society, and even the Ordinary Citizens. This renewed interest has in turn sparked new debate on how best way to measure corruption and then monitor the progress for reducing it.

Tanzania on its part, has not been shielded from the problem of corruption and its measurement. On the positive side, Tanzania has been undertaking various reforms geared towards strengthening the governance structures and enhancing anti-corruption efforts. Some of these efforts have included enacting and amending several policies and legislation to provide conducive environment for establishing good governance and anti-corruption efforts. Some of these efforts have included the enactment of the Public Finance Act, No 6 of 2001; the Public Procurement Act, No. 21 of 2004; the Public Service Act, No. 8 of 2002; the Commission of Human Rights and Good Governance Act, No. 7 of 2001; PCCA, No 11 of 2007; etc.

To assess whether these pieces of legislation are working according to their intended purposes, the Government of Tanzania (GoT) decided in 2009 to carry out a survey known National Governance and Corruption Survey (NGCS) to establish the state of corruption in the country with the view of reshaping anti-corruption strategy and further improvement of governance structures. This survey was also conducted in line with the implementation of the Second Phase of the National Anti-Corruption Strategy and Action Plan (NACSAP II) which was officially launched by the GoT in December, 2006. Thus, the findings from the survey indicate that the implementation of NACSAP has registered considerable progress in the fight against corruption through: deepening the understanding of corruption and its evils to the citizenry; establishment of clear legal framework and governance structures; capacity building of the watchdog institutions and the extent of corruption in some sectors has been reduced. However, despite the positive results recorded, several challenges have remained in addressing the issues of corruption and governance, which require extra efforts from the government, and all other key stakeholders to further improve

governance systems and anti-corruption strategies.

While the above could be some efforts made by and an individual country to tackle corruption, the primary challenge faced by both scholars and practitioners of anti-corruption measures worldwide has remained on its exact measurement. It is true that without accurate and reliable measures the extent and magnitude of corruption cannot be properly identified; theories of corruption cannot be meaningfully tested against the data to enable policy makers to understand the fundamentals of how and why corruption emerges; and effective anti-corruption strategies cannot be developed, tested and adapted to different settings. Thus, measurement of corruption remains hard for a variety of reasons despite the existing of various international methodologies such as the Corruption Perception Index (CPI). At the most fundamental level, one should note that corruption is a complex concept which cannot be easily measured by just using a single variable. In addition, those who are involved in corruption are actively seeking to hide their behavior for fear of punishment or shame. As it will be discussed further in the next sections, the attempts for measuring corruption using the worldwide indicators have come under heavy criticisms leading to a call for re-designing some new effective and efficient ways of measuring corruption according to the local context.

4   Methodology

The development of the National Indicators for measuring corruption in Tanzania was a participatory process whereby perceptions, feelings, experiences and challenges experienced by both the scholars and practitioners involved in the anti-corruption measures were explored through brainstorming sessions and in-depth interviews with key stakeholders. Several consultations with key stakeholders including PCCB management, and other key partners in the fight against corruption in Tanzania were held where key issues were identified including: how corruption could be conceptualized, measured and identification of challenges involved.

In this regard, the information gathered from these various consultations was complimented with intensive literature review at both the international, regional and national levels, particularly in trying to map out the Key Results Areas (KRAs) that PCCB would have to work on in addressing the issues of corruption and their corresponding local indicators. On the basis of this and a critical review of key policy and legal documents, a situational analysis was prepared and informed the write up of this report. The draft report was presented to a validation workshop and comments from the workshop were incorporated to produce this final report on homegrown indicators of measuring corruption in Tanzania.

5 Document Layout

This report is structured into six main sections. Section **ONE**, provides an introduction to the study by focusing on the mandates of PCCB, rationale and objectives of the study, and the methodology used to develop the National Corruption indicators and situation analysis of corruption.

Section **TWO** presents a situation analysis of the state of corruption and its measurement by critically reviewing some international/regional frameworks for measuring corruption, a review of the conceptions of good governance, corruption and anti-corruption measures, review of approaches and methods used to measure corruption, and assessment of the widely used global indicators of measuring corruption, review of the national frameworks for measuring of corruption by highlighting the incidence of corruption in Tanzania; An Overview of the Legal Framework for Corruption in Tanzania; institutional framework; Overview of the National Strategy for Preventing and Combating corruption; stakeholders' Analysis; a review of the existing efforts to combat corruption in Tanzania; and finally the Rationale for Developing National Indicators of Measuring Corruption.

Section **THREE** presents the process towards developing National Indicators for measuring corruption in Tanzania by drawing on the lessons learned from the situation analysis to inform the identification of National Indicators, data sources and data collection tools. It also presents the methodology for computation of national corruption indices.

Section **FOUR** focuses on the management framework which comprises the M&E coordination structure, computerized data management system, data audit and supervision.

6   SITUATION ANALYIS

7   International Framework for Measuring Corruption

A multitude of governance and anti-corruption measures have emerged over the past decade. This report classifies the existing measures in two categories—a) i**ndicators of good governance** (Worldwide Governance Indicators (WGI); and b) **Indicators of corruption**, (Corruption Perception Index, CPI).

These measures of good governance and corruption have been discussed in greater depth to draw up some of their strengths and weaknesses, and hence laid down an effective ground for developing the National indicators for measuring corruption in Tanzania. By streamlining these sets of measurements, this has helped to improve the clarity and utility of the proposed Nationa indicators of corruption in Tanzania, and which could also be adapted to other countries.

8   Review of Good Governance

9   Conception of Good Governance

It is important to note at the outset that good governance and anti-corruption measures are very much related. Good governance flourishes well in areas that there are few incidences of corruption. Historically, the term 'good governance' came into vogue in the 1990s with the World Bank leading the charge (Nanda, 2006). Since then it has assumed the status of a *mantra* (i.e. a mystical chant) for donor agencies and donor countries for setting standards and conditions for aid and upon which the performance of the recipient governments can be measured. As a condition for lending development assistance, the World Bank requires a recipient government to show effective performance and to promote further reforms. The rationale is that with good governance (i.e. combating corruption, nepotism, bureaucracy, and mismanagement and transparency, accountability, and proper procedures) "aid would be effectively used to achieve the objective of reducing poverty".

Hence, good governance has been taken to be one of the key pillars of successful development. In the same vein, the ability to assess the quality of governance is so important both in terms of how the evidence generated can be used to both influence policy and how policy can also influence governance outcomes.

10   Measuring Good Governance

Scores of governance measures have emerged over the past decade. The critical concern has been whether governance should be understood only by its attributes (i.e. measured by process indicators) or also by its impact (i.e. measured also by outcome indicators). According to McFerson (2009), the initial attempts to measure good governance focused wholly on process dimensions, such as the attempts made by the Transparency International Index of Corruption Perception

(www.transparency.org). Accordingly, from the late 1990s, a more inclusive view of good governance was taken and some indicators developed by the World Bank, including some result-oriented aspects.

In the last few years, regional indices have also emerged and new surveys have been used to address specialized aspects of good governance. However, the most commonly and comprehensive tools used to date to measure the quality of governance is the **Worldwide Governance Indicators (WGI)** and the **Ibrahim Index of African Governance**. Overall, the primary objective of governance measurement has been '*to rank the different countries in order to inform foreign aid and investment decisions and other policies, as well as provide shorthand assessments to facilitate governmental and media reporting''* (McFerson, 2009:254).

The Worldwide Governance Indicators (WGI)

The WGI governance measures include indicators along six key dimensions:

(a)   *Voice and Accountability* – the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association and a free media.

(b)   *Political Stability and Absence of Violence*– the likelihood that the government will not be destabilized by illegal or violent means, including terrorism.

(c)   *Government Effectiveness* – combining quality of public services, capacity of the civil service and its independence from political pressures; and quality of policy.

(d)   *Regulatory Quality* – the ability of the government to provide a sound regulatory framework that enables and promotes private sector development.

(e)   *Rule of Law* – the extent to which agents have confidence in and abide by the rules of society, including the quality of contract enforcement and property rights, the police and the courts, as well as the incidence of crime and violence.

(f)   *Control of Corruption* – with corruption defined as the exercise of public power for private gain, including both 'petty and 'grand' corruption, as well as 'capture' of state activities by elites for their own interests and profit.

The WGI currently covers 210 countries and relies on 35 different data sources reflecting both the results of surveys and the individual assessments by thousands of experts. In this regard, the governance scores are relative and are expressed in terms of deviations from the worldwide mean of zero – from a low of –2.5 standard deviations to a high of +2.5 standard deviations. The presentation of the results also includes a specification of the 'error range' for each indicator, which allows the researcher to decide how much analytical weight to put on any particular result.

The Ibrahim Index of African Governance

At the regional level, the Ibrahim Index of African Governance, which is an attempt at combining process and outcomes indicators of governance was made by Huther and Shah (1998) in the context of fiscal decentralization. This index was developed especially for Africa at Harvard's Kennedy School of Government at the request and with the support of the **Mo Ibrahim Foundation**. Some authors have argued that because of the Ibrahim Foundation's financing and support of the Index of African Governance, this has given:

> A much-needed and salutary message – by an African to Africans – that malgovernance and corruption are the major obstacles to the development of the continent and are no longer to be tolerated or justified by a reference to the heritage of colonization, as real and heavy as that heritage in fact has been. (McFerson, 2009:261).

Thus, the Ibrahim Index has been developed on the basis of **57 criteria** combined into **FIVE** dimensions:

i.   **Safety and Security** – comprises the two subcategories of national security and public safety. In turn, the components of national security are: the number of armed conflicts during the year; the intensity of conflicts, measured by battle-related deaths; the number of civilian deaths from intentional attacks by government or other formal groups; the number of refugees and asylum-seekers; the number of internally-displaced persons; and ease of access to small arms. The components of public safety are the rate of violent crime and the homicide rate.

ii. **Rule of Law, Transparency and Corruption** – the rule of law is measured by ratification of critical legal norms (which includes ratification of human rights conventions), the incidence of sanctions for human rights violations; and property rights protection (measured by the Property Rights Index of the Heritage Foundation); judicial independence and efficiency includes judicial independence (derived from a Freedom House index) and court efficiency (measured by the percentage of pre-trial detainees out of total detainees); and corruption is measured by the TI index.

iii. **Participation and Human Rights** – the two subcategories are participation in elections (measured by free and fair elections for the executive and for the legislature and participation of the opposition in both elections); and respect for civil and political rights (measured by respect for physical integrity, respect for civil rights, press freedom – from Reporters Without Borders – and women's rights).

iv. **Human Development** – the three categories are poverty (percentage of population living below the poverty line of $1/day), as well as income distribution, measured by the 'Gini Index'); health and sanitation (measured by 11 various indicators, including life expectancy); and educational opportunity (measured by 7 various indicators.)

v.   **Sustainable Economic Opportunity** – the four subcategories are wealth creation (measured by per capita GDP and rate of economic growth); macroeconomic stability (measured by inflation rate, budget deficit or surplus as percent of GDP, reliability of financial institutions, and overall business environment); 'arteries of commerce' (measured by density of road network, electricity capacity and number of telephone

subscribers and computer and internet users); environmental sensitivity (estimated by the Environmental Performance Index) and climate change.

11 Criticisms against the Indicators for Measuring Good Governance

While the governance indicators have been widely used by both academics and researchers, these indicators have also come under strong criticisms. For example, Kaufmann et al (2006) explicitly caution against using the World Bank Institute's governance indicators for ranking purposes because of the measurement errors embodied in their indicators. This is due to the fact that the process does not aggregate the six composite indicators, or a subset thereof, to create an overall composite indicator. But rather, these indicators are used separately– because of "*non-trivial issues when constructing one composite governance indicator for a country."* Unfortunately, many important studies nevertheless misuse the World Bank Institute's indicators precisely in these ways. Thus, the nature and limitations of composite governance indicators, which the majority people use, often seem not fully to grasp, or admit, these potential limitations.

The six key dimensions for measuring governance also focus mainly on the process rather than outcomes indicators. However, Devarajan, (2008), raises an important question of whether the WGI really captures the nature of a given country's governance problem. For instance, Bangladesh is taken an exception case to the general association between good governance and economic performance. This country has indeed shown strong economic performance for decades in the midst of severe and persistent corruption and governance problems (leading to a temporary military takeover from January 2007 to end 2008). Nonetheless, while the 'Bangladesh paradox' is real, it is not relevant as a criticism of the WGI.

Some Concluding Remarks on Measuring Good Governance

Generally, most of the governance indicators are composite indicators, which means they are aggregated and synthesized from information from third-party data sources. In other words, the institutions which prepare them do not gather or generate their own data. Instead they rely on data from others, employing aggregation techniques to generate their own results or scores from those component sources. Moreover, governance should continue to be defined mainly by its attributes and thus measured largely through process indicators, but the measures need to be complemented by a *few key* indicators of safety, political and civil liberties and human development and rounded out by an indicator of income distribution.

For the case of measuring good governance in the African context, the Ibrahim Index is highly promising, due to its holistic nature, combining traditional measures of governance with new critical elements of security and participation and with the explicit consideration of income distribution. Nonetheless, this index has too many indicators and includes some uncertain relevance to governance which may likely to generate some equivocal conclusions. Thus, this new initiative could become much stronger if it were refocused and streamlined to reduce the number of indicators and mainly to weed out those that are loosely, and

unrelated to governance. Thus, a vigilant scrutiny, simplification and improvement of the tool could turn it into the standard measure of governance in Africa.

12 A Review of the Meaning and Measuring of Corruption

13 The Meaning of Corruption

Corruption is an outcome of mis-governance among many other outcomes. Broadly, corruption *is an abuse of public office for private gain.* Although corruption takes place in both public and private domains, the current research primarily focuses on the public kind. It encompasses 'unilateral abuses by government officials such as embezzlement and nepotism, as well as abuses linking both public and private actors such as bribery, extortion, influence peddling, and fraud". Thus, the most enduring definition of corruption, could be *the abuse of public office for 'private economic gain*.

Given the difficulties involved in defining the concept and the fact that the term itself is too broad, vague and literally interpreted to refer to ''bribes paid to government officials''; then, one question needs to be asked first: can corruption be measured? To address this question, a quick survey of the literature on corruption cannot fail to come up with a tentative conclusion that: *'corruption'* cannot be measured. This intricacy comes from the fact that the term 'corruption' is too broad and vague. For example, if we restrict the meaning of 'corruption' t*o 'bribes paid to government officials'* (which is the commonest interpretation of the term), this specialized interpretation means that it is possible in theory to measure the quantity of bribes. However, there would be other two dimensions to measuring this quantity: **the number of bribes and the size or volume of the bribes**. Thus, this volume of quantity of corruption would differ from one country to another.

14 Widely Used Indicators for Measuring Corruption

Practitioners and researchers working on anti-corruption face some serious challenges in measuring corruption **types** and **levels**. At an abstract level, **all corruption indicators are proxy** indicators because corruption is a collective term for a range of different practices. This means that complex concepts such as this can be rarely measured just by using a single indicator.

Despite these challenges involved in defining and measuring corruption, scholars, researchers, practitioners have made major strides in developing innovative and increasingly precise measures of corruption in recent decades. New methods have come out, including advances in experimental and quasi-experimental econometric techniques, but also important changes in the way corruption itself is understood.

The literature on the measurement of corruption across the globe show that the dominant mode of measurement since the mid-1990s has been **perception-based**, using **cross-national indices** drawn from a **range of surveys** and '**expert assessments'**. These indices, include for example, the Corruption Perception Index (CPI), the Bribe Payers Index (BPI), the Global Corruption Barometer (all produced by Transparency International), and the Business Environment and Enterprise Performance Surveys (BEEPS).

In some cases, other aggregate or composite indicators such as the *Control of Corruption* element in the World Bank Group's Worldwide Governance Indicators (WGI), have also been used and become important tools for raising awareness of the issue of corruption. While all efforts have been made by different institutions, the central question has still remained unanswered: *how can corruption be measured in its complete aspects?* This is apparently the conundrum which has faced most of the researchers, institutions and academics who have attempted to develop some means of measuring corruption. This difficulty stems from the fact that corruption is the most sensitive and elusive research topics in social sciences. At one extreme, one can argue that:

> … all corruption indicators are proxy indicators, because corruption is a collective term for a range of different practices. Complex, overarching concepts can rarely be measured directly by a single indicator. However, some individual types of corruption, such as bribery and certain types of fraud, can be directly measured with reasonable accuracy (Johnsøn and Mason, 2012:1).

The attempts made so far have produced a cross-country data on perceptions of corruption which have triggered an extensive empirical literature.

Corruption Perception Index (CPI)

At the global level, the most widely used perception-based indices include the Transparency International's Annual Corruption Perception Index (CPI). Since 1995, CPI has been performing annual computation for more than 187 countries all over the world. This tool is now the best-known 'measure' of 'corruption' in the world which is essentially **a poll of polls**. The CPI methodology is a composite of various corruption indicators, including the surveys and opinions of business individuals and institutions around the world.

The CPI ranks countries in terms of the degree to which corruption is perceived to exist among public officials and politicians. It is generally a composite index, *a poll of polls*, which draws corruption-related data from expert and business surveys carried out by a range of independent and reputable institutions. On one sense, it could be argued that the CPI represents views from around the world, including those experts who are living in the countries evaluated. On the other sense, it could mean that these perceptions are merely a reflection of the informed people.

Nonethless, one of the strengths of aggregate indicators is that they can be useful in summarizing vast quantities of information from several sources, and in so doing can limit the influence of measurement error in individual indicators and potentially increase the accuracy of measuring a concept as broad as corruption.

15 Criticisms against the Global Measurements of Corruption

Despite the widespread use of CPI as the commonest measure for measuring corruption globally, some scholars and practitioners have begun to worry about the accuracy and explanatory power of this method of measurement. From a conceptual point of view perception-based indices are criticized as:

> an attempt to weld together too many different types and shades of corruption under a handful of indicators, limiting the range of questions that could be asked in the study of corruption, and providing limited support for targeted evidence-based policy action (Sandra Sequeira, 2012:4-5).

In addition, the same author makes another strong point that perception-based indices have several methodological challenges, which include unpredictable sampling and reporting bias. For example, the international businessmen, who have been long considered as the experts and the most informed respondents to these surveys, may not be impartial or objective evaluators of corruption in different countries. For instance, "*if most international businessmen are involved in the oil sector in Nigeria and this is perceived as being a particularly corrupt sector, Nigeria is likely to rank higher in the corruption index than other countries with higher variance in the distribution of corruption and international businessmen across sectors'* (ibid p. 5).

In a similar vein, while Transparency International (TI) claims that the CPI is only a ranking measurement of corruption and cannot be used as a measure of national performance in the fight against corruption; it is often misinterpreted by newspapers, and sometimes misused by donors, as precisely such a measure. In addition, there have been some changes year to year on both in its methodology and in the list of countries it covers meaning that it does not discriminate reliably among countries with scores close to each other; or between conditions of corruption, even in the same country, over time. Similarly, more than 50 countries, including many that are highly perceived to be corrupt are not ranked on the CPI. Put it differently, changes in the composition of the sources and methodologies used, from year to year, mean that country-rank scores are not comparable over time. Still, the standardization technique used by TI to produce the CPI emphasizes the rank ordering of countries over internal reforms in any country. Thus, CPI has been criticized for failing to **measure other aspects of corruption such as the frequency and the amount of bribes paid**.

Some criticisms have also been directed towards the CPI by the people who have been working in developing the CPI. For example, Fredrik Galtung, a former official at Transparency International observes that "the CPI relies predominantly on the opinion of experts or business executives, not of the common citizens. This means the CPI scores would be skewed by the experiences of these groups, which are usually predominantly wealthy males. And in many cases the CPI places too much emphasis on expatriates' opinions" (Yusoff, et al, 2012:16).

In addition, the perception-based measures of corruption are limited in their ability to explain the micro- determinants of corruption or the full set of mechanisms through which corruption could affect the economy. For instance, these perception-based indicators have failed to explain important country variation in the incidence of corruption across public services or to differentiate between different types of corruption (e.g. high level vs petty corruption, coercive vs collusive) and the range of behavioral responses it can induce.

Some other critics have noted that by aggregating many component variables into a single score or category, users run the risk of losing the conceptual clarity that is so crucial. If, for example, users cannot understand or unpack the concept that is being measured, then, their ability to draw out informed policy implications is severely constrained. So, the choice for Tanzania is to have more localized indicators that everyone can understand their meanings and hence more useful in combating corruption. In the same token, while the corruption composite indicators are widely used tools because of their near-global coverage, the homegrown indicators may also attain the same status once each country prepares its own indicators.

Some Concluding Remarks on Measuring Good Governance and Corruption

It can be reiterated that while the most widely known corruption datasets such as the Transparency International's Corruption Perceptions Index and the World Bank Institute's WGI, one notes that these annual assessments produce extensive global coverage, and their results are widely reported in the media. Both measures are based on aggregates of third-party data dealing with perceived levels of corruption, indicators of governance outcomes, and expert assessments of governance and anti-corruption performance.

However, one of the major criticisms of using these perceptions based indicators has been on the skepticism raised over specific details of the methodologies used in these indices. This is because the indices are largely based on the popular opinions of citizens or visitors to various countries, which means that the opinions of these sections of the population may not capture well all forms of corruption (i.e. petty vs. grand corruption, or levels of corruption such as *political vs, administrative/bureaucratic* corruption etc.)

16 Review of Approaches and Methods used to Develop Corruption and Anti-corruption Indicators and the Efforts to make them more useful to local context

The literature on corruption indicates that the methodological approaches used to measure corruption worldwide are mere perceptions, which means they do not necessarily represent the real situation on the ground. According to Hosea (2009:12), some of the print media had reported continuously on corruption issues in Tanzania to the extent that:

> …it was as if nothing is being done by the government in curbing corruption. The instrumentalities to gather data used by Transparency International are predominantly based on business people perceptions whether the country is conducive for investment and doing business. Such objectives are not necessarily the best measurement of the extent of corruption in the country though the data cannot be ignored. Mistrust between and among other stakeholders which needs to be reversed by working together and open up communications and consultations

The quotation above reinforces the fact that media relies heavily on wrong internationally developed perceptions of indicators to make huge generalisations about the extent of corruption in a particular country and largely missing the point that these indices/measures such as CPIs do not necessarily capture the situation on the ground.

In the same vein, given the paucity of international corruption measures that have emerged in the literature for the last five decades, the approaches and methods used to measure corruption have been questioned. Thus, new approaches and methods need to be developed at the national rather than international levels. This move from the international to local level will allow some questions like, *"how do poor women's experiences with corruption compare to poor men's?* to be adequately answered and some kinds of other questions to be found within the local context rather than at the international levels.

This is one of the reasons for calling a **second and third generation indicators** for which data can be locally made available, even though the indicators themselves have not yet been created. This move is more plausible than relying on the composite indicators. One example could be the level of trust in the police among the poor. *So, the home grown indicators approach could ask questions related to both the level of trust and the economic status of respondents.* This would then allow the construction of indicators with a focus on poorer groups in society. In other words, best developed indicators by national stakeholders rather than by international actors, such indicators will lend themselves more easily to **targeted, in-depth diagnostics of the impact of corruption across different population groups.** However, while these efforts which have come under the second and third generation indicators may sound plausible due to the acknowledged drawbacks of the CPI, none has proved able to satisfy the needs of donor agencies".

Notwithstanding, a recent trend in the field of corruption measurement has been the use of local expertise and knowledge sources, as opposed to relying on outsiders for their opinions and ratings. This shift underscores the growing recognition that corruption indicators need to be more relevant to a country's specific stakeholders. On the other hand, international donors and investors have been the key external constituency to use the international generated indicators for aid and capital allocations.

17 Summary and Lessons Learnt

It can be argued that while the indicators for measuring good governance and corruption may look comprehensive, the theory and practice of monitoring and evaluation of these indicators show that, on the one hand, it is tricky to monitor a complex phenomenon by measuring a single aspect of it and; on the other hand, it is unfeasible trying to measure an excessive number of different aspects. Governance and corruption are complex terms which pose some challenges for both the academics as well as the practitioners.

In this regard, efforts to make corruption indicators more useful to national actors should be accompanied by increasing efforts to promote local "ownership" of such assessments. In a broad sense, **national ownership** refers to a situation where local governments and stakeholders hold responsibilities for policy setting, skills training and resources.

Thus, the best approach is to strike a reasonable compromise over the levels simplification and excessive complexity in measuring the concepts.

18 National Framework for Measuring Corruption

Tanzania has often been referred to for its commitment to counter corruption. The history in fighting corruption dates back to several decades since independence, 1961. During the first phase of government under the late Julius Nyerere (1961-1985) particularly under the auspices of the socialist transformation years, from 1967 to 1985, both traditional forms of corruption (grand and petty corruption) grew roots. These forms existed despite the leadership code and other socialist norms, where public officials, particularly at the managerial levels of parastatal organizations, continued to use their offices for private gain.

Under the liberalization policies of the second phases of government led by President Ali Hassan Mwinyi (1985–1995), corruption seemed to be out of control as it looked like everything and everyone had a price. The situation seemed to be so bad at the time which pushed the donors in 1994 to freeze aid to Tanzania after government officials were said to be condoning the nonpayment of taxes by businesspeople. In a phrase that became paradoxically a commonplace in Tanzanian society, the Late Mwalimu Nyerere declared the country as "reeked of corruption."

In the third phase of government under the President Benjamin Mkapa, (1995-2005), some concerted efforts were made to combat corruption. For instance, the President appointed a commission mandated with assessing the state of corruption in the country and formulating recommendations on 17 January 1996. This commission was known as the Presidential Commission against Corruption (PCAC), commonly known as the *Warioba Commission.* This commission produced the highly regarded "Warioba Report" which again led, to the adoption of a comprehensive National Anti-Corruption Strategy and Action Plan (NACSAP) in 1999 and action plans for the 2005-2006 period. These plans provided for measures aimed at removing corrupt leaders, strengthening the existing Prevention of Corruption Bureau, the appointment of a Minister of Good Governance and the establishment of a Commission of Ethics. By October 2000, almost all the government ministries had developed specific corruption plans specifically to tackling the risks of corruption in their respective sectors. Extra efforts were also made to strengthen existing governance institutions such as the Controller and Auditor General. More importantly, the Public Leadership Code of Ethics made provision for public leaders to disclose their assets in 2001.

The fourth phase of government under President Jakaya Kiwete (2005-todate) has renewed the country's commitment to fight corruption. For example, in 2006, the National Anti-Corruption Strategy and Action Plan II (NACSAP-II) was launched covering the period 2006-2010. NACSAP II focused more specifically on engaging local government authorities, civil society and the private sector in the fight against corruption. A Triangulation Partnership Programme was established in 2005 to support and coordinate the joint anti-corruption efforts of civil society, government and the private sector in the fight against corruption.

Accordingly, gauging from the various phases of government from 1961 –to date, one notes that Tanzania has made momentous progress in maintaining a political that supports anticorruption reforms and strengthens its public financial management. Despite these efforts, the country continues to face major challenges in fighting and containing corruption in all walks of life particularly in such areas as public procurement, revenue collection, and auditing and money transfers from central to local governments. Moreover, the above review of the four phases of government clearly shows that Tanzania has faced a series of major corruption scandals.

The following sections review some of incidences of corruption, an overview of the pertinent laws related to anti-corruption, overview of the institutional arrangement and the rationale for developing the home grown indicators for measuring corruption in Tanzania the legal and institutional frameworks guiding anti-corruption in Tanzania.

19 Incidence of Corruption in Tanzania

Generally, Tanzania suffers from a high level of corruption. Recent literature reports that for the period from 2002 -2010, at least an estimated 20% of the government's budget has been lost to corruption. The assessment of performance of Tanzania's anti-corruption measures is summarized by the *Norad Joint Evaluation of Support to Anti-Corruption Efforts (2011)* as follows:

- Tanzania's Transparency International's Corruption Perceptions Index (CPI) score improved between 1998 and 2007, both in absolute and relative terms from 1.9 to 3.2 (out of a maximum score of 10 indicating no corruption). But by 2009 Tanzania's score was back to 2003 levels. It has consistently scored and ranked below the average for the Africa region over the period.

- Tanzania currently ranks as the second least corrupt country in East Africa on Transparency International's CPI and Transparency International-Kenya's East Africa Bribery Index. However, Tanzania's score on the Index (corruption prevalence) has risen from 17% in 2009 to 28.6% in 2010. Perceptions data from the same survey also paint a gloomy picture with a total of 85% of the respondents feeling that Tanzania is either corrupt or extremely corrupt, with a larger percentage (45.6%) feeling that it is extremely corrupt. In addition, two of its institutions, the police and the judiciary, appear in the top 10 most corruption institutions in East Africa

- The World Bank Institute's (WBI) Global Governance Indicators19 in relation to Control of Corruption similarly show an improvement for Tanzania from 1996- 2006/07. But from 2006/07, Tanzania's absolute scores and relative international ranking worsened

- In 2004 and 2005, Tanzania failed to meet the Millennium Challenge Corporation (MCC) performance criteria to participate in the Millennium Challenge Account. But by November 2005, Tanzania had reached the median score on corruption control.

Other commissioned reports on the assessment of the level of corruption in Tanzania have also pointed some specific areas where corruption is rampant. For example, the Warioba Report (1996) found out that those who solicit and receive bribes are divided into two groups. The first group includes those who receive bribes as a result of their meagre incomes and low standard of living; and what they receive only helps make ends meet. This type of corruption was found to be rampant in all sectors of the economy and social services. The second type of corruption involved high-level leaders and public servants whose involvement in corruptive practices was a result of excessive greed for wealth accumulation and money. These were the people whose earnings were adequate to meet their basic needs and they had enough property and money. This group uses various tactics to solicit and receive bribes.

Accordingly, the two reports paint a clumsy picture about a high level of corruption in Tanzania, which requires some effective effeorsfor measuring both its type and magnitudes.

20 Overview of Pertinent Laws: The Legal Framework

The 1971 Prevention of Corruption Act as amended in 2002 provides the foundation for Tanzania's anti-corruption legal framework. Relatedly, other relevant pieces of legislation include the 2004 Public Procurement Act, the 2002 Public Services Act, and the 2001 Public Finance Act, Public Leadership code of Ethics Act, and in 2007, the Prevention and Combating of Corruption Act was revised to allow for the implementation of the UN and African Union conventions against corruption.

Thus, in discharging its statutory functions, the PCCB is governed by Prevention of Corruption Act and its various regulations, and also takes into consideration the following pieces of legislation:

(a)   The Constitution of the United Republic of Tanzania of 1977;

(b)   The Economic and Organised Crime Control Act, No. 13 of 1984;

(c)   The Criminal Procedure Act, No. 9 of 1985;

(d)   The Police Force and Auxiliary Forces Act, Cap 322;

(e)   The National Prosecution Service Act, No. 27 of 2008;

(f)   The Penal Code, Cap.16;

(g)   The Evidence Act, No. 6 of 1967;

(h)   The Proceeds of Crime Act, No. 25 of 1991;

(i)   The Anti-Money Laundering Act, No. 12 of 2006;

(j)   The Mutual Legal Assistance in Criminal Matters Act, No. 24 of 1991;

(k)   The Public Procurement Act, No. 21 of 2004

(l)   Election Expenses Act, No. 6 of 2010

21 Overview of Institutional Arrangement

Generally, the Tanzania's institutional framework for anti-corruption is a composite of the PCCB, the Controller and Auditor General (CAG) and a set of institutions established within the framework of the NACSAP II, including a Good Governance Coordination Unit and the Ethics Inspectorate Department. In addition, the Office of the Minister of State was also established under the President's Office with the main functions of overseeing governance and coordination of anti-corruption activities. In short, the following are the main institutions which have been responsible for anti-corruption measures in Tanzania:

a) **The Prevention of Corruption Bureau (PCB) –**was established under the Prevention and Combating of Corruption Act of 2007. Unlike its predecessor, Prevention of Corruption Bureau (PCB), PCCB was established as an independent body, with power to "investigate and, subject to the directions of the DPP. In other words, the bureau has the powers to investigate, raise awareness and guide government on anti-corruption issues as well as prosecute cases of corruption, either directly or via the Director of Public Prosecutions.

b) **The Controller and Auditor General (CAG) -**The CAG 's oversight functions in public finance and procurement were strengthened in 2001. Its independence is guaranteed by the constitution and the budget is determined by the executive. It produces annual reports but they are difficult to access, with limited follow-up actions by government.

c) **The Commission for Human Rights and Good Governance (CHRAGG)-**serves as an Ombudsman office for receiving complaints from citizens and making non-binding recommendations to the government. The commission can also initiate its own investigations.

d) **The Ethics Commission-** This is mainly responsible for implementation of the Public Leadership Code of Ethics enacted in 1995. It is in charge of recording and keeping asset declarations and it ensures that public officials do not engage in corrupt or illegal practices. However, the lack of public access to the records held by the commission is currently the subject of a legal challenge.

e) **Public Procurement Regulatory Authority (PPRA) -** This authority was established in 2004 with the main function of ensuring fair application, competitive, transparent, and non-discriminatory and value for money procurement standards and practices in all government businesses. Nonetheless, a case has been made that its function it plays on suspicion of corruption in the tendering or award process should be handed over to the PCCB.

There are also other key institutions responsible for anti-corruption in the public financial management such as:

f) **Ministry of Finance and Economic Affairs (MoFEA) -** Through the increased use of Public Expenditure Tracking Surveys (PETS) which have been useful in highlighting the revenue lost due to corruption. However, the implementation of these systems have been rather slow and adherence has also been poor.

It is worth noting, however, that despite these legal and institutional frameworks for combating and prevention of corruption in Tanzania, an issue of great concern for the government and other interested parties is over how these instruments could be realistically measured in terms of their performance on good governance and socio-economic growth that reflects the realities of the country's corruption.

22 Overview of National Strategy for Preventing and Combating of Corruption

The Second Phase of the National Anti-Corruption Strategy and Action Plan (NACSAP II) was officially launched by the Government of the United Republic of Tanzania on December 10, 2006. This strategy was to be implemented between 2008– 2011. It aimed to build on the achievements NACSAP I and address challenges encountered by becoming more focused, robust, relevant and inclusive. In addition, NACSAP II strived to set up, organize, and mainstream a sustainable mechanism and responses against corruption. Specifically, the strategy aimed at complementing and integrating anti-corruption measures into the core public sector reforms such as Public Sector Reform Programme (PSRP), Legal Sector Reform Programme (LSRP), Local Government Reform Programme (LGRP), Public Financial Management Reform Programme (PFMRP) in strengthening and instituting good governance, transparency, accountability, integrity, efficiency and improved public service delivery.

Accordingly, the key implementing agencies of NACSAP II are PCCB; Good Governance Coordination Unit (GGCU), and Director of Public Prosecution (DPP). The overall policy and strategic guidance to NACSAP implementation was vested in the National Steering Committee with the Director General of PCCB as the Chairperson. The implementation strategy also provides an opportunity to translate the Government's anticorruption policies, aspirations, and perspectives into practical and actionable terms through *eight key strategic goals (key result areas/objectives)* which are summarized below:

The NACSAP II,was therefore regarded as a Government's blue-print for implementing the National Anti-Corruption Policy of '*zero tolerance'* to corruption.

23 Rationale for Developing National Indicators

As already been discussed in the previous sections, attempts to measure corruption have often been fraught with some difficulties. Indeed, corruption is a complex phenomenon. Its roots lie deep in bureaucratic and political institutions, and its effect on development varies with country conditions. It is in this regards that home grown indicators to measure corruption level in the country are considered to be important rather than universally developed indicators.

The existing survey of literature has also indicated that despite the international measures of corruption being widely used across different countries, there has been a lot of criticisms about the methodological approaches and the scope of measurement of corruption which have largely missed the local context of corruption. Accordingly, the need to develop homegrown indicators for measuring corruption has become so imperative.

The necessity for new methodology for developing indicators for measuring corruption comes also from the **static nature of the existing international indicators** which need to be reassessed periodically to ensure that they accurately reflect local conditions.

The need to come up with some proxy indicators is essential which will need to be more observable, and at times more actionable. However, these types of proxy indicators proposed would be an improvement from the existing international indicators with the main advantage of being adapted to the local context. The U4 Brief (July 2013 No 2) drives this point home when it argues that:

Just as people in Mozambique know what constitutes and indicates poverty in their society, they also know what reliably indicates corruption in the local context. Moreover, to move beyond general measures of corruption levels in a country (corruption measurement)[2].

In this regard, the National indicators of measuring corruption in Tanzania are guided by the philosophy that a better understanding of corruption is imperative by taking into account the people's perceptions on different forms of corruption such as grand" and "petty" corruption. This understanding is also reflected on broad meaning of the concept of corruption with various manifestations (bribery, facilitation payments, embezzlement, fraud, extortion, favouritism, etc.) in different sectors (health, education, water, etc.) and in various central government processes (procurement, taxation, recruitment, etc.).

Given this myriad ways of conceptualizing corruption, data to be collected to measure corruption should be mixed. This means that various sources of data including qualitative and quantitative have been assembled to measure the spectrum or magnitude of corrupt behaviors in Tanzania from various sectors.

24 Review of Existing Efforts to Develop National Indicators

The review of the international methods for measuring corruption has clearly shown that various methods cannot be realistically used in measuring corruption in Tanzania. Owing to this limited capacity of the international measures of corruption, the Government of Tanzania (GoT), through PCCB has therefore decided to develop some home grown indicators which will reflect the Tanzanian context/environment.

---

2   U4 Brief July 2013 No 2 *The Proxy Challenge: Why bespoke proxy indicators can help solve the anti-corruption measurement problem*

These home grown indicators will thus provide an empirical and base for monitoring and evaluating the effectiveness of government's governance and anti-corruption programmes overtime with considerations of the country's environment and conditions rather than using composite indicators such as those of CPI. Tanzania, is perhaps, not alone in seeing the need for developing these local flavored indicators. For instance, a significant rise in country specific tools that measure corruption, albeit at a slower pace, has been evidenced in a recent mapping of African and Latin American corruption measures, as well as the World Bank Governance and Anti-Corruption (GAC) Diagnostics.

Sierra Leone provides a classic example in the attempt to develop national context indicators for measuring corruption. For example, Sierra Leone's National Anti-Corruption Strategy report demonstrates how a range of corruption measurement tools were integrated into a development plan. Some indicators, for example, were mobilized to provide a quick country survey of the state of corruption, while others were used to disaggregate data by sector and poverty/income level.

In summary, the Sierra Leone case draws upon the appropriate measurement tool to meet specific needs and objectives. It should be noted that after more than a decade of civil war that ended in2002, the government of Sierra Leone launched its National Anti-Corruption Strategy in February 2005. There are three major components to the report.

- ■ The first examines the root causes of corruption in the country: what native Sierra Leoneans think about corruption and the costs of corruption to the nation. In other words, a brief political-economy analysis.
- ■ The second focuses on the institutions most vulnerable to corruption and the priority areas that need to be addressed.
- ■ The third provides a series of corruption reducing policy recommendations for each sector.

So, data from various corruption and governance indicators are mentioned in the first two sections of the strategy report. The first set of (mainly perception) indicators are used to provide a snapshot of the depth of corruption compared to other countries. Thus, a key lesson to be drawn from the case of Sierra Leone is that *the panoply of corruption indicators is complementary rather than inimical to each other*. This means that one set of indicators is not necessarily better or inferior to another (i.e. it depends what is being measured and toward what end).

25 National Governance and Corruption Survey (NGACS) Reports and other related Survey Reports

In 2009, PCCB through FACEIT carried a survey (NGACS) to establish the state of corruption in the country with the view of reshaping anti-corruption strategy and further improvement of governance structures. The survey covered three main components namely a) Enterprises Survey (b) Households Survey and (c) Public Officials Survey. This report presented the findings of the first ever composite baseline survey of governance and corruption in Tanzania.

As per the NGACS report, it is evident that the implementation of NACSAP has registered considerable progress in the fight against corruption. The successes include; deepening the understanding of corruption and its evils to the citizenry, establishment of clear legal framework and governance structures, capacity building of the watchdog institutions and the extent of corruption in some sectors has been reduced.

However, several challenges are also facing the country in the areas of corruption and governance which call for continued deliberate Government interventions to further improve governance systems and anti-corruption strategies. These achievements can be used to develop a trend and status of corruption in the country.

The nature of indicators captured through this baseline survey were centred on five themes namely:

i. Respondents' understanding of corruption
ii. Prevalence, seriousness and trends
iii. Quality of service delivery, honesty and integrity
iv. Governance and corruption in key sectors
v. Fighting corruption

Among other things, the current study to establish home grown indicator, requires the following to be covered:

- Tanzania's citizens experience of bribe-paying (petty corruption)
- Tanzania's citizens experience perceptions of corruption
- Tanzania's citizens experience perceptions of the government's action to tackle corruption.
- Tanzania's citizens' awareness of corruption, willingness to report corruption and willingness to engage in the fight against corruption
- Tanzania's business' experience of bribe-paying (petty corruption)
- Tanzania's business' perceptions of the need to make unofficial payments in order to get business code

- Progress of key anti-corruption reform actions
- Progress of corruption cases (petty and grand)-both in terms of number of cases and speed of processing.
- Administrative actions taken against those found to have acted unethically

Synchronizing these with the NGACS indicators, it is obvious that a lot can inform the current assignment as also reflected in the **Result Framework** presented in this report. However, the main challenges of NGACS indicators is that most indicators do not give the outcome of interventions done by the government, and if they do, it is through the perceptional views of respondents as opposed to what is really happening on the ground.

Other Reports and Sources

Both the *Afrobarometer Survey and Views of the People Survey* (carried out by Research on Poverty Alleviation, REPOA) were useful in providing inputs to the current study. Though mostly perception-based and not outcome oriented, those indicators which are found complementary provided important input to the current study.

Strengthening Tanzania's Anti-Corruption Action (STACA) report for example provides very useful information on outcome indicators for law enforcement data (e.g. from PCCB, DPP, and courts). The indicators show government efforts and progress on law enforcement and they can be easily measured over time (trend). For example, the indicators include:

Outcome 1: Increased Conviction Rate in Corruption Cases (% of total corruption cases in court in a given year which end in convictions; % of total decisions which end in convictions)

Outcome 2: Reduced median time taken from first application by PCCB to DPP for consent to prosecute until finally receiving consent (as reported by PCCB and DPP)

Outcome 3: Increased number of detected, investigated, prosecuted, decided and adjudicated cases of money laundry and asset recovery (number of Money Laundering (ML) and Assetrecovery(AR) cases detected and investigated; number of such cases prosecuted in court; number of such cases decided/ adjudicated)

Outcome 4: Increased number of STRs processed by FIU on annual basis(as reported by FIU)

Outcome 5: Increased number of corruption and fraud cases passed from FIU to PCCB or Police (as reported by FIU)

Outcome 6: Increased public trust in Police and Judiciary (% of Tanzanians saying they trust the Police and Judiciary "somewhat" or "a lot" as measured by Afrobarometer survey)

Outcome 7: Increased number of corruption and fraud cases identified by NAO and passed to PCCB or Police for investigation(as reported by NAO, number of audit reports passed to law enforcement bodies for action)

Outcome 8: Increased number of cases presented by PCCB to DPP; Decreased number of cases returned for further Investigation; Increased number of new cases in Court (as reported by PCCB and DPP)

Outcome 9: Improved status of preventive measures conducted by the Implementing Institutions (as measured by Knowledge – Attitude - Practice survey; this survey has unfortunately not been carried out by PCCB).

Data on key anti-corruption reforms (both legal and institutional frameworks) were useful in informing the current study. This study was quite aware of the efforts which have been taken by the government to reduce, among other things, the extent of corruption in Tanzania (as discussed in the previous sections). These efforts, not only reflect governments efforts but also are expected to have positive outcomes on the status of corruption in Tanzania. Some of the reforms include:

Legal Reforms:
- Prevention and Combating of Corruption Act (2007)
- Ant-Money Laundering Act (2006)
- The 2004 Public Procurement Act
- The 2011 Public Procurement Act
- Election Expenses Act (2010)

Institutional reforms- include establishment and inter-play of institutions/programmes like:
- Judiciary-Legal sector reform programme
- Prevention and Combating of Corruption Bureau (PCCB) in 2007
- Ethics Secretariat (ES)
- Controller and Auditor General (CAG)
- Commission for Human Rights and Good Governance (CHRGG)
- Public Procurement Regulatory Authority (PPRA)
- Construction Sector Transparency Initiative (CSTI)
- And several other

Selected International Indicators

Selected international Indicators have been used to provide useful inputs without Duplicating the proposed home-grown data. These sources include:

- Transparency International's Corruption Perceptions Index 2013,

- Global Corruption Barometer (GCB)

- The Global Competitiveness Report

- World Bank's Worldwide Governance Indicators

- The Extractives Industries Transparency Initiative (EITI)

- And several others

Accordingly, the objectives of conducting these surveys were to collect candid information nation-wide on **governance, service delivery and corruption**. In these surveys, citizens, public officials and business people across the nation were interviewed and provided their views. The information collected from the survey offered a set of key messages that complement and reinforce the government's current stand on the fight against corruption. These surveys have also informed the process of developing the home grown indicators.

26 Stakeholder & Linkages Analysis

PCCB serves a number of stakeholders who include individual citizens, tourists, residents, public and private sector institutions, and non-governmental organizations. PCCB aspires to implement government policies, strategies and other anti-corruption initiatives that will create an environment where individual citizens, tourists, residents, public and private sector institutions, and Non-Governmental Organizations (NGOs) will access services without bribing service providers in public, private and non-governmental organizations. The services by PCCB to MDAs include public awareness programmes on negative effects of corruption, investigation and prosecution of corrupt elements, research on systems and structures prone to corruption and dissemination of the findings for use by the general public, public institutions, private sector and NGOs. In short, the list of stakeholders, their expected services from PCCB as well as expectations of PCCB from its stakeholders is provided in Table 1 below.

Table 1: Stakeholder Analysis

S/NO.	STAKEHOLDERS NAME	PCCB'S EXPECTATIONS	STAKEHOLDERS' EXPECTATION
1.	President's Office- State House	Annual Report	Timely and Quality Reports.
		Quarterly Performance reports	
		Election Manifesto implementation reports	
		Good Governance Report	
		Technical advice	Timely and quality advice.
		Personnel during joint tasks/ operations/committee	Competent personnel
2.	Ministry of Finance and Economic Affairs	Technical advice on anti- corruption matters	Timely and quality advise
		Investigation and feedback on money laundering cases	Timely and quality investigation and feedback
		Personnel in joint operations	Competent personnel
3.	National Audit Office	Investigation and feedback on cases	Timely, quality investigation and feedback
		Personnel in joint operations	Competent personnel
		Information Sharing	Timely and quality information
4.	DPP	Investigation and case files	Timely and quality investigation and quality case files
		Training on anti-corruption and ethics infrastructure	Quality and relevant training
5.	PPRA	Annual procurement plans and reports	Timely and quality annual procurement report
		Investigation and feedback on cases	Timely, quality investigation and feedback
6.	Judiciary	Training on anti-corruption and ethics infrastructure	Quality and relevant training
		Provision of evidence on cases	Quality and relevant evidence
7.	Police Force	Case files	Relevant case files in relation to police force jurisdiction
		Training on anti-corruption and ethics infrastructure	Quality and relevant training
		Investigation	Quality and timely investigation
		Personnel in joint operations	Competent personnel
8.	MDAs and LGAs	Technical support on implementation of NACSAP II and other Anti-Corruption activities	Timely and accurate technical advice
		Technical support in plugging corruption loopholes	
9.	CSOs, CBOs, FBOs and Private Sector	Technical advice on anti-corruption matters	Timely and accurate technical advice
		Information on anti-corruption matters	Accurate, relevant and timely information
		Training on anti-corruption and ethics infrastructure	Quality and relevant training

S/NO.	STAKEHOLDERS NAME	PCCB'S EXPECTATIONS	STAKEHOLDERS' EXPECTATION
10.	Development partners	Periodic performance Reports	Timely and quality reports.
11.	Students	Relevant anti-corruption programs	Quality anti-corruption programs
12	Parliament	Information on corruption and anti-corruption	Accurate, reliable and timely information
		Technical advice on anti-corruption matters	Timely and accurate technical advice
13	PCCB Staff	Staff motivation	Increased productivity
		Good working condition	Motivated staff
14	General Public	Information on corruption and anti-corruption	Accurate, reliable and timely information
		Public education on anti-corruption	Relevant education and punished corruption criminals
15	Media	Information on corruption and anti-corruption	Accurate, reliable and timely information
		Public education on anti-corruption	Relevant education and punished corruption criminals

27 Capacity Assessment

28 Review of M&E Capacity

M&E system for anti-corruption efforts is embedded in the NACSAPs. The M&E framework and results are intended to provide accurate and reliable information on the status of corruption – including relevant proxy indicators – as well as on anti-corruption efforts. The data and reports from this M&E facility is an important tool in the evaluation of the effectiveness of national prevention initiatives within the NACSAP framework.

A separate Programme Management Unit (PMU) - the NACSAP Unit- manages its day to day operations and implementation arrangements. The Unit which is hosted at the PCCB Head Office in Dar-es-salaam has 11 officers dedicated solely to the programme[3]. Staff include a programme manager, a programme coordinator, nine goal coordinators and nine zonal officers who are responsible for implementation of seven out of eight NACSAPs goals, at Ministry Department and Agency (MDA) and Local Government Authorites (LGAs) levels in Tanzania. Their roles on the NACSAPs is to liaise with PCCB Bureau chiefs and zonal coordinators based within the institution's twenty-five regional offices country-wide.[4] PCCB's own staff including district Bureau Chiefs, the Director of Research, the Director of Monitoring and Evaluation, the Chief Accountant and others also help to implement and monitor NACSAPs activities at the district and Local Government (LG) levels. Goal number 1 for example, of NACAP II focuses on combating corruption in a more scientific way and by addressing its root causes. The DG of PCCB who is also the appointed Chairperson to NACSAP II, has overall responsibility for this goal.

---

3   NACSAP II is referred to as one of the core reform programmes of the GoT, thus the use of this term in the report.

4   PCCB Offices in Tanzania: Mwanza, Dar es Salaam, Kinondoni, Ilala, Temeke, Arusha, Dodoma, Iringa, Kigoma, Kagera, Kilimanjaro, Manyara, Lindi, Mara, Mbeya, Morogoro, Mtwara, Pwani, Mwanza, Rikwa, Shinyanga, Singina, Ruvuma, Tabora, Tanga,

Current M&E Framework under NACSAP II

1. **The National Steering**: Review and approve annual work-plans and budgets;

2. **NACSAP Secretariat**: Develop plans and produce progress reports;

3. GGCU: relate to MDAs and consolidate quarterly reports;

4. **National Anti-corruption forum**: Annual discussion of anticorruption issues by all integrity organizations and stakeholders;

5. **NACSAP Implementing partners**: Not yet producing consistent reports to NACSAP.

6. **NACSAP Coordinators**: Coordinating activities at regional levels focusing on LGAs

M&E Related Challenges

- CSOs, LGAs, Judiciary and DPP have not yet developed direct reporting systems;

- Low capacity from MDAs causes delays in reporting to NACSAP Unit;

- The capacity of LGAs, GGCU, CSOs, Private Sector on Monitoring and Evaluation is quite low;

- Reporting format for different actors are different;

- NACSAP II-unit staff capacity is overstretched, due to the fact that Tanzania is an expansive country and so it takes a very long time to move from one place to another. Tanzania, with a population of over 40 million cannot be served efficiently by only 1,000 PCCB staff countrywide. Rather if the NACSAP was integrated and owned by more institutions then the country would have enough officers to implement and achieve its objectives more efficiently;

- Inadequate and delays in funds from UNDP and other stakeholders hindered implementation or timely completion of the planned activities.

29 Recommendations on the Ways to Improve M&E System and Ways to Promote the Creation of Effective Partnership and Linkages Between Various Stakeholders at the Various Levels

A strengthened M&E system is needed that can monitor performance of civil servants, identify functional public financial management systems that are sound or those that have loopholes for corruption, such as with procurement systems: e.g. showing how public funds are lost or recovered and how certain laws either assist or impede anti-corruption efforts. The new NACSAP should introduce an M&E system that helps detect when funds are lost in problematic deals and reports when these funds have been recovered.

This type of transparency will help to foster reporting on corruption, create increased transparency, confidence and participation by various stakeholders and the public in the new NACSAP. This kind of M&E system is also important for reporting on funds leakages and recoveries. In particular, the following are recommended:

1. The NACSAP should have ensured how to implement the results based M&E framework in an effort to improve service delivery, enhance transparency and introduce a culture of iterative learning through periodic review and reflection. This would involve:

   a. Periodic collection of data and information on programme implementation based on measureable baseline data, measureable objectives, indicators, outcomes and targets.

   b. Reporting and information dissemination strategies should be created and included as part of the strategy for promoting ownership and mainstreaming within various sectors. M&E activities should involve all stakeholder groups at each stage: as this will also help to enhance their understanding, commitment and knowledge about the intended purpose and results of the programme.

   c. Training and capacity building of the new programme staff in M&E and setting up and managing of an M&E system based on the existing framework to be revised as needed.

   d. The PCCB M&E Director and an external training consultant should be engaged in the development and provision of M&E capacity building and training services to the new NACSAP. The database and tools should be designed in parallel with the programme document and be ready for implementation immediately when the new programme starts

   e. Capacity is also needed in reporting programme outcomes-i.e. capacity to develop an operational programme document with clear baseline data, relevant indicators for measuring the change desired and specific targets and timeframes for achievement (i.e. reporting of results rather than activity status).

1. A need to develop direct reporting systems by other actors i.e. CSOs, LGAs, Judiciary and DPP.

2. There is a need to simplify reporting formats and develop new ones where unavailable;

3. Need to build capacity of Local Governments, GGCU, CSOs, Private Sector on Monitoring and Evaluation.

4. Ensure high donor and political commitment to ensure adequate and timely disbursement of funds for NCASP activities.

30 NATIONAL INDICATORS, DATA SOURCES AND TOOLS

31 Towards National Indicators

32 Lessons

Based on the foregoing review of literature some specific lessons can be deduced:

a. Corruption is a complex issue which means a single tool is not sufficient to effectively obtain a comprehensive understanding and identify possible points of intervention. All measurements and toolkits are subject to bias in one form or another. By using multiple sources of information, users can mitigate the risks of pursuing ill-fated policies driven by skewed data.

b. Indicators generated by local experts are more valuable in stimulating buy-in from national governments and other local stakeholders than indicators generated externally. In other words, locally generated assessments are a more politically useful tool, compared to external assessments. In addition, locally generated assessments draw on the knowledge of multiple stakeholders, which may include local academics, NGOs and policy makers whom may lend themselves to a more participatory framework for discussion. In the same vein, for the National indicators to be more robust and reliable, they should include inputs from all sectors of the state including the civil society, private and public sectors. This form of engagement will allow indicators to serve as accountability mechanisms for citizens, especially for marginalized groups, and to provide bottom-up pressure for reform.

c. It is also important whenever possible, to combine quantitative data with qualitative in the assessment of corruption levels as depicted in the result framework of this study. Such assessments should provide users with deeply contextual information that captures a country's specific situation and making sure that a complicated phenomenon such as corruption is well understood by all stakeholders. The experience from the international measures of corruption has clearly shown that many of the indicators only capture a snapshot of a country's corruption condition and often exclude minority voices, such as the poor and women.

d. The review of the literature has also shown that attempts to develop some home grown indicators for measuring either corruption or governance are not without their problems. As one of the renowned political scientist, Professor Goran Hyden[5] notes:

o   *...there are significant challenges to aligning corruption and governance assessments with local needs on the conceptual, institutional, political and operational levels. The conceptual vagueness of the concepts of governance*

---

5   Goran Hyden, (2007) "The Challenges of Making Governance Assessments Nationally Owned", A paper presentedat the Bergen Seminar on "Governance Assessments and the Paris Declaration," organized by the UNDPOslo Governance Centre and the Chr. Michelsen Institute, Bergen, September 24-25.

and corruption makes it difficult to determine the most appropriate indicator framework. Furthermore, national ownership can be a highly politicized issue. Some governments are uninterested in giving civil society a robust role in the process and seek to monopolize control of the policy agenda. The underlying question for any nationally owned assessment is whether it can yield appropriately self-critical results, when warranted.

e. Relatedly, advocates of nationally owned corruption assessments or indicators may run up against institutional/operational burdens. For example, local assessors may be overwhelmed by dozens of stakeholders, creating an increase in workload, time and resource commitments, as well as the number of indicators. Using the experience of the time and resources required to carry out just the first six African Peer Review Mechanisms (APRM) assessments could be a case at point which posed a number of operational challenges. Many developing countries also lack a developed research infrastructure and NGO sector capable of executing what can be extremely complex and challenging measurement exercises.

33 Way forward on the Indicators of Corruption and Anti-corruption Strategies

Measuring corruption is generally difficult. Albert Einstein once said: "***Not everything that counts can be counted, and not everything that can be counted counts.***" In spite of the measurement challenges, there is a need to work seriously towards a practical framework for measuring corruption in Tanzania because it counts to address the issue. *Given the nature of corruption we cannot avoid but use proxy indicators including predominantly perception-based measures.*

In order to organizethe development and presentation of indicators, the practice is to develop comprehensive and logical *results frameworks of the national strategy against to corruption* linked to key areas or types of corruption. A results framework is a management tool commonly used to articulate the development hypotheses at work in a given strategy. It spells out inter-related anti-corruption objectives. These objectives or results are organized in a hierarchical pattern that attempts to specify cause-and-effect relationships.

Spelling out the causal or influential relationships at work in anti-corruption efforts is currently very difficult for two reasons. Often we do not yet have adequate empirical evidence to be clear about causal chains. In addition, the complexity of the results at each level makes it problematic to break apart the various components. For these reasons, the frameworks used to organize the indicators may sometimes appear **definitional** rather than **causal** – yet, they can become very useful starting points. This is the approach that has been adopted in this effort.

The results framework proposed here has two principal levels:

- **(a) Reduced extent of corruption in all its dimensions**

- **(b) Strengthening good governance in all its dimensions**

34 Types of Corruption

Based on a review of literature, the main dimensions of corruption are listed in Table 3.2 below. A sufficient measure of corruption has to be based on composite index of these dimensions. Each dimension will in its-self require its own measurement scale.

Table 3.2: Corruption Dimensions

	Corruption Dimensions
1	*Bribery*
2	*Conflict of interest*
3	*Cronyism/nepotism*
4	*Embezzlement*
5	*Extortion*
6	*Fraud*
7	*Trading of influence*

However, for the ease of understanding and based on the recommendations of stakeholders, the dimensions were categorized into four (4) main ones:

- **Bribery (both petty and Grand)**
- **Embezzlement/Fraud**
- **Nepotism**
- **Abuse of power**

35   Good Governance and Anti-Corruption Key Results Areas

Similarly, based on the literature on anti-corruption and good governance efforts in Tanzania, the main dimensions of good governance and anti-corruption are listed in Table 3.3 below. As they are closely related and for lack of adequate research, there are not listed in any order showing casual and effect relations. Nevertheless, measuring each will shed a lot of light on good governance and anti-corruption efforts. Each dimension – includes at least one sub-dimensions. Further each sub-dimensions will need its own indicators.

Table 3.3: Good Governance and Anti-CorruptionDimensions

1.	*Rule of Law*
2.	*Government Effectiveness in Service Delivery*
3.	*Political tolerance*
4.	*Society Voice against Corruption*

5.	*Friendly Business Environment*
6.	*Effectiveness of Anti-Corruption Actors (State and Non-State)*

The two-proposed levels of results will allow easy statistical analysis to establish the relations between each good governance and anti-corruption dimension;and corruption. Additionally, the data can test hypothesized models of interrelations between the good governance and anti-corruption variables and between them and the corruption variable(s).

36 Indicators and Data Sources

In line with the above dimensions of corruption and key results areas of anti-corruption efforts, **Appendix 1**presents the set of proposed National corruption and good governance and anti-corruption indicators. We have decided to use a combination of perception-based and quantitative indicators for comparative purposes and to facilitate interpretation of the resulting findings.

The main data sources for obtaining indicator values are principally of two types. For the perception-based indicators – the main sources of data are two surveys namely citizens' and business enterprises' surveys. The surveys will have a frequency of five years. **Appendix 2** presents surveyquestionnaires which were used for collection of the information from the two surveys-citizens and business enterprises.

Furthermore, data registers maintained by various stakeholders shown in **Appendix 3** will be the main sources of data for the quantitative indicators. The quantitative indicators will be collected at a frequency of one year. PCCB will need to engage all institutions earmarked to provide quantitative data for clear arrangements, which will ensure that quality data will be regularly collected and timely made available to PCCB.

37 Methodology for Computation of National Corruption Indices and Findings from the Mini-Baseline Survey

The proposed indicators' framework is divided into two groups: (a) corruption and (b) good governance and anti-corruption strategy indicators. Within the first group, the indocators have beensub-divided into four dimensions of corruption. Within the second group, there are six (5) Key Results Areas (KRAs), each with several themes. The KRAs are:

a. Rule of Law

b. Government effectiveness and efficiency in service delivery

c. Society Voice against Corruption

d. Friendly Business Environment

e. Effectiveness of anti-corruption actors (state and non-state)

Therearesupposed to be two overall indices. The first is the **overall National Corruption Index** while the second one is the **overall National Good Governance and Anti-Corruption Effort Index**. Each index is computed in two categories– one, based on perception indicators and the other - based on quantitative indicators.

Each categoryof an overall national index is computed *geometrically* averaging the indicator scores of constituent dimensions/components. Prior to the averaging stage, each indicator score is standardized to vary between 0 and 1 in order to simplify the aggregation process. The standardized scores maintain up to 2 decimal places. For instance, a perceptual indicator with a value of 70% is interpreted as having a value of 0.7.

Basing on the aforementioned methodology, the **mini-baseline survey**[6]   has established that country's overall corruption index based on both perception and quantitative measures stand sat **0.63 or 63.5%** while the **overall index of anti-corruption efforts is 0.31 or 31%**(Table 3.4). **This suggests that more efforts are required since there is still a substantial level of corruption while the extent of anti-corruption efforts is rather low.**

Table 3.4: Overall National Corruption and Ant-corruption Efforts Indices

	Perceived	Quantitative	Average Index
Corruption Index	0.65	0.62	**0.63**
Anti-Corruption Efforts Index	0.24	0.40	**0.31**

38 Management Framework

The PCCB M&E Unit will ensure efficient and effective management of the homegrown corruption indicators. The role of the Unit has been specified in this section. In this endeavor, the Unit will be supported by a computer aided database management system that is under development. The Unit will be guided by a capacity building plan and a comprehensive work plan and budget. PCCB may also opt to incorporate some DPP staff in this Unit for data sharing purposes.

---

6   A separate mini-baseline survey was done to test the applicability of the proposed indicators and submitted as part of this report. The survey report entails detaled methodology and process for computation of indicators.

39 M&E Unit Functions

The key functions of the M&E Unit in relation to the management of the homegrown corruption indicators are:

a.   Develop five-year M & E Plans for management of the indicators;

b.   Manage the operationalization and maintenance of the indicators;

c.   Develop and update the M&E system documentation;

d.   Update the five-year M&E work plan and budget;

e.   Advocate for adequate financial and other resources for implementation of the indicators;

f.   Prepare, cost and disseminate annual M&E work plans for managing the indicators;

g.   Develop and manage all data sources required to provide information for the indicators;

h.   Undertake supervision and data auditing;

i.   Develop and maintain a computerized M&E database management system in support of the management of the homegrown indicators;

j.   Update and implement the M&E capacity building plan related to implementation of the homegrown indicators; and

k.   Produce and disseminate all specified information products (reports)

40 Computerized Database Management

PCCB is in the process of establishing a computerized M&E database system to support the administration of its M&E system. The system will be re-engineered to accommodate the tracking and management of the National Corruption Indicators as proposed in this document.

The functions of the database in supporting the management of the homegrown indicators will be to:

a.   Capture data periodically submitted to the M&E Unit from the data sources outlined in this document.

b.   Store details about all National Indicators, as per the indicators defined in in this document and its subsequent revisions.

c.   Analyze and produce data required by the M&E Unit to prepare information products, as defined in this document and other PCCB reports

d.   Track details about the ways in which information products have been disseminated.

41 Data Audit and Supervision

The Bureau will develop a guide on Data Quality Auditing/Assessment (DQA) which will be used to identify weaknesses in the system for implementing the National Indicators so as to ensure generation of quality data. Staff and partners will be regularly oriented on DQA guidelines. Regular supportive supervision and ad-hoc data verification will also address issues for improving data quality. Both staff from the M&E Unit in collaboration with the relevant officers from the partner organizations will conduct regular supportive supervision visits to respective data sources once every year. A standard supervision checklistto be developed for different levels will be used. Feedback of the supervision will be shared with the relevant implementers and the PCCB management for follow-up.

42 Capacity Development

In many ways, PCCB has already some capacity for facilitating the implementation of the National Indicators. However, there is currently limited technical capacity at all levels in the country to implement a holistic monitoring and evaluation system related to the indicators. PCCB will regularly undertake capacity development of all the institutions that will play a role in the collection and provision data for the proposed indicators.

43 Integrated Work plan and Budget

PCCB will develop annual work plans and budgets, closely integrated with other activities of the Bureau, to facilitate implementation of the National Indicators. The work plans and budgets will be comprehensive to include all essential activities such as the surveys and routine annual data collection related to the qualitative and quantitative indicators, respectively.

*An urgent and important activity to be undertaken early on in the implementation of the indicators will be **a national baseline survey** involving all the indicators*.

Appendix 1: Proposed National Corruption Indicators and Related Information

Appendix 1.1: Perceptual Measures of Corruption

No	TYPES OF CORRUPTION	CONCEPT DEFINITION	INDICATIVE THEME	INDICATOR	DISAGGREGATION	DATA SOURCES	DATA COLLECTION FREQUENCY
1	**Bribery – Petty**	· Bribery is defined as the offering, giving, receiving or soliciting anything of value to influence an official act.	· Extent of bribery in public and private service delivery	Proportion of citizens indicating to have been asked to pay bribe in past one year Proportion of citizens indicating to have paid bribe in past one year	· Sectors · Regions · Gender · Occupation · Education Level	· Citizens survey	· Every five years
2	**Bribery – Grand**	Bribery involving high ranking officers in Government	Perceptions of corruption in central government (grand corruption)	Proportion of citizens perceiving that senior central government leaders/officials engage in corruption	· Sectors · Gender · Occupation · Education Level	· Citizens survey	· Every five years

No	TYPES OF CORRUPTION	CONCEPT DEFINITION	INDICATIVE THEME	INDICATOR	DISAGGREGATION	DATA SOURCES	DATA COLLECTION FREQUENCY
3	**Embezzlement/ fraud**	· An act when a person dishonestly or fraudulently misappropriates or otherwise converts for his own use any property for the purpose of conversion (theft) of such assets by one who has been entrusted.	· The extent to which Public officials are committed to safeguarding public resources	· Proportion of citizens of the view that public officials are stealing or misappropriating public funds entrusted to them.	· Sectors · Regions · Gender · Occupation · Education Level	· Citizen Survey	· Every five years
5	**Nepotism/ Cronyisms**	· Intentional imposition of distortions in the prescribed implementation of existing laws, rules, and regulations to provide advantages to individuals in and/or outside government through illicit, no transparent means	· Fairness in recruitment and service delivery	· Proportion of citizens of the view that it is helpful or essential to have a relative or friend on the inside in order to get a Government job	· Regions · Gender · Occupation · Education Level	· Citizens survey	· Every five years

Appendix 1.2: Quantitative Measures of Corruption

	Type of corruption	Indicator	Unit	Date observed	Observed value	Expected Trend	Target value (medium Term)	Computed indicator value (%) (1)	Source of information on target
1	Bribery -petty	Number of petty bribery cases prosecuted in court	Number of cases	2014	804	decrease	500.0	62.2	PCCB
		Number of petty bribery cases convicted in court	Number of cases	2014	133	decrease	70.0	52.6	PCCB
2	Bribery-grand	Number of grand bribery cases prosecuted in court	Number of cases	2014	120	decrease	80.0	66.7	PCCB
		Number of grand bribery cases convicted in court	Number of cases	2014	2	decrease	1.0	50.0	PCCB
3	Embezzlement/ fraud	Number of petty embezzlement and fraud cases identified by NAO	Number of cases	2013/14	87	decrease	60.0	69.0	PCCB and NAOT
		Number of grand embezzlement and fraud cases identified by NAO	Number of cases	2014	111	decrease	70.0	63.1	PCCB and NAOT
4	Abuse of power-	Number of Abuse of power cases prosecuted in court	Number of cases	2014	256	decrease	150.0	58.6	PCCB and NAOT
	Computed Quantative Corruption index							**0.62**	

Appendix 1.3: Perceptual Measures of Good Governance and Anti-Corruption Strategies

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Data Sources	Data Collection Frequency
1	**Rule of Law**	· Effectiveness of law enforcement	· Proportion of citizens convinced that the laws are being strictly enforced	· Regions · Gender · Occupation · Education Level	· Citizens survey	· Every five years
2	**Government effectiveness and efficiency in service delivery**	· Efficiency of public service delivery	· Proportion of citizens feeling that public services are provided timely	· Regions · Sectors · Gender · Occupation · Education Level	· Citizens survey	· Every five years
		· Availability of public services	· Proportion of citizens satisfied with availability of public services	· Regions · Sectors · Gender · Occupation · Education Level	· Citizens' survey	· Every five years

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Data Sources	Data Collection Frequency
3	*Political Tolerance and competition*	· Effectiveness of electoral laws and bodies ensuring a fair and level playing field	· Proportion of citizens of the view that electoral laws and bodies ensure a fair and level playing field	· Regions	· Citizens Survey	Every five years
		· Democratic Governance within parties	· Proportion of citizens of the view that internal processes with political parties provide fair opportunities for member	· Regions · Gender · Occupation · Education Level	· Citizens Survey	Every five years
4	*Society Voice against Corruption*	· Public awareness of corruption	· Proportion of citizens indicating awareness of a major corruption scandal in the past three years · Proportion of citizens indicating knowledge of where to report corruption	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Data Sources	Data Collection Frequency
		· Society willingness to act against corruption	· Proportion of citizens willing to appear and testify in courts against corruption · Proportion of citizens willing to appear for an interview with PCCB	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years
5	**Friendly Business Environment**	· Policies, laws and regulations affecting business are friendly	· Proportion of enterprises considering country's business policies, laws and regulations as friendly	· Regions · Districts · Public enterprises · Private enterprises	· Enterprise surveys	· Every five years
		· Fairness of procurement process	· Proportion of enterprises considering tendering process in government institutions to be fair	· Regions · Districts · Public enterprises · Private enterprises	· Enterprise surveys	· Every five years
6	*Effectiveness of anti-corruption actors (state and non-state)*	· Political will to fight corruption	· Proportion of citizens feeling the government is committed to fight corruption	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Data Sources	Data Collection Frequency
		· Effectiveness of media	· Proportion of citizens believing that media is adequately reporting corruption cases	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years
		· Effectiveness of PCCB	· Proportion of citizens believing that PCCB anti-corruption efforts are effective	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years
		· Effectiveness of the police	· % of Tanzanians saying they trust the Police	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years
		· Effectiveness of the judiciary	· % of Tanzanians saying they trust the Judiciary	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Data Sources	Data Collection Frequency
		· Effectiveness of parliament	· Proportion of citizens who think that parliaments is committed in fighting against corruption	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years
		· Effectiveness of political parties	· Proportion of citizens who think that political parties committed in fighting against corruption	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years
		· Effectiveness of MDAs and LGAs	· % of citizens who are of the view that Government Ministries and Local Government Authorities are committed to fighting corruption	· Regions · Gender · Occupation · Education Level	· Citizens Survey	· Every five years
		· Effectiveness of CSOs	· % of citizens who are of the view that CSOs are committed to fighting corruption	· Regions · Gender · Occupation · Education Level ·	· Citizens Survey	· Every five years

Appendix 1.4: Quantitative Measures of Good Governance and Anti-Corruption Strategies

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Indicator Definition	Data Sources	Data Collection Frequency	Measurement Tool(s)
1	**Rule of Law**	Effectiveness of law enforcement	· Case disposal rate	· Regions · Sectors Type of court (primary/high court/court of appeal)	· Average processing time from filing a case at the court and case disposal	· Court records	Annual	Official data registers at each source
2	**Government effectiveness and efficiency in service delivery**	· Efficiency of government social services service delivery	· Time taken to obtain government services	· Regions Sectors	· Time taken to obtain government services related to land (processing title deeds) and Judiciary (from filing of case to disposal)	· Reports from earmarked Government Agencies	· Annual	· Official data registers at each source
		· Availability of Government social services	· Proportion of population with clean water; electricity; health; passable roads; schools, etc	· Regions · Sectors	· Proportion of population with clean water; electricity; health; passable roads; schools, etc.	· National Statistical sources	· Annual	· Official data registers at each source
3	*Society Voice against Corruption*	· Awareness and understanding of corruption issues in the country	· Number of visitors to PCCB website	· Regions · Sectors	· Cumulative number of PCCB visitors in a given year	· PCCB	· Annual	· Official data registers at each source

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Indicator Definition	Data Sources	Data Collection Frequency	Measurement Tool(s)
		· Society willingness to act against corruption	· Proportion of the 113 calls which related to corruption	· Regions · Sectors	· Proportion of 113 and public complaints assessed by PCCB as being related to corruption issues in a given year	· PCCBB	· Annual	· Official data registers at each source
	Friendly Business Environment	· Policies, laws and regulations affecting business are friendly	· Number of days spent to register a business	· TIC, BRELA AND MUNICIPAL LOG	· Number of calendar days one spend to go through different procedures before s(he) registers a business	· BRELA	· Annual	· Official data registers at each source
		· Fairness of procurement process	· % of procuring entities complying to public procurement regulations	· Sectors · Regions	· # of complaints filled by bidders to PPRA/PPAA in a given year	· Records of procurement authorities: Accounting Officers, PPRA and PPAA	Annual	· Official data registers at each source

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Indicator Definition	Data Sources	DataCollection Frequency	Measurement Tool(s)
4	**Effectiveness of anti-corruption actors (state and non-state)**	· Existence of political will	· Amount of financial resources allocated by the Government in the budget to fight corruption	· MDAs	· Amount of financial resources allocated in MDA budgets to fight corruption	· National Budget analysis · Financial records from PCCB	· Annual	· Official data registers at each source
		· Effectiveness of media	· Number of corruption cases reported in the media	· Media outlet	· Number of corruption allegations reported in the media	· Media Content analysis	· Annual	· Official data registers at each source
		· Effectiveness of PCCB	· % of corruption related cases which were forwarded to the DPP in a given year · % of files returned with DPP consent for prosecution · Average time taken from first application by PCCB to DPP for consent to prosecute until finally receiving consent (as reported by PCCB and DPP)	· Regions	· Number of corruption cases investigated and decided on by the courts	· PCCB reports · Court records · Financial Intelligence Unit (FIU) · NAO · STACA	· Annual	· Official data registers at each source

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Indicator Definition	Data Sources	DataCollection Frequency	Measurement Tool(s)
		· Effectiveness of FIU	· Number of Suspicious Transaction Reports (STRs) received · Number of STRs analysed and disseminated to Police, PCCB and TRA			· FIU · STACA	· Annual	· Official data registers at each source
		· Effectiveness of the police	· % of major reported case investigated in a given year	· Regions	· Number of reported cases against property, person and public tranquillity	· NBS Crimes Statistical Report	· Annual	Official data registers at each source
		· Effectiveness of the judiciary	% of total corruption cases in court in a given year which end in final decision · Average time taken for corruption cases to progress through to the courts and final decision (conviction/ acquittal)	· Regions · Districts · Court level	· Proportion of cases decided over those filled in a given year · Average number of calendar days from filing the case to final decision as reported by courts of law	· Records from the courts of law/High Court · STACA	· Annual	· Official data registers at each source

No	Key Results Area	Indicative Theme	Indicator	Disaggregation	Indicator Definition	Data Sources	DataCollection Frequency	Measurement Tool(s)
		· Effectiveness of CAG/NAO	· number of corruption and fraud cases identified by NAO and passed to PCCB or Police for investigation (as reported by NAO)		· Number of audit queries raised by CAG reports and passed to PCCB or Police for investigation in a given auditing year	· NAO · STACA	· Annual	· Official data registers at each source
		· Effectiveness of MDAs	· Number of fraud queries raised against MDAs by CAG each year	· Region · LGA	· Number of audit queries raised against LGA by CAG Report in a given accounting period.	· NAO	· Annual	· Official data registers at each source
		· Effectiveness of LGAs	% of LGAs issued with unqualified audit opinions % OF MDAs issued with unqualified audit opinions	· Regions · LGA	Proportion of LGAs and MDAs receiving an independent auditor's judgment that a financial records and statements are fairly and appropriately presented, and in accordance with Generally Accepted Accounting Principles	· NAO	Annual	· Official data registers at each source