

SMEs ANTI-CORRUPTION MANUAL



Preventing & Combating Corruption
to foster and stimulate micro,
small and medium-sized
enterprises development
in Zimbabwe

1st EDITION



Published by the Anti-Corruption Trust of Southern Africa (ACT-SA)
Number 16, 2nd Avenue
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Kwekwe
Zimbabwe



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The compilation of this Manual is a team effort of individuals who include: David Jamali, Obert Chinhamo, Dr. Prosper Simbarashe Maguchu, Adv. Gabriel Shumba, Cde Munyaradzi Bidi, and Alouis Munyaradzi Chaumba. ACT-SA will remain thankful to these individuals for the hard work that they put into this Manual.

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FOREWORD



Allowing corruption to flourish in a business is a recipe for disaster. Experience has shown that corrupt businesses end up closing. This is because of the fact that corruption increases the cost and risk of running a business. Corruption and its many faces, that ranges from favoritism to extortion to embezzlement to bribery is a threat to business development. That said, the existence of corruption robs businesses of not only its profits but its credibility in the eyes of customers.

What is undeniable is that the impact of corruption on business is catastrophic. When the resources within a business are tampered with, then the efficiency with which the business turns those resources into profit is compromised.

Another point or warning to consider is what happens when corruption in a business becomes public. The customers in that business will lose faith in the business. The management would then be forced to divert valuable resources from where they are productive to efforts towards monitoring how the company is losing clients.

A significant effect that corruption has on a business is economic. In most cases, the costs will be passed on to the consumer, which will cause prices to become inflated. The consumers end-up paying for corruption through paying high prices raised by businesses trying to recover bribe money paid out of business.

It is imperative to note that there are no investors out there who are thrilled at the prospect of investing in a company embroiled in corruption. The business will find it much more difficult to find investors when favors and bribes are required in the business environment or when the business has a sick reputation for corruption.

Also important to keep in mind is that it gets harder for a business to compete when corruption is involved. Every investor has to face some basic risks when they invest in a business. When corruption enters the picture, that risk is multiplied by the fact that the business climate could change at any time due to the corrupt practices that take place in that climate. Any investor that is worth their salt will steer clear of such circumstances and would not touch a business that has a history of corruption.

Another impact of corruption is on the existing shareholders. When corruption is reported in a business, the existing investors and shareholders will lose the confidence and trust they had put in the business. When fraud is perpetuated within an organization, then the risk of accruing losses by entrepreneurs is increased. The sales will reduce with reduced public confidence in the firm and resources will be made scarce through the fraud and embezzlement.

When a firm is exposed to corruption, then it is also exposed to massive damage to its name. As the general public, including the company's loyal customers get a negative perspective on the business, they may never trust the company again, and by extension, they may never trust its products and services. They will feel betrayed and will want to take their business elsewhere. Consequently, the business will lose important business partners and clients.

Rebuilding the brand of the business is never easy or swift, and it may well take many years and a massive public relations campaign to achieve this, which the business may not be able to afford to do. Consequently, the business may never be able to achieve the once-lofty levels of trust it had occupied in the hearts of its customers.

However, prevention starts with developing a mindset of anti-corruption. It is not something that can happen overnight. Entrepreneurs need to create a culture of openness and integrity within the company and the leaders need to be committed to that culture for the long term. It is the leaders that are ultimately responsible for setting the standards of behavior in the workplace. When they set the right standards, the employees will inevitably follow. Once the leaders adopt an approach to doing business that are ethical, the rest of the company will adopt that approach and corruption will be less likely to occur.

The first thing the company can do is to set the right procedures in place, such as having a way to encourage whistle-blowing in all employees. A hotline may help. The company's internal auditing controls should also be strong, with receipts being demanded everywhere and no cash payments being accepted. Staff, contractors, and agents should also be trained as to the right action to take to prevent corruption and bribery.

The point is to remain as clear and effective - and also as practical as possible - with the procedures that the business adopts. Meanwhile, top-level management should always remain committed to the plan and should set an example that lower level employees can easily follow.

The company should also be able to assess the risks associated with bribery. Certain employees might be at greater risk of giving or receiving a bribe, or of committing other

forms of corruption than other employees. These employees should be trained and equipped with the procedures specific to making difficult decisions, when they arise.

This publication seeks to equip the micro, small to medium enterprises with knowledge, skills, attitudes, tips and appropriate responses to prevent and combat corruption. This is one of the strategies to forge and stimulate entrepreneurship. It encapsulates practical measures that are easy to replicate. In addition to this publication, ACT-SA will give technical support to assist these micro, small to medium enterprises interested in developing their own internal anti-corruption Manuals and Policies.

On behalf, of the Board of Trustees, I hope and trust that the micro, small to medium enterprises will find this publication useful.

A handwritten signature in blue ink, appearing to read 'D. Jamali', is positioned above the printed name.

David. C. Jamali
Chairperson

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	I
FOREWORD	II
CHAPTER 1 INTRODUCTION AND BACKGROUND INFORMATION	1
INTRODUCTION	1
DEFINITION OF MSMEs	4
CLASSIFICATION	4
CHALLENGES FACED BY MSMEs	5
CHAPTER 2 UNDERSTANDING CORRUPTION	7
INTRODUCTION	7
DEFINITION OF CORRUPTION	9
COMMON FORMS OF CORRUPTION	10
PRIVATE-TO-PRIVATE CORRUPTION	12
THE CAUSES OF CORRUPTION	12
THE EFFECTS OF CORRUPTION	13
CHAPTER 3 BUSINESS CASE AGAINST CORRUPTION	16
INTRODUCTION	16
CHAPTER 4 IMPLEMENTING AN EFFECTIVE BUSINESS ACTION AGAINST CORRUPTION	21
INTRODUCTION	21
MAKING IT A POLICY TO PROHIBIT BRIBERY IN ANY FORM	21
IMPLEMENT A POLICY ON GIFTS AND ENTERTAINMENT	22
MAKING OF A POLICY THAT CONFLICT OF INTEREST BE DECLARED	23
CREATE A CODE OF CONDUCT	24
TRAINING EMPLOYEES ON THE ANTI-CORRUPTION PROGRAM	25
DEVELOP SYSTEMS AND CONTROL	28
DECLARE CORRECT TAXES AND PAY ON TIME	28
CHAPTER 5 MEASURES TO PREVENT AND AVOID CORRUPTION SITUATIONS	29
CHAPTER 6 CORRUPTION EXAMPLES	38
CHAPTER 7 BUSINESS COLLECTIVE ACTION AGAINST CORRUPTION	44
WHAT IS BUSINESS COLLECTIVE ACTION	44
EXAMPLES OF COLLECTIVE ACTION	45
MSMEs BUSINESS ASSOCIATIONS IN ZIMBABWE	47
RELEVANT TOOLS AND TECHNIQUES FOR COLLECTIVE ACTION	48
CHAPTER 8 CONCLUSION	50
REFERENCES	52
ANNEXES	53
ANNEX -1 CHAPTER IX EXTRACT OF THE CRIMINAL LAW (CODIFICATION AND REFORM) ACT, CHAPTER 9:23	53
ANNEX -2 THE TEN PRINCIPLES OF THE UN GLOBAL CONTRACT	59
ANNEX -3 SAMPLE OF A SIMPLE ANTI-BRIBERY AND ANTI-FRAUD POLICY	60
ANNEX - 4 SAMPLE WHISTLEBLOWING POLICY	63
ANNEX -5 WHERE TO REPORT CORRUPTION: CONTACT DETAILS	65

CHAPTER ONE

INTRODUCTION AND BACKGROUND INFORMATION



What this Chapter is about:

Further to the definition of the Micro, Small to Medium Enterprises (MSMEs), this Chapter gives information on the distinctive contributions of these MSMEs to national development. In addition, it explains the challenges faced by MSMEs, which include but are not limited to corruption.

1. INTRODUCTION

The contribution of the Micro, Small to Medium Enterprises (MSMEs) to national development should not be underestimated. In Zimbabwe, the MSMEs contributed \$8.58 billion to the country's GDP in 2016 and employed more than 5.9 million people which translates to over 75% of the total workforce of 7.8 million people. Furthermore, MSMEs make up over 70% of the Zimbabwe Revenue Authority (ZIMRA)'s database of registered taxpayers. It is on record that the business activities of MSMEs immensely contributed to the achievement of the Millennium Development Goals (MDGs) and are contributing to the achievement of Sustainable Development Goals (SDGs). The sector has in recent years assumed greater reputation as a foundation of livelihoods through the absorption of retrenched employees from closing companies, school leavers, youth, women and those with disabilities. Several companies in Zimbabwe closed down due to economic downturns and its employees joined the sector where they either started their own businesses or got employed by existing MSMEs businesses (Ministry of Macro-Economic Planning and Investment Promotion 2015.)

There is increasing awareness in Zimbabwe that the development of MSMEs is crucial for the achievement of broader development objectives.

Box 1: Distinctive Contributions of MSMEs to National Development

Potential contributions of MSMEs include: -

- a) Employment creation;
- b) Poverty reduction through being a source of livelihood;
- c) Urban and rural development;
- d) Value addition and beneficiation of local natural resources utilizing available expertise;
- e) Backward and forward linkages that strengthen economic growth;
- f) Flexibility and innovative capacity to generate new business with less capital;
- g) Addressing the local and regional economic imbalances within the country;
- h) Indigenization of the economy;
- i) Technology transfer;
- j) Human capital development through work related learning by trainees or interns;
- k) Spreading the entrepreneurial spirit within communities;
- l) Facilitation of a wider economic inclusion, creation and equitable distribution of wealth; and
- m) Food security and nutrition.

¹Zivira, T (2018) 'SMEs key in uplifting Zim economy'. [Online] Available at <https://www.thestandard.co.zw/2018/12/16/smes-key-uplifting-zim-economy/> [Accessed on 11 May 2019]

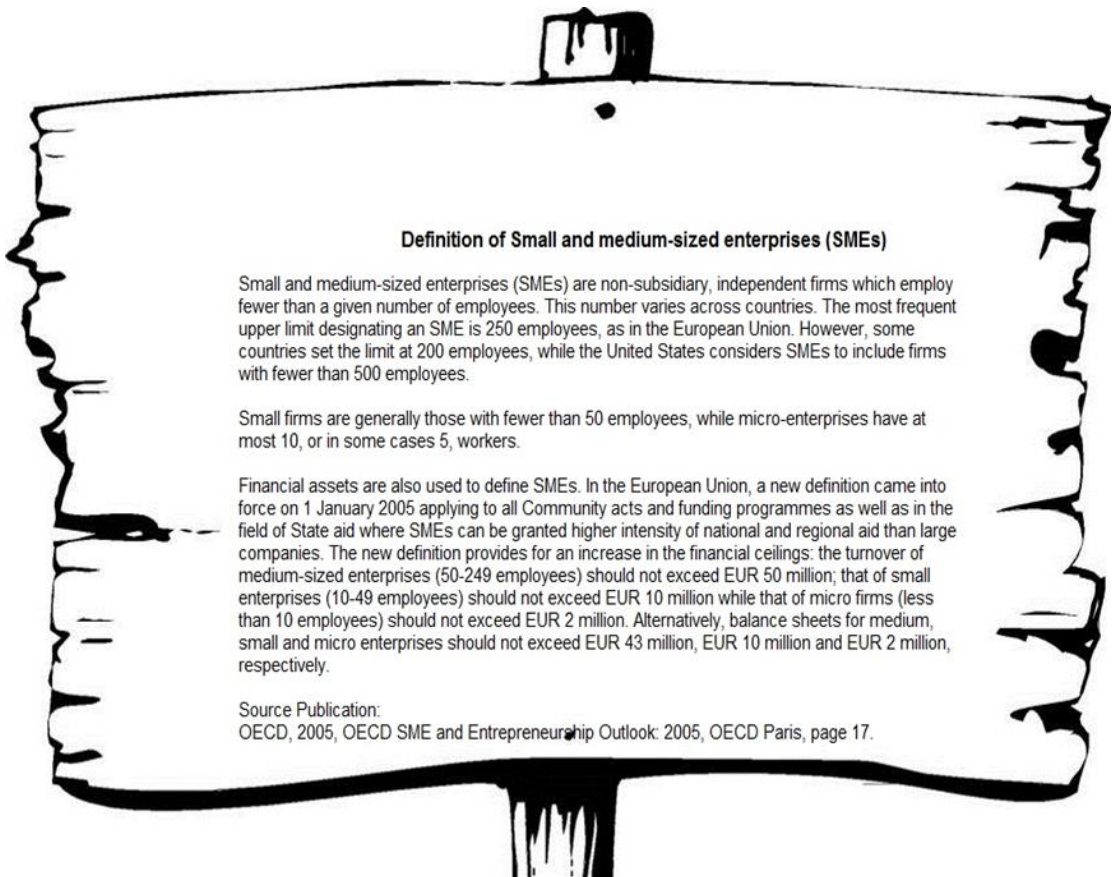
In addition to the above, international experience also suggests that MSMEs are a major contributor to economic growth and employment creation. Their importance in various countries is captured below:

- Provide around 50% of productive employment, (UK: 45%, EU: 66%, Japan: 72% and in Developing countries: 50%-70%).
- In South Africa, statistics show that SMEs in 2005 absorbed nearly 57% of the people employed in the private sector and contributed 42% of formal total Gross Domestic Product.

- SMEs contribution to GDP account for an average of 51% in high income countries, 39% in medium income countries and 16% in low income countries.
- In India, the informal sector contributes 70% of the country's Gross Domestic Product.
- Empirical evidence has shown that small businesses in Europe and Latin America contribute more than 50% of the Gross Domestic Product.
- SMEs Contribute to about 30% of global exports by value.
- In the EU around 40% of over a million firms that export goods are SMEs;
- In Australia, nearly 70% of exporting firms and over 60% of importing firms are SMEs.
- The small proprietor business sector in northern Italy is the source of major innovation in the Italian economy

In view of the above, the distinctive contributions of MSMEs to national development are compelling. This justifies the need to give these MSMEs unwavering support.

Definition of Small to Medium Enterprises (MSMEs)



2. DEFINITION OF MSMEs

The phrase MSME embodies multitudes of concepts. The Small and Medium Enterprises Act ([Chapter24:12](#)) defines an MSME as a legal business entity using the following variables:

- a) Autonomy not subsidiary branch or associate of a large business organization;
- b) Number of permanent workers;
- c) Capitalization excluding fixed assets;
- d) Turnover;
- e) Economic sector; and
- f) Registration and/or Licensing

Despite the above explicit requirements, most MSMEs start their business operations without licenses and gradually they obtain licenses and get into the mainstream economy.

3. CLASSIFICATION

As appears below, criteria for classifying MSMEs has been set out in terms of the economic sector, size or class, maximum total number of full-time paid employees, maximum total annual turn-over and maximum gross value of assets excluding immovable assets and is adapted from the Small and Medium Enterprises Act ([Chapter 24:12](#)) as follows:

Table 1: Descriptions of the Micro, Small and Medium Enterprises

	Number of permanent workers	Annual Turnover	Value of assets excluding fixed assets
MICRO	Up to 5	Up to 30 000	Up to 10 000
SMALL	6-30 (except for those in mining, construction, energy and transport with up to 40)	500 000 (except those in mining 1 500 000, construction 1 000 000)	250 000 (except for mining-1 000 000, manufacturing-500 000, construction and energy-1 000 000,
MEDIUM	31-75	1 000 000 (except those in mining 3 000 000 and construction 2 000 000)	500 000 (except for those in mining and construction 2 000 000, Manufacturing and energy -1 000 000

4. CHALLENGES FACED BY MSMEs

Despite their enormous contribution to the economy, MSMEs still lag behind in realizing their full potential as one of the drivers of the economy. This is due to a number of challenges in the operating environment. Apart from the lack of financial support and vibrant markets, corruption is one of the biggest factors militating against MSME development in Zimbabwe (CZI, ZNCC and SMEAZ 2016:5-6).

Corruption is one of the obstacles to MSME development



These MSMEs find it difficult to undertake various business activities, because of lengthy processes and complicated qualification procedures. Smaller companies find it more difficult to operate than larger entities. In particular, the process of applying for permits, licenses and inspections is mired with difficulties. MSMEs are required to have some permits and licenses to operate each year. For each of these processes, bribes are regularly solicited from officials, and without paying these bribes, the process typically takes much longer than if a bribe is paid. (CZI, ZNCC and SMEAZ 2016:6).

The Zimbabwe Business Transactional Corruption Survey by Confederation of Zimbabwean Industries (CZI), Zimbabwe National Chamber of Commerce (ZNCC), and the Small and Medium Enterprises Association of Zimbabwe (SMEAZ) which focused on fourteen government departments and agencies shows that the majority of government entities are corrupt. The Zimbabwe Republic Police, the Procurement Regulatory Authority of Zimbabwe (PRAZ), ZIMRA, the City Health Department, the Department of Works and Building Inspectorate, the Licensing Authorities, the National Social Security Authority (NSSA) and the Registrar of Companies were cited as being corrupt. (CZI, ZNCC and SMEAZ 2016:6).

The most common form of corruption in the MSMEs sector is bribery. It has been widely confirmed that officials demand bribes from businesses including but not limited to cross border trading, application for licenses/permits, getting inspections conducted or approved or registering business. ZIMRA has been identified as one of the most corrupt departments after the police. The collection of taxes is also perceived as a target of bribery than other business processes. Having said this, ZIMRA was often named as the agency that attempted to solicit bribes for many of the aforementioned business processes, including the application for licenses, permits or conducting inspections, and

at the border posts. The City Council, City Health Department, Vehicle Inspection Depot (VID), and the Registrar of Companies or Registrar of Deeds were also quite often fingered as having been the instigators of extortion and bribery. (CZI, ZNCC and SMEAZ 2016:6-9).

This Manual has been crafted to help MSMEs to fight corruption as a measure to realize their full potential as drivers of the Zimbabwean economy. The manual seeks to provide answers to the following questions:

- 1) What is corruption, what are its common forms and why does corruption happen?
- 2) What are the consequences of corruption to MSMEs development?
- 3) In what circumstances or situations can an MSME anticipate encountering corruption?
- 4) How can an MSME conduct its business activities without engaging in corruption in its daily operations?
- 5) What are the benefits for a corruption free MSME operating environment; and
- 6) What can MSMEs do together, to fight corruption?

As is known corruption is wide spread in Zimbabwe. This notwithstanding, MSMEs can employ various methods to curb corruption affecting the sector. These MSMEs can build the capacity to overhaul their systems to put into operation measures to detect and prevent unethical conduct among their employees. There are numerous documented measures that MSMEs across the globe have adopted to extricate themselves out of the devastating levels of corruption. In other situations, these MSMEs collectively fought and won the fight against corruption. Once MSMEs put measures to reduce or uproot corruption in their mundane operations, they are often able to revolutionize the economy and as a result, they improve the social status of ordinary citizens. In this aspect, as in others, Zimbabwe can draw some inspiration from best practices in the world.

The compilation of this Manual was inspired by success stories elsewhere. We all know that it is possible, it can be done, and all legal entities are endowed with the same obligation to stand up against corruption. To that end, tried and tested tools and tips and success stories have been included in this Manual as strategies towards a search for a better and sustainable way of doing business. It is about what MSMEs have done and can do. By their sheer numbers alone, MSMEs can be a major force in the fight against corruption.

CHAPTER TWO

UNDERSTANDING CORRUPTION



What this Chapter is about:

This Chapter simplifies what corruption is, its common forms, as well as its negative consequences on business development.

1. INTRODUCTION

We are all too familiar with what corruption is. Our familiarity with corruption stems from a number of reasons that includes having read or heard stories of people arrested on allegations of corruption. It is also true that some of us, have experienced corruption firsthand at work, and at home. There are several experiences such as being made to pay bribes to speed up the connection of electricity and water. In other cases, bribes are paid to avoid being charged of traffic offences. As you will learn later in this manual, bribes are sometimes paid to avoid being forced to close your business because you operate without a business license.

In keeping with the above, almost everyone has somehow been affected by corruption. Corruption is so common, talked about and given names in the local vernacular languages spoken in Zimbabwe.

Whilst this is not exhaustive, Table 2 below gives some of the names that were given by villagers from Zhombe in Kwekwe district in Zimbabwe at a workshop organized by the Anti-Corruption Trust of Southern Africa on the 12th of December 2015.

Table 2: Local Terms for Corruption

SHONA	NDEBELE
<ul style="list-style-type: none"> • Huori • Chiokomuhomwe • Tekenyedza • Pfumbamuromo • Pfumbatidzo 	<ul style="list-style-type: none"> • Isivalamulomo • Ubugelekeqe

Source: Anti-Corruption Trust of Southern Africa (2015) Report of the Zhombe Navata Anti-Corruption Community Crusade held on 12th of December 2015.

The reality in Zimbabwe is that corruption is widespread and pervasive. Television and newspapers have exposed how government officials have enriched themselves through corruption. The world is surely dismayed and outraged by such acts because those officials are clearly using their positions of power to enrich themselves at the expense of taxpayers and affecting the moral fabric of society. At some point, the Government of the Republic of Zimbabwe released a list of companies and individuals who had reportedly externalized foreign currency. The list revealed 284 individuals and corporates who externalized money through non-repatriation of export proceeds, 1 403 who externalized through payment of goods not received in Zimbabwe, while 157 externalized through foreign banks in cash or under spurious transactions.¹ The list shows several MSMEs implicated in the scandal, which means that everyone on this list is implicated in corruption.

Converse to the above, MSMEs however do not always admit their own role in worsening the problem of corruption. Certain practices and behavior make MSMEs corrupt. In certain instances, MSMEs become corrupt considering how they behave when dealing with the staff of government offices processing the renewal of permits. In amplification of the above statement, in order to be awarded contracts or tenders, MSMEs give gifts to purchasing officers of companies where they submit bids. In other instances, they give “tips” to customs officials facilitating the release of their cargo. This has become so commonplace that it is now accepted as a normal part of doing business.

In keeping with the above, it is important to note that the recognition of corruption is not always easy, especially when MSMEs’ own actions are involved. In this chapter, we will explain what constitutes corruption, its various forms, the causes of corruption and its effects.

2. DEFINITION OF CORRUPTION

There are as many definitions of corruption as there are writers. Each definition has its own weaknesses and strengths. Transparency International (2019) defines corruption as the abuse of entrusted power for private gain. Chinhamo and Shumba (2007) elaborated the definition to include “the abuse or complicity in the abuse of private or public power, office or resources for personal gain.” The latter definition attests to the fact that corruption takes place in both the private and public sectors and is not only about the abuse of power to which it is limited by the former definition but also entails abuse of office and resources for private gain. Similarly, Corruption Watch (2017) also widened the definition of corruption to include all those who are complicit in corruption, which simply put, means that even if you are not directly involved in such acts of wrongdoing, you can be complicit indirectly if you wield power to prevent corruption but you refuse and/or neglect to harness that power to prevent it.² Turning such a blind eye or failing to use power to pre-empt, harness and expose corruption becomes what we may term corrupt by omission.

Further to the above, corruption can be divided into two types: petty corruption and grand corruption.

- Petty corruption generally involves public servants who are not paid a decent living wage and therefore have to depend on small bribes to supplement their incomes. This is the type of corruption most frequently encountered by MSMEs.
- Grand corruption, on the other hand, generally involves high-level government officials who use their positions to profit personally from large-scale contracts or projects financed by the government or donor agencies.

Furthermore, petty corruption can exist within the context of an established governance framework, whereas grand corruption distorts the central functions of government and can threaten the economic and political stability of the government.

In addition, corruption can also be described as *sporadic* on one hand and *systemic* or endemic on the other.

- Sporadic corruption occurs irregularly and does not quickly threaten the mechanisms of control or the economy. It is not crippling, but it can seriously damage the economy.
- Endemic or systemic corruption is the opposite of sporadic corruption. It is systemic or endemic when it is integrated into the economic, social and political

² Herald (2019). Externalization: Fact vs. fiction. [online] Available at <https://www.herald.co.zw/externalisation-fact-vs-fiction/> [Accessed on 20 June 2019]

³ Corruption Watch (2017). [ARE YOU COMPLICIT IN CORRUPTION?](https://www.corruptionwatch.org.za/are-you-complicit-in-corruption/) [online] Available at <https://www.corruptionwatch.org.za/are-you-complicit-in-corruption/> [Accessed on 20 June 2019]

system of a country. It is thus an everyday occurrence and takes place at all levels.

- When it entrenches itself at systemic and endemic levels, corruption threatens the economic and political stability of any government.



Furthermore, corruption can either be active or passive. Active corruption is committed by a person who promises or gives the bribe while passive corruption is committed by the person who receives the bribe. However, please note that the giver and the receiver are both guilty of corruption. The bottom line is thus, one should not give or receive a bribe.

3. COMMON FORMS OF CORRUPTION

Corruption can take many form, which include:

- **Bribery:** It takes place when you give a benefit to someone such as a public official to influence his or her action or decision. The benefit does not necessarily involve money. It can take the form of favors, sex, gifts, entertainment, employment, loans, or other inducements. It can also take the form of facilitation payments, which are small payments demanded by government officials to facilitate a service to which you are entitled. Bribery is also known by other names such as kickbacks; hush money, sweetener, protection money, gratuity etc. An apt example is when the law enforcement agents catch you operating a business without a business license. To avoid being forced to pay a fine or close down the business you pay money to the officials when they are supposed to be issuing a ticket.
- **Extortion:** The use of the threat of violence, damaging public exposure, and other forms of intimidation to force someone to cooperate. For example, a public prosecutor may use the threat of a criminal prosecution as a basis for extortion. Another example is how an employee may threaten to expose a business for externalizing foreign currency in exchange for a salary increment.
- **State Capture:** A situation in which a powerful individual or group makes payments to public officials to induce them to pass laws and regulations that give unfair advantage to that individual or group.

- **Cronyism:** It refers to favourable treatment of friends and associates in the distribution of resources and positions without regard to their objective qualifications and professionalism. There are many examples in which someone who is not qualified is recruited and employed, simply because he is a friend or a family member.
- **Favouritism:** It takes place when one favours or prefers acquaintances, relatives, friends and family over strangers to unfairly distribute positions and resources to colleagues.
- **Nepotism:** As differentiated from favouritism indicates a form of favouritism that involves family relationships. It describes situations in which a person exploits his or her power and authority to favour relatives.
- **Graft:** It denotes obtaining money dishonestly by exploiting one's position of power.
- **Interest peddling:** It occurs when someone solicits benefits in exchange for using his or her influence to unfairly advance the interests of a particular person.
- **Kleptocracy:** It is a political system under the control of those who steal from the state.
- **Money laundering:** It is a process whereby the origin of dishonestly obtained and/or illegally acquired money is disguised so that it appears to come from a legitimate source. It is often used to mask the proceeds of corruption.
- **Trading of influence:** It takes place when a public official promises or uses his or her real or supposed influence to the benefit of another person in exchange for money or other favours.
- **Influence-peddling:** It happens when public officials or other political or government insiders offer to exert influence not available to outsiders.
- **Abuse of Discretion:** It occurs when the use of discretion vested in an individual or institution is used to make decisions for personal gain. For example, an official responsible for government contracting may exercise discretion to purchase goods or services from a company in which he or she holds an interest.
- **Improper political contributions:** A donation made because the donor supports a certain political party and wishes to increase its chances of being

elected does not amount to corruption. However, a donation made with the intention or an expectation that the party will, once in office, favour the interests of the donor over the interests of the public is similar to a bribe

All forms of corruption are prevalent in Zimbabwe with gift giving being generally one of the most dominant practices. For instance, some law enforcement agents enjoy free beers, mostly from criminals seeking favors. By buying beers, the intention is to bribe them to give a blind eye when they commit criminal activities.

4. PRIVATE-TO-PRIVATE CORRUPTION

Corruption does not only involve public officials or civil servants. It can also take place between two private actors. This type of corruption occurs when an official or employee of a company exercises power over the performance of a function within the company and uses that power for his or her own personal benefit. It occurs in a variety of situations as shown below:



- Payments to auditors of accounting firms by the company being audited to persuade them to overlook certain irregularities.
- Payments made by a sales person of a company to the purchasing manager of another company to obtain orders for goods or services.
- Payments made by a company to a bank manager or loan officer to obtain quick approval of a loan.
- Payments made to journalists to write a favorable article about the company or not to ex-pose negative information about the company.
- Gifts given to a company's human resources manager to ensure that a particular person is hired or promoted.

Private-to-private corruption can be just as devastating for an MSME as corruption that takes place with a public official. In both instances, someone in an official position of trust acts contrary to his or her duties and responsibilities for personal gain.

5. THE CAUSES OF CORRUPTION

Corruption does not occur or arise impulsively. An official will engage in corruption after an assessment of the costs and benefits thereof. One assesses the potential benefit and if it is high and the risk of getting caught is low, there will be motivation for engaging in corruption. In most cases a lowly paid employee is tempted more to engage in corruption in order to raise money to increase personal buying power.

Robert Klitgaard, who is a celebrated anti-corruption expert, offers a formula to enlighten how corruption happens. The formula illustrates that when someone has a monopoly over goods or services and is given the discretion to decide who receives those goods or services in instances where he or she does not need to account to anyone on how he or she makes the decision, then the situation is conducive to corruption. The formula is shown below:

$$C = M + D - A$$

C is Corruption **M** being Monopoly
D is discretion whilst **A** is Accountability

In other words, Klitgaard argues that corruption equals monopoly plus discretion minus accountability. More to the point, Klitgaard, seems to be suggesting that some forms of corruption arise when officials are given sole power to make consequential decisions without adequate oversight or control.

There are many factors that contribute to the above equation.

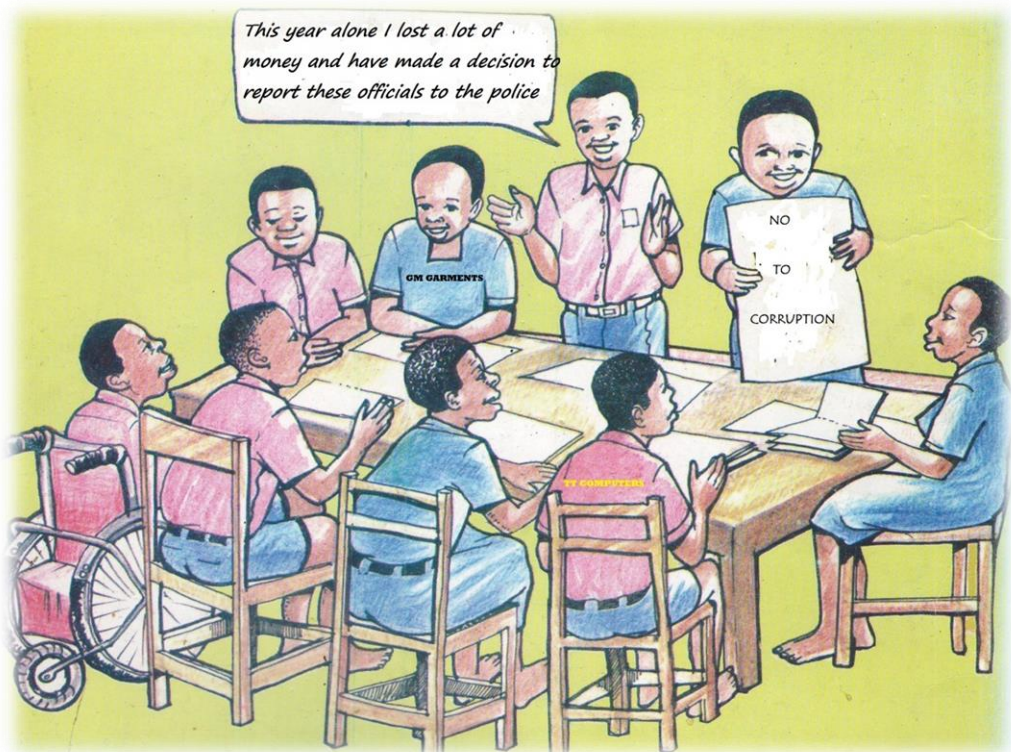
These factors include:

- *Unclear, complex, and frequently changing laws and regulations.* Laws and regulations that are not clear provide government officials with more space to use their discretion in explaining or interpreting them. When business owners are not certain on their rights, they resort to corruption to avoid arbitrary decisions by government officials.
- *Lack of transparency and accountability.* There are many times when there is no oversight on decisions made by some officials. This is worsened by incidents when all those who make decisions are not held accountable for their actions.
- *Low public sector wages.* Though highly contested, there are situations in which public officials are lured into corruption because of the poor salaries that they get. As a result, they solicit bribes to supplement their meagre salaries.
- *Inadequate, inconsistent, and unfair enforcement of laws and regulations.* When laws are not enforced consistently and fairly, people know that they can use bribes to avoid fines and other penalties.

6. EFFECTS OF CORRUPTION ON BUSINESS

Corruption has damaging effects on business. There are several examples of businesses that collapsed as a result of corruption. The following are some of the negative effects of corruption:

- **Blacklisting:** When caught and convicted of corruption, it means that the company may be blacklisted. For instance, firms and individuals blacklisted by the World Bank are ineligible to be awarded World Bank-financed contracts. In Zimbabwe, there is an increasing dislike of corrupt companies. In many ways, corrupt businesses will be forced to close down. The World Bank has produced a black list which is available on its website: <http://www.worldbank.org/en/projects-operations/procurement/debarred-firms>
- **Lost Business Resources:** Corruption can lead to wastage of resources. For instance, money paid as bribes is lost money. The same applies to the gifts that the business pays.



- **Increases prices of goods and service:** Money paid as bribes, is often recovered by passing the cost to the consumer, which increases prices of goods and services. Such prices are inflated to recover money paid out of the business as bribes. In effect, the consumers are ones who end up paying for the costs of corruption.
- **Corrupt businesses are unattractive to investors:** It is difficult to find investors interested in a corrupt entity.
- **An Increase in Crime:** When businesses engage in corruption, criminal activities also increase. Similarly, black markets, are encouraged to grow when corruption is rife. Corrupt businesses may even end up supporting organized crime. In many ways, corruption fuels other criminal activities within an economy.

- **Corruption puts pressure to the law enforcement agents:** For starters, government agencies that fight crime have more work on their hands because corruption is a crime in itself. Imagine the time that police officers, prosecutors and magistrates take handling corruption cases.
- **Existing Shareholders are Discouraged:** Another negative impact of corruption on a company is on the existing shareholders. When corruption is reported in a business, the existing investors and shareholders lose the confidence and trust that they had put in the business. As a result, they may pull out and take their resources elsewhere.
- **Damage to the Business's Brand:** When a business tolerates corruption, it is also undeniably exposed to massive damage to its name and reputation. Different stakeholders may never trust and transact with the company again and, by extension, they may never trust its products and services. They will feel betrayed and will want to take their business elsewhere. Consequently, the business loses important business partners and clients.

It is hoped that the Chapter has been helpful in simplifying what corruption is, its common forms as well as its negative consequences on business development. In view of the effects of corruption on MSME development, there is strong justification on why a war should be waged against the scourge of corruption. The Manual has also included Chapter IX of the Criminal Law (Codification and Reform) Act, Chapter 9:23, which explains what corruption is in the Zimbabwean context. The said piece of legislation defines bribery and corruption and it is this law that is used to prosecute bribery and corruption in Zimbabwe.

CHAPTER 3

BUSINESS CASE AGAINST CORRUPTION



What this Chapter is about:

This chapter gives information on the effects of corruption on business development. It gives compelling reasons on why it is in the best interests of the business to fight corruption.

1. INTRODUCTION

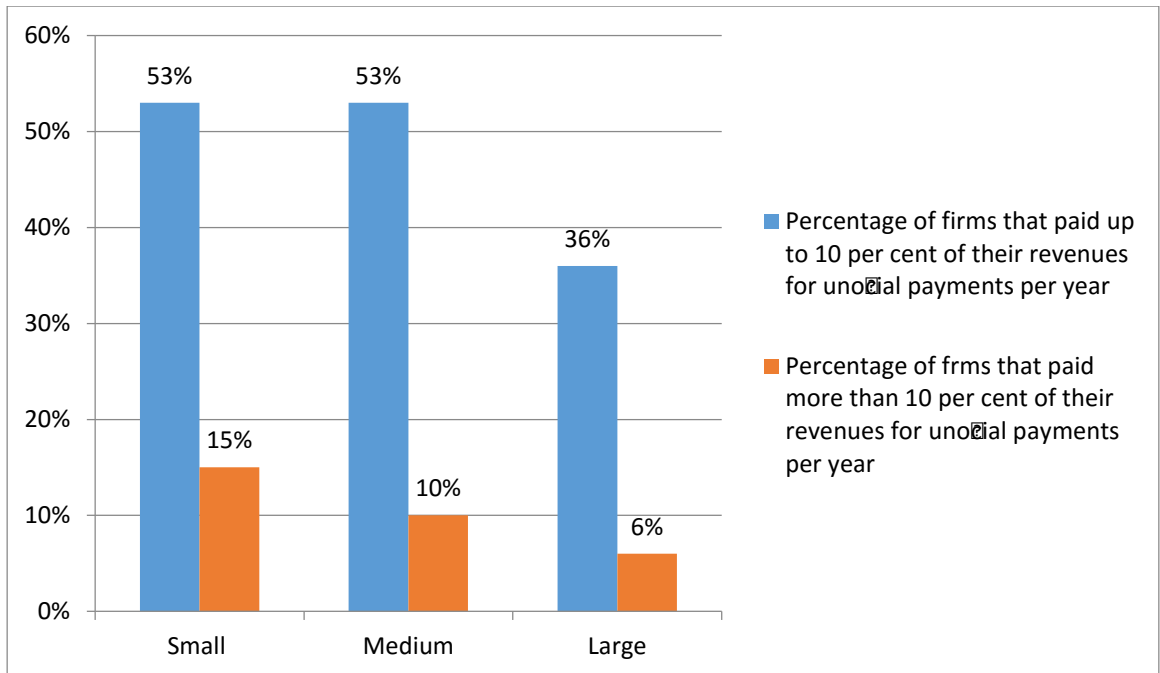
Corruption is not only widespread and endemic in Zimbabwe but has also been reported in several other African, European and Asian countries. There is no doubt that many businesses have experienced corruption in one way or another. The devastating effects of corruption have been felt and experienced by several businesses.

Companies in which corruption was reported performed badly and, in some cases, they were forced to close. A few shining examples include:

- ❖ ZISCO Steel closed because of a number of factors including corruption;
- ❖ Corruption was widely reported at Air Zimbabwe and hence the poor performance;

Whilst larger companies like ZISCO Steel, Air Zimbabwe, ZINARA and ZIMRA are affected by corruption, it is the small businesses that are more vulnerable or prone to corruption since they do not have adequate resources to deal with inefficiencies and bureaucracies in government. The United Nations Industrial Development Organization and the United Nations Office on Drugs and Crime (2012) citing the European Bank for Reconstruction and Development and the World Bank, Business Environment and Enterprise Performance Survey (2000) state that small and medium sized businesses pay more bribes as compared to large entities.

Figure 1: Share of firms making unofficial payments, by size of firm (percentage)



Source: European Bank for Reconstruction and Development and the World Bank, Business Environment and Enterprise Performance Survey (2000).



The above being the case, an opportunistic government official who delays the issuance of a permit until he or she receives “grease money” could seriously threaten the continuance of a small business. The business that does not pay a corrupt tax official may end up being stuck with a huge tax assessment that bears no relation to its actual income. With no resources to challenge the assessment, the business may be forced to close its doors unless it gives in to the demands of the tax official.

While paying a bribe may secure an immediate benefit for the business, it is detrimental to the business in the long term. Having paid a bribe, the business is placed in a position of dependency on the corrupt official, who will likely continue to make demands in ever increasing amounts. For an MSME, bribes amount to a hidden tax on its business that can continue in perpetuity. Even when only small amounts are involved, bribes become a constant irritant for MSMEs.

It is not easy for a business to extricate itself from the corruption cycle or to avoid falling into it to begin with. It takes determination, effort, and patience.

Table 3: Why are bribery and corruption a cause of concern for SMEs? Results of a Global Survey by ACCA

Global survey participants made the following comments.

- ✓ 'Corruption creates unfairness in business dealings. The ground for competition is not level.'
- ✓ 'It makes the cost of doing business higher and hence [makes business] less profitable. And the problem is [that] once it is done the first time it is expected the next time.'
- ✓ 'It makes it more challenging for legitimate SMEs to conduct businesses and to be treated fairly.'
- ✓ 'Increased costs and risk of regulatory and legal action.'
- ✓ 'This is a very big cause of concern especially in developing countries because it ends up destroying other SMEs' businesses that do not engage in bribery and corruption.'
- ✓ 'It will be costly if foreign investments are deterred due to bribery and corruption.'
- ✓ 'SMEs have been touted as highly prone to bribery and corruption due to the perception of weak control environments of SMEs.'
- ✓ 'Because it is difficult to get things done speedily by public officials without some form of bribe.'
- ✓ 'All business [es] are affected but the outcome for an SME can be devastating.'

Source: Association of Chartered Certified Accountants (2013). Combating bribery in the SME sector [online] Available at <https://www.accaglobal.com/ab44> [Accessed on 21 May 2019] p-23.

In addition, bribery and corruption has several destructive effects:

- jeopardize MSMEs' future viability as they are less able to compete and are more vulnerable to the impact of legal action;
- threaten to damage business reputation;
- make it harder to attract investment;
- affect employee morale and waste management time;
- slow down decision making by public officials and during business transactions;
- can damage a nation's economic growth rate, anti-competitive, creating an uneven playing field between businesses (large and small) that pay bribes and those that do not;
- increase business costs (whether through the need to pay bribes or through the burden of complying with anti-corruption regulations);
- lead to suboptimal resource allocation;

The potential benefits of running a business ethically are enormous. These include:

- **Competitive Advantage.**
An MSME with a good reputation has a competitive advantage as it becomes the preferred choice of customers. A good reputation also increases an MSME's chances of being selected as a supplier to multinationals and local large companies in their supply chains.
- **Reduced cost of doing business.**
Bribes can be costly and even small ones add up. Money that would have gone to bribes is saved and can be used to expand the business.
- **Recruitment and retention of principled employees.**
A business with ethical standards is conducive to high employee morale and becomes known as a good place to work and a company of choice.
- **Attractive for acquisition.**
Should an MSME owner decide to sell the business, a good reputation will make the business more attractive to potential purchasers.
- **Protection from penalties.**
Corruption is against the law. An MSME that does not engage in corruption will be better protected against arrest and imprisonment of officials, penalties, blacklisting, and license losses.

Corruption, of course, has consequences beyond the damage to the MSME that engages in it. Corruption creates an uneven playing field for businesses, giving unfair advantage to a few to the detriment of others. The inherent uncertainty associated with doing business in a corrupt environment is a major deterrent to both foreign and local investors. Even when the corruption involves only small amounts, it nonetheless contributes to an environment where the rule of law is not observed and business dealings have no predictability and the operating environment is not stable.

Table 4: Benefits of a No Bribe Policy: Experiences of an SME at Beitbridge Border Post

After attending an anti-corruption workshop, the General Manager of a customs brokerage firm based at Beitbridge Border Post decided to implement a no-bribe policy in her company. The Manager met with all the employees, and after some discussion, all agreed to the policy. The company's employee Manual was amended to add a provision prohibiting the "offering or accepting anything of value in exchange for a job, work assignment, work location, or favorable condition of employment."

It was a bold and potentially risky move for the company, which had been in business since 1995. The employees discussed with each of their clients the new policy and its implications. To avoid situations where they would need to "facilitate" the speedy processing of their transactions, the employees encouraged their clients to give complete and accurate documents on time, preferably way before the deadline.

Although the company has experienced some delays in the processing of transactions as a result of its no-bribe policy, the company believes that the policy will be good for business in the long run. The company is able to keep and even gain clients through its good reputation. The general manager also believes that employee performance has begun to improve as employees are taking more pride in working for a company with integrity.

The case study shows clearly that implementing a "No bribe Policy" is possible and has a number of benefits. That may also explain on why the business is still flourishing to date.

Moreover, corruption causes the misallocation of scarce resources, thereby exacerbating poverty. Instead of resources being used to raise the standard of living, improve the social status of citizens or to build infrastructure and develop technology, government funds are often diverted to the pockets of a few.

Taking all matters into consideration, an MSME will do better for itself and for the country if it does not engage in corruption. As shown above, corruption is not good for business. There is thus a very strong case against corruption. Companies that implement a zero-tolerance policy against corruption are more prosperous.

CHAPTER 4

IMPLEMENTING AN EFFECTIVE BUSINESS ACTION AGAINST CORRUPTION



What this Chapter is about:

This chapter provides some guidelines for developing anti-corruption programs for MSMEs.

1. INTRODUCTION

Many people have come to accept corruption as a normal part of doing business because of widely held belief that nothing can be done about it. This acceptance, in turn, enables corruption to flourish even more. It becomes a vicious cycle. But it does not have to be that way. On the contrary to this widely held belief, something can be done about corruption. There are countless MSMEs that refuse to take part in corruption and still manage to succeed.

A key to avoiding corruption in business is to implement an effective anti-corruption program. An effective program enables a business to detect and prevent corruption and other unethical conduct within the organization, as well as in transactions with other entities. This chapter provides some guidelines for developing such a program. Below are some practical ways of implementing an effective anti-corruption policy for the business sector.

2. MAKING IT A POLICY TO PROHIBIT BRIBERY IN ANY FORM

An essential first step in establishing an effective anti-corruption program is to implement a policy prohibiting bribery in any form. Such a policy, when properly communicated and enforced, sends a clear message that your business is founded on honesty and integrity. A company that establishes a reputation that it does not pay bribes will find that the demand for bribes will eventually stop and that the needed service will still be rendered.

Table 5: Sample Policy Statement on Bribery

- Bribery is prohibited in all business transactions that are carried out either directly or through third parties such as agents, representatives, consultants, brokers, contractors, suppliers, or any other intermediary.
- Bribery is prohibited in any form, including on any contract payment or portion of a contract payment, or by any means or channels to provide improper benefits to customers, agents, contractors, suppliers, or employees.

The anti-bribery policy must be clearly communicated to all employees, agents, clients, customers, and business partners. It does no good to have a no-bribe policy if your agents or other third parties are doing it on your behalf. Employees also need to be assured that they will not be penalized for losing a sale or contract as a result of their refusal to pay a bribe.

Furthermore, the anti-bribery policy must be enforced consistently. If exceptions are made, employees become confused and the credibility of the policy is undermined.

3. IMPLEMENT A POLICY ON GIFTS AND ENTERTAINMENT

Giving or accepting gifts or entertainment can be an important part of building business relationships, but they become unethical when used to influence a business decision or gain an unfair business advantage. It is critical for employees to understand the difference between an acceptable gift or entertainment and a bribe.

MSMEs should therefore consider implementing a policy on receiving and giving gifts, as well as on entertaining and being entertained. The policy should provide guidance on when gifts or entertainment may be appropriate and what records are to be kept.

In some companies, employees are outrightly prohibited from receiving any gifts from vendors, suppliers, customers or potential employees, with the exception of promotional materials of nominal value, such as coffee mugs, T-shirts, pens, key chains, and note pads. For these companies, a no-gift policy demonstrates their commitment to impartial treatment of all persons and entities with whom they do business.

Other companies specify the maximum value of gifts and entertainment that employees are allowed to give or accept.

Still other companies require that all gifts above a certain value be declared to management and recorded in a centralized register. Requiring that gifts be recorded serves a dual purpose:

- 1) it allows the company to monitor the giving and receiving of gifts and entertainment by employees, and
- 2) It makes the employees think carefully before accepting or giving gifts or entertainment.

The type of gift and entertainment policy an MSME adopts will depend on its particular circumstances. It is important, however, for employees to understand that perception can be just as important as reality. Thus, they should be instructed that if the intent behind a gift or entertainment could be misconstrued, it should not be given or accepted.

The size of a gift can also be an indication of its purpose. An expensive gift strongly suggests that it is being given for purposes other than building a normal business relationship. A useful test for employees to apply in deciding whether a gift or entertainment is appropriate is to ask how your competitors would respond if it was reported in the newspapers.

Table 6: Sample Policy Statement on Gifts and Entertainment

All employees are prohibited from accepting gifts from suppliers and vendors valued at over \$50. Gifts below that value may be accepted as long the management is informed in writing. Small promotional items may be accepted without the management's knowledge but should be received openly

4. MAKING IT A POLICY THAT CONFLICT OF INTEREST BE DECLARED

A conflict of interest is when an employee's personal interest conflicts with his or her official duties and responsibilities. An example of a conflict of interest is when a company's procurement officer gives a family member a contract for the supply of goods even though the goods offered by the family member are more costly or inferior in quality.

To maintain the integrity of business relationships and transactions, all employees should be required to declare any actual or perceived conflicts of interest. A standard form for declaration of conflict of interest should be made readily available.

There should also be an established procedure for managing declared conflicts of interest, such as requiring the employee with the conflict to withdraw from any involvement in the transaction at issue.

Table 7: Sample Policy Statement on Conflict of Interest

All persons employed by ABC (Pvt) Ltd owe a duty of loyalty to the Company. All employees must never place themselves in a position of conflict of interest. Any employee who violates this policy will be subjected to disciplinary action, which includes but is not limited to suspension, and termination of employment.

All employees must promptly make known information regarding any relationship, ownership, or business interest, whether direct or indirect, that the employee or a member of his or her immediate family has with any person or in any business or enterprise that: 1) competes with ABC (Pvt) Ltd, or 2) purchases or sells, or seeks to purchase or sell, goods or services to or from the Company.

Upon the disclosure thereof, the ABC (Pvt) Ltd will take appropriate steps to protect against any actual or potential conflict of interest. Such steps may include:

- a) requiring the employee to refrain from being involved in any decisions made by the ABC (Pvt) Ltd regarding its dealings with such person, business, or enterprise; or
- b) requiring the employee to refrain from being involved in any dealings on behalf of the ABC (Pvt) Ltd with such person, business, or enterprise; or
- c) Requiring the employee to dispose of his or her interest in such business or enterprise if he or she wishes to remain in the ABC (Pvt) Ltd's employ.

5. CREATE A CODE OF CONDUCT

A code of conduct serves as a guide for all employees on acceptable behavior in decision-making, engaging in transactions, and participating in other business activities. The code should reflect the values and principles that the business seeks to uphold.

Through the code, management and employees may be guided in:

- The values and principles of the organization
- Acceptable and unacceptable behavior
- Courses of action in tricky or difficult circumstances
- Venues and procedures for seeking advice
- Incentives for adhering to the code and penalties for unethical practices

There are many available samples and templates for Codes of Conduct. There is no need for reinventing the wheel. MSMEs may use those that apply best to their respective businesses: “Don’t reinvent the wheel.”

The Code must be shared with business partners, suppliers, clients/customers to ensure that any transactions involving your MSME are ethical. The Code of Conduct needs to be regularly reviewed and updated as necessary. Monitoring allows for constant adjustments and improvements to the Code.

6. TRAINING EMPLOYEES ON THE ANTI-CORRUPTION PROGRAM

An important aspect of an anti-corruption program is employee training on the company’s policies and Code of Conduct. The training should be provided to employees when they are first hired and periodically during the term of their employment. Each employee could also be asked to sign the Code every year to keep it fresh in his or her mind.

Table 8: Commitment Agreement

<p>I the undersigned _____ do hereby acknowledge that I received a copy of the Code of Conduct dated _____ and referenced _____ that I have read the Code thereof and that I understand it. I will comply with the code. If I learn that there has been a violation of the code, I will contact my general manager or supervisor.</p>	
<p>Dated: _____</p>	
<p>_____</p>	<p>_____</p>
<p>Name of Employee</p>	<p>Signature</p>

7. DEVELOP SYSTEMS AND CONTROLS

Checks and balances ensure transparency and accountability in transactions and help address areas of vulnerability to corruption. Below are some guidelines in developing systems of checks and balances:

a. Maintain accurate books and records

Your business should keep only one set of books that is accurate and shows all financial transactions. There should be no off-the-book transactions. Maintaining accurate books and records will help you monitor your business, guard against unauthorized transactions, and better manage risks. It will also help protect your business if there is ever a need to explain a transaction.

Moreover, employees should be instructed to always ask for and give receipts. Receipts enable a business to monitor expenses and income. They are also the backup for computing the amount of income tax your business must pay the tax authorities.

b. Clearly define responsibilities

It should be clear at all times who is in control and who bears responsibility, for specific tasks, especially in areas where there is a possibility of corruption. It may help to have written job descriptions for each position. Responsibilities should be divided in a way so that nobody controls a transaction completely from start to finish. For example:

- The employee who has access to money should not be the same employee who maintains the accounting of the money.
- The one disbursing cash should be different from the one approving the disbursement.

c. Establish clear guidelines for disbursement and purchasing

- Require that check or cash disbursements are always justified with supporting documents.
- Require canvassing with two or three other suppliers before purchasing an item.
- Require more than one signatory for checks and disbursements above a certain amount. This reduces the control and discretion of a single person on each transaction above a certain amount.
- Adopt guidelines for the use of petty cash funds. Make it difficult to abuse petty cash through rules such as:
 - Require that each amount taken from petty cash be recorded and signed.
 - Set a reasonable ceiling amount for purchases to be made with the fund. Also identify types of purchases that can be made with this fund. Specify prohibitions on its use such as cash advance for employee's personal use.

- Make sure the fund is enough to cover small, incidental expenses for a month or six weeks at the most, and not more. The fund should be properly liquidated before it can be replenished.

d. Engage external auditors to conduct regular audits

External auditors can help detect irregular transactions engaged in by MSMEs' employees. It is important to make sure that the auditor is reputable and aligned with the MSMEs' own ethical standards. The MSME may also request an external auditor to review its business' internal controls and make recommendations for improvement.

e. Provide channels for reporting corruption and other unethical conduct

Employees should be provided a mechanism for reporting corruption or other unethical conduct without fear of reprisals.

The mechanism should ensure either confidential or anonymous reports, as appropriate, to encourage whistleblowing. Reports, however, may need to be screened by a neutral person to safeguard against malicious or frivolous reports.

Reports must be investigated at once and effective action taken. If employees do not think that anything will be done as a result of their report, they will not use the system.

f. Penalize corrupt and other unethical behavior

MSMEs must apply stringent penalties for employees found to engage in corruption or other unethical conduct. The following are examples of penalties a business may apply as disincentive for unethical behavior:

- **Reprimand** is a written memorandum to the erring employee/worker for commission of a simple offense or an offense committed for the first time as provided under this code.
- **Suspension** is a temporary physical detachment from the service. The suspended employee shall not earn any salary/wage during the period including benefits, such as vacation and sick leave accrual, bonus, or gratuity pay accruals, etc. An employee being investigated for misconduct can be put in suspension while the investigation is pending.
- **Dismissal** is a dishonorable discharge from the company. A dismissed employee loses his accrued sick/vacation and other leave credits. He shall also lose his right to separation pay as he is discharged for cause.

MSMEs should also have a policy on communicating corruption and other criminal conduct to law enforcement agencies.

g. Implement Incentives for Ethical Conduct

To encourage observance of the code of conduct and related policies, MSMEs need to recognize ethical behavior and provide incentives for them. MSMEs should consider:

- Affirming good behavior and performance by private or public recognition. Some companies give plaques or trophies monthly or annually to employees who best exemplify the company's values.
- Including ethical standards as part of the criteria in evaluating an employee's performance. Ethical behavior would then become a factor in determining who receives a merit bonus or promotion.

8. DECLARE CORRECT TAXES AND PAY ON TIME

Operating a business is a privilege accorded by the government. Businesses, in exchange, have an obligation to follow laws and regulations, which include the payment of taxes. Moreover, an MSME can resist bribery demands from tax officials only if it is in fact declaring correct revenues and taxes on those revenues.



CHAPTER 5

MEASURES TO PREVENT AND AVOID CORRUPTION SITUATIONS



What this Chapter is about:

This Chapter aims to discuss tips or measures to avoid situations that may provide opportunities for corruption to flourish.

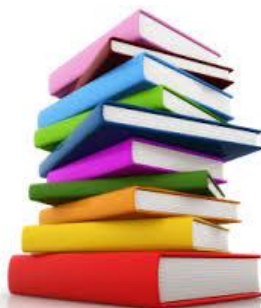
1. INTRODUCTION

So far, we have discussed the policies and systems that an MSME can implement to detect, combat and prevent corruption. This Chapter aims to discuss tips or measures to avoid situations that may provide opportunities for corruption to flourish. In keeping thereof, the following are some of the tips that MSMEs are strongly urged to know:

Tip 1: Knowledge Is Power



To avoid being pressured into engaging in corrupt conduct, it is extremely useful to know the laws and regulations applicable to your business. At the very least, you should know where you can access those laws and regulations when needed.





For instance, the Client Charter of the Zimbabwe Revenue Authority (ZIMRA) show that any visitor to the offices of ZIMRA should be attended to within 15 minutes of arrival. Furthermore, all registrations for VAT or PAYEE should be registered within one working day. All passengers on a flight should be cleared within two hours whilst all passengers in a bus should be cleared in one hour.

To this end, knowledge can be demonstrated as being very powerful. MSMEs are to read laws, policies, reports and clients service charters to gain knowledge, which they can use to challenge corruption. Find in Table 9 the Client Charter for the Zimbabwe Revenue Authority.

Table 9: Client Charter of the Zimbabwe Revenue Authority

Our core values are Integrity, Transparency and Fairness.



Service Delivery

- We commit ourselves to meeting the following minimum standards in our service delivery:
- Answer the telephone promptly and courteously.
- Acknowledge all correspondence within 48 hours and respond in 14 working days.
- All objections will be determined and the decision communicated to clients within 60 days from the date of receipt of the letter of objection.
- All members of the public who call at our inland offices will be attended to within 15 minutes of arrival.
- Upon meeting requirements for VAT or PAYE, clients will be registered within one working day.
- Upon meeting requirements for Customs, commercial consignments will be cleared within three working hours from the submission of correct and complete documentation unless selected for physical examination.
- Income Tax assessments will be issued within three months from the date the correct return is submitted.
- All passengers on a flight will be cleared within two hours.
- A bus load with bona-fide travelers will be cleared within an hour.
- Physical examination of road, air and containerized cargo will be done within 48 hours.

ZIMRA's Obligations to Clients

- We are accountable to the nation of Zimbabwe.
- We shall conduct our business within the confines of the Law.
- We do not tolerate smuggling, tax evasion, corruption, favoritism and discrimination.
- We are here to serve you and we are open to your suggestions, criticisms and advice.
- We shall carry out our duties professionally, diligently and courteously.
- We shall clearly explain the procedure and your rights should you be required to undergo a physical search.
- We promise to handle your information with strict confidence and to maintain your privacy.
- We are committed to minimizing your compliance costs.
- We shall carry or wear the proper identification at all times as we carry out our duties.

Information

We are committed to providing proactive client education which includes:

- ↔ Making relevant information available to clients, orally and in the print/electronic media as well as on our website (www.zimra.co.zw).
- ↔ Making available pamphlets, posters and relevant material.
- ↔ Access to a Client Care staff member at any station.

Client's Obligations

In return, the Zimbabwe Revenue Authority requires you to comply with all relevant laws, by providing accurate and complete information. More specifically:

- To treat our staff fairly and with courtesy.
- To submit statutory returns and make payments due within the required time.
- To be open and honest in providing any additional information that may be requested.
- To be fully co-operative in all business dealings with the Zimbabwe Revenue Authority.
- To report and refrain from corrupt tendencies in all dealings with the Zimbabwe Revenue Authority.
- To ensure that you have accurately completed all the necessary forms before departure from or arrival into Zimbabwe.
- To be aware that all travelers, baggage or cargo are subject to physical examinations.
- To use the services of a licensed clearing agent if you are importing or exporting commercial cargo. The list of licensed clearing agents can be accessed on our website (www.zimra.co.zw).

Remember, it is your right to see the next senior member of staff on duty or the Head of the Station if you are not satisfied with the level of service delivery from any staff member of the Authority.

TIP 2: Report any act of Corruption



To deter corruption, all acts should be reported to responsible authorities. These authorities include, the police, and the Zimbabwe Anti-Corruption Commission among others. In order to timeously report corruption as it unfolds, one should be having contact telephone numbers including Toll-free numbers. It is also important to note that institutions such as ZIMRA have put in place mechanisms to report corruption. Please refer the Figure below for more information.



Table 10: Zimra's Position on Bribery and Corruption

Zimbabwe Revenue Authority's Position on Bribery and Corruption

Did you know that it is an offence for any ZIMRA official to ask for favors or payment in any form whatsoever to omit or commit any action, contrary to their official duties? This is stipulated in section 181 subsection (1) of the Customs and Excise, Act as read with section 3 of the Prevention of Corruption Act.

Section 181 subsection (2) of the Customs and Excise Act as read with section 3 of the Prevention of Corruption Act also stipulates that it is a punishable offence for any person to connive or offer any favors or any form of payment to a ZIMRA official to perform and/or not to perform their duties aptly.

ZIMRA has **zero tolerance** to **corruption**. Corruption has no place in ZIMRA, therefore we urge all our clients to shun corruption in all its ugly forms. Partaking in corrupt activities is not only against the law but also against good morals and ideal cultural values of the loving people of Zimbabwe.

What should one do when cornered to pay bribes to a ZIMRA official?

- Bravely refuse to cooperate with such evil corrupt demands
- Immediately request to see the official's superior
- Drop a tip off notice in the anti-corruption suggestion boxes available at all ZIMRA offices
- Report the corruption shenanigans via the **ZIMRA toll-free numbers: 0808 190; 0732 880 880**
- Report the corruption monkeyshines via email: zimraanticorruption@gmail.com

NB: The above toll-free hotlines are managed by an independent service provider to ensure investigations of all reported cases are not stifled by any internal organizational forces.

Let us all join hands in the fight against corruption. If we lose in this worthy battle against the scourge, the future of our Zimbabwe will be the biggest loser. The future of our beloved country is in our hands.

Disclaimer

This article was compiled by the Zimbabwe Revenue Authority for information purposes only. ZIMRA shall not accept responsibility for loss or damage arising from use of material in this article and no liability will attach to the Zimbabwe Revenue Authority.

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Call us (Head Office) : 04 -758891/5; 790813; 790814; 781345; 751624; 752731
e-TIP : <http://ecustoms.zimra.co.zw/etip/>

Source: Zimbabwe Revenue Authority (2019), **Taxman's position on Bribery and collusion** [online] Available at https://www.zimra.co.zw/index.php?option=com_content&view=article&id=2935:taxmans-position-on-bribery-and-collusion&catid=21:taxmans-corner&Itemid=91

TIP 3: Go by the book



Business owners should also comply with the law. Complying with applicable laws and regulations will deprive government officials of one of their usual grounds for demanding bribes. In addition, unless you comply with applicable laws and regulations yourself, any effort you



might make to challenge the corrupt acts of others will neither be credible nor effective. Find below an extract from a newspaper showing how vulnerable a business would be if it refuses and/or neglects to abide by the law.

EMA officials in court for bribery

By [Newsday](#) - May 10, 2019

Two Environmental Management Agency (EMA) officials from Mashonaland Central province were arraigned before Bindura magistrates' courts for allegedly soliciting for bribes from a mine manager in Shamva.

The officials pleaded not guilty before a Magistrate who granted them \$100 bail each and remanded them to May 23.

The State alleges that on March 5, the accused connived and hatched a plan to solicit for bribe money from miners in Bindura and Shamva districts. The duo allegedly approached a mine manager at Richlands farm in Shamva.

They asked for an Environmental Impact Assessment (EIA) certificate from the manager, which he failed to produce. The accused allegedly solicited for ZW\$600 for them not to issue the company with a ticket of \$5 000 for operating without an EIA certificate. They were then given ZWL\$400 leaving a balance of \$200.

On March 20, the police authorized a trap to be set up to net the pair. Trap money in the form of \$160 bond in \$5 denominations was photocopied. On the same date and at about 12pm, the EMA officials were arrested at Bindura-Harare road after they received the trap money.

For full details refer to Source: Sithole, S (2019) EMA officials in court for bribery. [Online] Available at <https://www.newsday.co.zw/2019/05/ema-officials-in-court-for-bribery/> [Accessed on 11 May 2019]

If, for some unfortunate circumstance, your business violates a regulation, it is better to own up to the violation and pay the fine for the violation.

Paying a bribe to get away with the illegality will leave you beholden to a government official who may demand even larger payments in the future.

MSMEs have fallen prey to corrupt government official in the following instances:

- Operating a business without a shop or business license as required by law;
- Authorizing an unlicensed driver to drive your commuter omnibus;
- Allowing employees of your restaurant to work without medical certificates;
- Allowing workers in your construction company without safety wares;
- Smuggling goods bought from neighboring countries;
- Selling gold from your mine to the black markets;
- Driving an unroadworthy vehicle.

TIP 4: Prepare and Anticipate



When business owners and managers are prepared for possible delays or bribery demands, it will be easier for them to avoid being caught in the corruption trap. Among the precautions MSMEs can take are:

- Submit requirements on time or, if possible, even ahead of time.
- Factor in possible delays in planning business timelines.
- Keep documents pertinent to your business organized for easy access.
- Whenever possible, operate as a team consisting of at least two employees when you suspect that a bribe will be demanded
- In some cases, a business owner should not deal directly with government inspectors at the first instance. Designating a member of staff, or an agent to meet with the inspector initially would help avoid putting the business owner in the situation of pressure from the inspectors.
- Never let it show that you are under a tight deadline or in a critical situation. This will avoid having people take advantage of your circumstances.

- Listen carefully to what the government official is saying. Do not assume a bribe is being sought at the first mention of delay. The delay may be legitimate and the official may be willing to do what he can to expedite matters.
- Buy or borrow a book on negotiations. It will have useful tips on negotiating strategies that you might find helpful when government officials make unreasonable demands on your business.
- In a dispute with a government official, be completely familiar with your case. Thoroughly review all pertinent documents in your possession and the laws and regulations that may be applicable to your specific case. By being prepared, you will show the government official who might be looking for a bribe that he cannot mess with you.

TIP 5: Send the message that you do not give bribes



Communicate that you will absolutely not give a bribe under any circumstances. There are numerous ways of conveying this message, including:

- “I do not have extra funds at my disposal.”
- “My company has a very strict policy against giving bribes, and I would lose my job if I violate this policy.”
- “I am prepared to go through whatever procedures are necessary to obtain the license or permit I am applying for.”
- “It is against my religion to pay bribes.”
- “My business is constantly being audited.”
- “I am not looking for special services or arrangements.”
- “I will simply walk away if you make unreasonable demands.”
- “I will go to your supervisor if you don’t give me the service to which I am entitled.”

TIP 6: Create a paper trail



With proper documentation and records, it will be more difficult for a government official to find reason to delay or deny the service to which you are entitled. It will also help you make your case in the event you need to bring a problem to the official's supervisor or someone higher up. The following are some suggestions for creating a paper trail:

- Whenever you need to submit documents to a government agency, bring along an extra set of copies and ask that both the original and the copy be stamped "RECEIVED" with the date and signature of the person receiving the documents. Asking for a date stamp with a signature sends the message that you are documenting the processing of your papers and will be prepared to elevate any problems to a higher level.
- Use a logbook to record the frequency of audits and visits by government inspectors.
- Follow up meetings with government officials with a letter setting forth what the issue was and what you were told by the officials.
- Bring a tape recorder to a meeting with a government official if you suspect that the official will ask for a bribe at the meeting.
- If you attend a meeting in which a government official demands a bribe, immediately write an internal memorandum describing all that was said at the meeting.
- In an audit by the ZIMRA, make an inventory of all materials and documents shown to the auditor.

TIP 7: Do not Deal with Fixers



Do not deal with fixers. Fixers offer to expedite obtaining a business permit or license that you need for a fee. They work covertly because they generally use bribes to get around the bureaucracy. Although you may obtain an immediate benefit by resorting to fixers, you would be propagating corruption.

With Citizens' Charters in place outlining the exact procedures and requirements for obtaining a business permit or license, you will likely find that you can obtain the license or permit that you need within a reasonable time without the assistance of fixers.

TIP 8: Get help when needed



Do not hesitate to ask for help. You can talk to other business owners or managers or consult with business associations to find out if they have encountered issues similar to yours and if so, how they resolved those issues. When necessary, seek the advice of a professional, such as a lawyer or an accountant. Although a professional is expensive, he or she may end up saving you money in the long run by showing

you how you can resolve your issues without constantly having to pay bribes in ever increasing amounts.

TIP 9: Know where to report Corruption



When confronted by a situation in which you have no choice but to report corruption, you must know where to report it. This means that you should keep contact details of appropriate institutions through which your reports should be channeled. Keep contact details in your phone, including WhatsApp numbers. Annex -5- gives a list of key institutions that can be contacted.

The above tips are not exhaustive. The reader is strongly urged to read more resources in order to be equipped with similar tips. However, the above constitute a good starting point.

CHAPTER 6

CORRUPTION EXAMPLES



What this Chapter is about:

This Chapter presents various corruption examples as well as scenarios with suggestions on how to respond. After reading through the examples, MSMEs should be able to respond appropriately to different situations.

1. INTRODUCTION

Even with the best of systems and controls, it is likely that MSME owners and managers will find themselves in a corruption dilemma from time to time. As the starting point, please read through the article below that gives insights on the tricks that corrupt officials use to solicit bribes. In similar cases, these officials do not clearly demand bribes but they delay processing permits to force the business to pay bribes.

ZIMRA official nabbed for extorting \$500 bribe

1 October 17, 2018 3:05 PM

HARARE – A Zimbabwe Revenue Authority (Zimra) official in Harare was arrested for attempting to take a bribe from an accounting officer of a certain business in return for a tax clearance certificate.

Zimra Customer Liaison Officer was handed over to the police by her superiors after the business reported her to her superiors for demanding a \$500 bribe from him to have his company's tax clearance certificate for this year released.

The corrupt Zimra official had spent more than two months refusing to issue the business with the certificate despite the fact that the company had paid all its taxes to Zimra.

"I went several times to get the certificate but she continuously told me that I had tax arrears and each time I was forced to go back to the office to collect evidence of payment only to be promised that I would get it later," the business representative said.

The Zimra official would tell the business that it owed Zimra for a different month whereupon he would go back again to get evidence. After doing this for the whole month, the Zimra official then advised them to make an offer in monetary terms so that she could help it access the certificate.

"I offered to pay \$200 but she said it was too little insisting on me paying \$500.

"I then requested time to look for the money and she kept on pestering me via text messages until I deposited \$145 into her maid's phone through Ecocash before I went to show her employers the messages she used to send me as well as the proof that I had paid her," the business representative said.

He said it was at that point that Zimra managers in the Loss Control Unit handed her over to the police and recorded the case as IR 100942.

While the Zimra official declined to discuss the matter, Zimra commissioner-general applauded her organization's loss control division's efforts to nip the corruption in the bud. "What happened is that the client complained about our official's conduct and upon realizing that the client had gathered enough evidence to prove there was corruption going on, our loss control division took it up with the help of the victim and managed to nab her and we are happy with such cooperation," the Commissioner General said.

"As an organization, we believe in transparency and accountability so that the public has confidence with us.

"So, while it sounds embarrassing that a Zimra official has been caught with hands in the cookie jar, it makes us happy on the other hand because it also shows that we have zero tolerance to corruption.

We encourage our officials to continue being their own police force in terms of ensuring that corruption is eliminated in the organization."

Read the Source for more information: Tafirenyika, M (2018) Zimra official nabbed for extorting \$500 bribe. [Online] Available at <https://www.dailynews.co.zw/articles/2018/10/17/zimra-official-nabbed-for-extorting-500-bribe>

The business succeeded in getting the ZIMRA official arrested because of the following:

- ✓ The business was certain that it had complied with the law;
- ✓ Kept a paper trail of the payments made and all discussion with the official;
- ✓ Reported the matter to the superiors.

Case Study 1

Ms. Kanengoni is an importer and distributor of clothes and shoes from Mozambique. The consignment has always been delivered by her agent based in Mutare. However, the entire consignment was intercepted and taken by the police at the Border citing that the importation of second-hand clothes and shoes was illegal in Zimbabwe. However, Ms. Kanengoni's clothes and shoes were brand new, though packaged in the same bales used for packaging second hand clothes. During this time, Ms. Kanengoni has been anticipating the delivery of the consignment in Mutare, Harare and Kwekwe in order to meet her delivery deadlines with her customers.

Upon following up the release of her cargo with her agent, she was informed that her entry documents were being held up at the police based at the Border Post and would soon be handed over to the Zimbabwe Revenue Authority (Zimra). When she approached the police to inquire about her consignment, the official said there were problems with her agent who used bad words against the police at the time of the arrest. However, the police suggested that they might be able to reach an arrangement for resolving the problem.

Possible Responses:

- Make sure what you are importing is legal;
- Make sure all your documents are in order and that you have followed all required procedures.
- When you meet with the police, bring someone with you to act as a witness. Having a witness will make it more difficult for the official to solicit a bribe. At the meeting, ask the official to explain exactly what the problems are with the agent.
- Do not give the impression that you are under a tight deadline. Be calm and gentle, yet persistent.
- Take everything the official says at face value and ignore hints for a bribe. The official may not ask for a bribe directly, since he or she knows it is illegal. If you do not pick up on hints and if all your documentation is in order, the official may just give up and release your consignment.
- Let the official know that paying a bribe is not an option for you.
- If the official is unreasonable, ask to speak to his or her supervisor or somebody higher.
- Discuss the problem with your customers and ask for extra time for delivery.

Case Study 2

Mr. Musekiwa runs a transport business and has several cross-border trucks and many contracts. One of his Lorries passed through a police checkpoint and his driver was told that he should buy an additional fire extinguisher in line with requirements of the law. Before leaving, the inspectors gave the driver business cards of two companies that were

their recommended suppliers. Mr. Musekiwa was concerned that if he did not buy the additional fire extinguishers from one of those two suppliers, he might face problems with the police since they operate in his home town.

Possible Responses:

- Please always ensure that your trucks have these extinguishers in compliance with requirements of the law.
- Have at least one witness when you meet with the police.
- If your business is following the law, politely advise the police that you are confident that you are not required to purchase any additional fire extinguishers.
- If your business in fact needs to increase the number of its fire extinguishers, let the police know that you will be purchasing the units from your own accredited supplier.

Case Study 3

Mactop Investments received a telephone call from the Procurement Manager of the local authority that his proposal was accepted by the Management Committee and will soon be invited for a face to face interview with the Procurement Manager. He is informed that there was another company that has also been invited but he should not worry since the company has no experience. Getting this contract would mean huge strides for his company. Aside from the revenue, it would give the company the track record and credibility to bid for contracts with other large companies. A few days after the telephone call, the Procurement Manager visits the offices of Mactop Investments in Mbizo Township in Kwekwe, claiming that he can assure the awarding of the contract to the company if the Director gives him a percentage of the project budget.

Potential Responses:

- Inform the procurement manager that your company is subject to regular audits from auditors who require official documentation for all payments, fees, or commissions.
- Review procurement related laws so you can challenge any actions taken by the procurement manager that is not in accordance with the regulations.
- Cease further discussions with the procurement manager. Immediately report the incident to the supervisor of the procurement manager or someone higher up. Ask that the procurement manager in charge of the bid be replaced.
- Prepare an internal memorandum setting forth the circumstances of the bribery demand.
- If changes are made to technical specifications in what appears to be an effort to favor one bidder, demand to know the grounds for the changes.

- Contact a civil society organization about sending someone to monitor the bidding process.
- Be prepared to lose the bid. Losing the bid is preferable than to getting involved in an illegal arrangement that will lead to a bad reputation for your business.

Case Study 4

Mr. Chioniso operates a Pharmacy in the town of Zvishavane. The business has been in operation for the past ten years. He has been religiously declaring and paying the correct taxes ever since he started operations. In February 2019, he received a Letter from Zimra, together with an exorbitant tax assessment computation. The official from Zimra informed him that the assessment can be lowered if they agree to pay a “fee” to the tax assessor. However, Mr. Chioniso cannot afford to pay the current assessment. If he did, he would end up having to close his pharmacy, but he also does not want to pay a bribe to the tax assessor.

Possible Responses:

- Meet with the tax assessor, together with your own accountant, and ask him or her to explain the basis for the tax assessment. Bring all the back-up documents for your own tax computation.
- Review the rules and regulations to make sure your business is following all requirements of the law.
- Consult with an outside accountant or lawyer to confirm that your own tax computation is correct.
- Communicate to the tax assessor that you will never resort to bribery to resolve an issue and instead will use all available channels for challenging the assessment
- If the Zimra officer insists on the assessment, bring the case up to his or her superior.
- If you are able to negotiate a lower tax assessment, ensure that it is properly documented.
- Do not give in to any bribery demands. Once you start, the tax assessor may keep coming back with bribery demands in ever increasing amounts.

Case Study 5

Mr. Dzenga, a computer sales representative secretly approaches the IT Manager of a small business and offers to give him a “commission” for each computer that the company buys from his company.

Possible Responses:

- ↔ Inform the sales representative that your company strictly prohibits kickbacks and you could lose your job if you take part in what he is proposing.
- ↔ Immediately report the incident to your superior and to the supplier. Ask the supplier to replace the sales representative.
- ↔ If the sales representative persists and the supplier does not replace their sales representative, look for another supplier.
- ↔ Write an internal memorandum recording the incident and how it was handled.

The above scenarios as well as the possible responses are not exhaustive. The reader is urged to read more on the same. Businesses are urged to seek advice from the police, ZACC and others when confronted by such situations.

CHAPTER 7

BUSINESS COLLECTIVE ACTION AGAINST CORRUPTION



What this Chapter is about:

This Chapter explains what collective action is, its importance as well as the relevant tools and techniques for collective action. After going through this Chapter MSMEs should be able to be motivated to jointly carry out anti-corruption activities and campaigns using some of the given tools and techniques.

1. WHAT IS BUSINESS COLLECTIVE ACTION

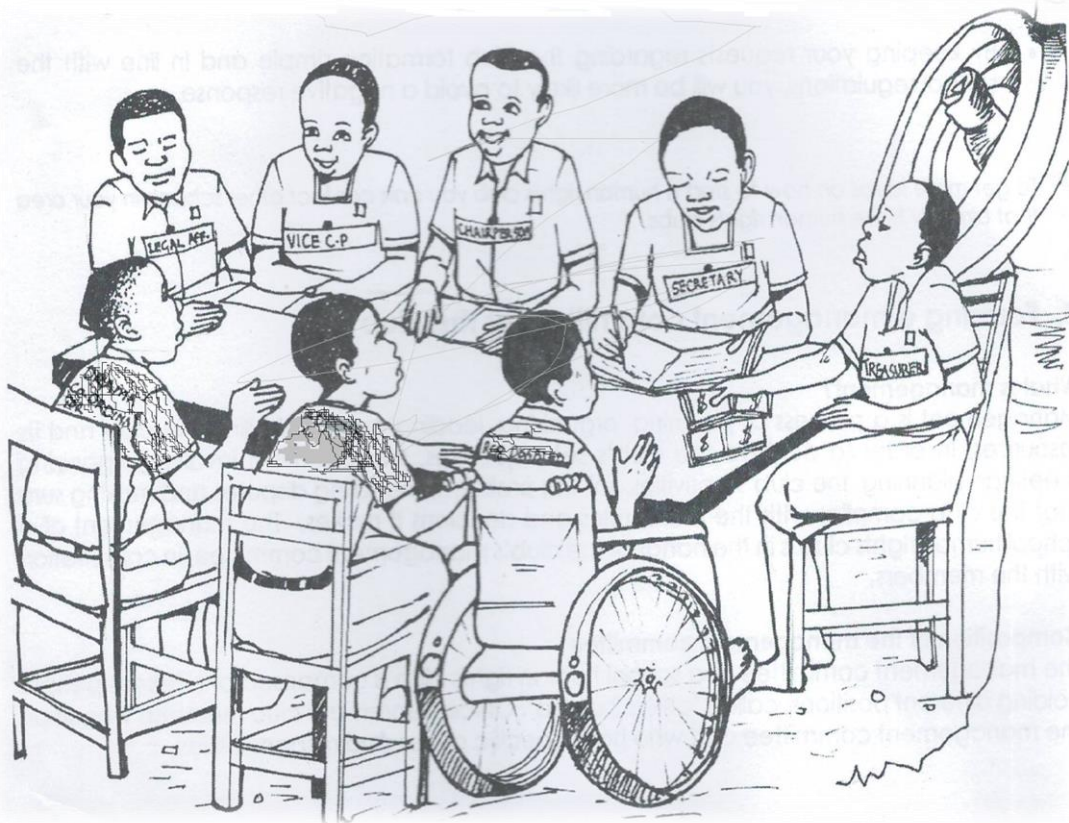


Business collective action is a process through which businesses work together to achieve some common objectives.³

It is important to keep in mind that there are times when it is unavoidable for MSMEs to work together to address a business issue or problem. Collective action is triggered by the need to have a greater voice. For instance, there are certain issues that affect many MSMEs, which may not

bring about the needed change when action is taken by individuals. This way collective action allows MSMEs to collaborate towards some common objectives. Acting as a team does not jeopardize the security of the individuals MSMEs. This means that no one business is put at a disadvantage by not engaging in corruption.

³Encyclopedia Britannica, Inc (2019) Collective action problem [online] Available at <https://www.britannica.com/topic/collective-action-problem-1917157> [Accessed on 9 May 2019]



2. EXAMPLES OF COLLECTIVE ACTION



There are countless examples of collective action from different sectors in which the practice helped to bring about change.

- In March 2019, driving schools in Kwekwe came together and decided to protest against corruption at the Kwekwe Depot of the Vehicle Inspection Department (VID). The concern from more than 18 driving schools, was that the VID officials were demanding bribes in exchange for drivers' licenses. All those refusing to pay would be made to fail. Several driving schools lost business because of the corruption and hence the concerns. On the 18th of March 2019, more than 18 representatives of driving schools in Kwekwe met and resolved to shun taking learners to the Depot in protest against the corruption thereof.

The protest was coordinated by the Kwekwe Driving Schools Association (KDSA). Before the protest, driving schools had also signed a petition against corruption at the same Depot.

The protest was also featured in the media which triggered interest from different stakeholders at all levels. As a result, the concerns of the driving schools were addressed.⁴

- In January 2019, hundreds of Zimbabwean lawyers marched in the streets of Harare demanding justice for people detained in jail and others facing fast-track trials after violent protests that led to mass arrests and a brutal security crackdown.⁵All efforts by lawyers who applied for their clients to be released on bail were thwarted. This affected their businesses and hence the protests. The solidarity action was coordinated by the Zimbabwe Lawyers for Human Rights (ZLHR).

There are many examples that can be given to demonstrate the impact of solidarity action. The two cases above share the following characteristics:

- There was an entity that coordinated the actions. For instance, the concerns of the driving schools in Kwekwe were coordinated by the Kwekwe Driving Schools Association whilst, the action of lawyers was coordinated by the Zimbabwe Lawyers for Human Rights;
- In the two cases, the common objective was achieved. In the case of the driving schools, changes were made at the Depot, whilst some officials faced disciplinary action. In the second case of the lawyers, the protest was a huge embarrassment to all those responsible for curtailing human rights and fundamental freedoms;
- The concerns were put in writing and handed over to the relevant authorities. In the case of the driving schools, they signed a petition which they handed over to the Depot Manager of VID Kwekwe.

Another point to note is that collective action is not only about protests which includes marching in the streets but also includes actions such as:

- ✓ Petitions; and
- ✓ Boycotts; among others

⁴<http://kubatana.net/2019/03/19/driving-schools-in-kwekwe-zimbabwe-protest-against-corruption-at-the-vehicle-inspection-department-vid/>

⁵<https://www.msn.com/en-xl/africa/top-stories/zimbabwes-lawyers-march-to-demand-justice-for-jailed-protesters/ar-BBSW2WN> [Accessed on 9 May 2019]

3. MSME Business Associations in Zimbabwe



In Zimbabwe, there are several associations of MSMEs. One of the objectives of these associations is to carry out advocacy activities on challenges faced by MSMEs. It is thus important for MSMEs to be members of these associations. The associations can also coordinate business collective actions.

It is important to join an MSME association for a number of reasons that include:

- ✓ Support in lobbying and advocacy which is aimed at securing a conducive playing field for the formation and growth of MSMEs;
- ✓ Technical support towards growth strategy and business planning;
- ✓ Access to markets;
- ✓ Access to funding;
- ✓ Training and productivity; and
- ✓ Securing appropriate work spaces for their business.

Being a member of an alliance helps to get things done faster.

However, the list below is not exhaustive:

- The Kwekwe Business Association of the Small to Medium Enterprises (KBASMEs_ which is based in the Kwekwe District of Zimbabwe;
- The **SME Association of Zimbabwe** based in Harare, Zimbabwe that provides supporting structures to enable small and medium sized enterprises to become large corporations;
- The **Zimbabwe Chamber of Small and Medium Enterprises (ZCSME)** based in Harare, Zimbabwe with Chapters country-wide;
- The National Vendors Union Zimbabwe was founded in 2008, as a platform for solidarity that offers safety nets and representation for vendors against victimization in an unfriendly operational environment that has stringent bylaws regulating the economic activity.

4. Relevant Tools and Techniques for Collective Action

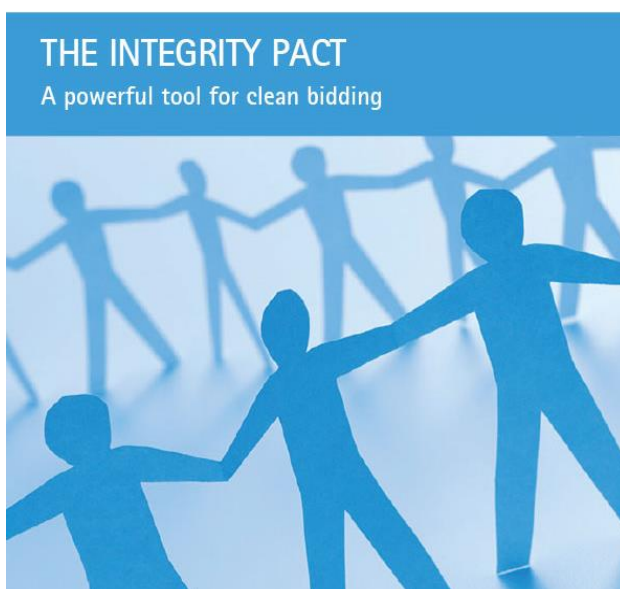


According to Rosario and Star (2011:78-82), there are several tools that can be used for collective action. The following are few examples:

1. Integrity Pacts

An Integrity Pact is a formal contract that creates a fair and transparent bidding process in public procurement related to specific projects. The following are some of the key requirements of integrity pacts:

- a) A formal written contract in which parties to the contract commit not to pay bribes or collude in the bidding process.
- b) It is introduced at the pre-tender stage.
- c) The key principles underpinning an Integrity Pact are: transparency, fair business conduct, and no corruption.
- d) An independent entity is normally appointed to oversee compliance and adherence to the Terms of an Integrity Pact.



Any bidder who violates the Integrity Pact is subjected to penalties and suspension.

2. Anti-Corruption Declaration

An anti-corruption declaration is similar to an integrity pact, but has no monitoring system. Adherence is based on the commitment of the parties concerned. Through the declaration, participants agree to:

- a) Forbid bribery;
- b) Institute transparent financial reporting mechanisms;
- c) Implement a code of conduct for workers;

- d) Conduct workers training on integrity and accountability;
- e) Implement internal systems and controls;
- f) Put in place channels for reporting unethical concerns;
- g) Enter into integrity pacts,
- h) Desist from dealing with unethical parties;
- i) Participate in collective action to fight corruption

3. Certifying Business Coalitions

This type of a coalition is established to promote integrity standards in the industry. The coalition sets ethical standards, and its members are required to comply with those standards to maintain their membership. Adherence and non-adherence are strictly monitored. One can easily lose membership when there is violation of an agreed code of conduct and ethics. Possible benefits for membership include:

- a) The businesses awarded certification which serves as a “stamp” of professional and ethical business practice.
- b) The coalition publicizes a list of certified companies, giving them a good reputation with customers and other stakeholders.
- c) Monitoring and audits by the coalition could give valuable feedback to its members for areas of improvement in their business.

4. Petitions

A Petition is formal written request, typically signed by many people, appealing to authority in respect of a particular cause. For instance, in Kwekwe driving schools signed a petition demanding that corrupt practices of vehicle inspectors be stopped. To be binding a petition should be duly signed



The above tools and techniques are not exhaustive. To this end, MSMEs are urged to read more and select the most effective tools

CHAPTER 8

CONCLUSION

Corruption is so pervasive and insidious in Zimbabwe that doing something about it may seem daunting. But MSMEs are not helpless and hopeless since they have a lot to benefit from fighting corruption. For MSMEs that are fed up of business as usual, this guidebook provides guidance on what they can do to rise up and increase their profit margins through anti-corruption. Countless times, some MSMEs are heard boasting that every business has to be corrupt to be successful. This is false and contemptuous.

The following are the steps that MSMEs that make the decision not to engage in corruption should do,

- **R**eport corruption whenever and wherever it happens.
- **I**mplement an internal policy prohibiting bribery in any form.
- **S**et up systems and controls to detect and prevent corrupt conduct by employees.
- **E**nd and foil attempts by government officials and other businesses to involve the business in corruption.
- **U**nderline the importance of banding together with other MSMEs to address a particular corruption problem or to pursue long-term strategies for countering corruption.
- **P**ursue your business objectives in a corruption free environment

Benefits to be reaped from not engaging in corruption are many.

- It will significantly reduce the cost of doing business, by allowing money that would have gone to bribes to be used to expand the business.
- Businesses with a good reputation for ethical business practices will have a competitive advantage by becoming the preferred choice of customers.
- The business is also more likely to be selected as a supplier to multinationals and local large companies in their supply chains.
- Businesses conducting their businesses ethically create a level playing field in which no business has an unfair advantage.

- A corruption free business has greater chances of attracting local and foreign investments.
- Takes pride on contributions to the country's economic development.

The tips provided in this Manual are not exhaustive. The MSMEs are urged to read and consult widely to come up with other innovations to end corruption.

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ANNEXES

Annex -1- Chapter IX Extract of the Criminal Law (Codification and Reform) Act, Chapter 9:23

CHAPTER IX BRIBERY AND CORRUPTION

169 Interpretation in Chapter IX

In this Chapter—

“agent” means a person employed by or acting for another person in any capacity whatsoever and, without limiting this definition in any way, includes—

- (a) a director or secretary of a company;
- (b) the trustee of an insolvent estate;
- (c) the assignee of an estate that has been assigned for the benefit or with the consent of creditors;
- (d) the liquidator of a company or other body corporate that is being wound up or dissolved;
- (e) the executor of the estate of a deceased person;
- (f) the legal representative of a person who is a minor or of unsound mind or who is otherwise under legal disability;
- (g) a public officer;
- (h) a member of a board, committee or other authority which is responsible for administering the affairs or business of a body corporate or association other than a statutory body or local authority;
- (i) a person who voluntarily—
 - (i) manages the affairs or business of another person; or
 - (ii) takes care of the property of another person;
without the knowledge or consent of that other person;

“consideration” means any right, interest, profit, indemnity, benefit or advantage of any kind whatsoever;

“local authority” means a city, municipality, town council, town board, provincial council, rural district council or any similar body established by or in terms of any enactment;

“principal” means the employer or other person for whom an agent acts and, in relation to—

- (a) a trustee, assignee, liquidator, executor or legal representative referred to in the definition of “agent”, includes—
 - (i) all persons represented by the trustee, assignee, liquidator, executor or legal representative, as the case may be, or in relation to whom he or she stands in a position of trust; and

- (ii) any public officer who is responsible for supervising the activities of the trustee, assignee, liquidator, executor or legal representative;
- (b) a public officer who is a Minister and a member of the Cabinet, includes both the State and the Cabinet;
- (c) a member of a council, board, committee or authority which is responsible for administering the affairs or business of a statutory body, local authority, body corporate or association, includes both such council, board, committee or authority and the statutory body, local authority, body corporate or association for whose affairs or business it is responsible;

“public officer” means—

- (a) a Vice-President, Minister or Deputy Minister; or
- (b) a governor appointed in terms of an Act referred to in section 111A of the Constitution; or
- (c) a member of a council, board, committee or other authority which is a statutory body or local authority or which is responsible for administering the affairs or business of a statutory body or local authority; or
- (d) a person holding or acting in a paid office in the service of the State, a statutory body or a local authority; or
- (e) a judicial officer;

“statutory body” means—

- (a) any Commission established by the Constitution; or
- (b) anybody corporate established directly by or under an Act for special purposes specified in that Act.

170 Bribery

(1) Any—

- (a) agent who obtains or agrees to obtain or solicits or agrees to accept for himself or herself or any other person any gift or consideration as an inducement or reward—
 - (i) for doing or omitting to do, or having done or omitted to do, any act in relation to his or her principal’s affairs or business; or
 - (ii) for showing or not showing, or having shown or not shown, any favour or disfavour to any person or thing in relation to his or her principal’s affairs or business;
 knowing or realising that there is a real risk or possibility that such gift or consideration is not due to him or her in terms of any agreement or arrangement between himself or herself and his or her principal;

or
- (b) person who, for himself or herself or any other person, gives or agrees to give or offers to an agent any gift or consideration as an inducement or reward—
 - (i) for doing or omitting to do, or having done or omitted to do, any act in relation to his or her principal’s affairs or business; or
 - (ii) for showing or not showing, or having shown or not shown, any favour or disfavour to any person or thing in relation to his or her principal’s affairs or business;

knowing or realising that there is a real risk or possibility that such gift or consideration is not due to the agent in terms of any agreement or arrangement between the agent and his or her principal; shall be guilty of bribery and liable to—

- A. a fine not exceeding level fourteen or not exceeding three times the value of any consideration obtained or given in the course of the crime, whichever is the greater; or
- B. imprisonment for a period not exceeding twenty years; or both.

(2) If it is proved, in any prosecution for bribery, that—

- (a) an agent has obtained, agreed to obtain or solicited any benefit or advantage, whether for himself or herself or for another person; or
- (b) any person has given, agreed to give or offered any benefit or advantage—
 - (i) to an agent, whether for himself or herself or for another person; or
 - (ii) to any other person, after agreeing with an agent to do so;

it shall be presumed, unless the contrary is proved, that he or she did so in contravention of this section.

171 Corruptly using a false document

(1) Any—

- (a) agent who, in connection with his or her principal's affairs or business, uses a document which contains a false statement—
 - (i) knowing that the document contains a false statement or realising that there is a real risk or possibility that it may do so; and
 - (ii) intending by the use of the document to deceive his or her principal, or realising that there is a real risk or possibility that his or her use of the document may deceive his or her principal;

or

- (b) person who gives an agent a document which contains a false statement—
 - (i) knowing that the document contains a false statement or realising that there is a real risk or possibility that it may do so; and
 - (ii) intending to deceive the agent or the agent's principal or realising that there is a real risk or possibility that by his or her use of the document the agent or the agent's principal may be deceived;

shall be guilty of corruptly using a false document and liable to a fine up to or exceeding level fourteen or imprisonment for a period not exceeding twenty years or both.

(2) For the purposes of paragraph (b) of subsection (1), where a person gives an agent a false document, intending to deceive the agent or the agent's principal in the conduct of his or her principal's affairs or business or realising that there is a real risk or possibility that the agent or the agent's principal may be so deceived, the person shall be presumed, unless the contrary is proved, to intend to deceive the agent's principal as well as the agent, or to realise that there is a real risk or possibility that the agent's principal as well as the agent may be deceived, as the case may be.

172 Corruptly concealing a transaction from a principal

(1) Any—

- (a) agent who, having carried out any transaction in connection with his or her principal's affairs or business, fails to disclose to the principal the full nature of the transaction—

- (i) intending to deceive the principal or realising that there is a real risk or possibility that the principal may be deceived; or
 - (ii) intending to obtain a consideration knowing or realising that there is a real risk or possibility that such consideration is not due to him or her in terms of any agreement or arrangement between himself or herself and the principal; or
- (b) person who—
- (i) carries out any transaction with an agent in connection with the affairs or business of the agent's principal; or
 - (ii) assists an agent to carry out any such transaction;

knowing that the agent does not intend to disclose to the principal the full nature of the transaction;

shall be guilty of corruptly concealing a transaction from a principal and liable to a fine up to or exceeding level fourteen or imprisonment for a period not exceeding twenty years or both.

(2) Where an agent agrees or arranges with another person or a person agrees or arranges with an agent not to disclose to the agent's principal the full nature of any transaction which the agent has carried out or will carry out in connection with the principal's affairs or business, and the agent or person so agreed or arranged—

- (a) intending to deceive the principal or realising that there is a real risk or possibility that the principal may be deceived; or
- (b) intending that the agent should obtain a consideration knowing or realising that there is a real risk or possibility that such consideration is not due to the agent in terms of any agreement or arrangement between the agent and the principal;

the competent charge shall be conspiracy to commit the crime of corruptly concealing a transaction from a principal.

(3) If it is proved, in any prosecution for corruptly concealing a transaction from a principal, that—

- (a) an agent—
 - (i) agreed or arranged with another person that the full nature of any transaction should not be disclosed to the agent's principal; or
 - (ii) failed to disclose to his or her principal the full nature of any transaction;

the agent shall be presumed, unless the contrary is proved, to have done so intending to deceive the principal, or to obtain a consideration for himself or herself knowing or realising that there is a real risk or possibility that such consideration is not due to him or her in terms of any agreement or arrangement between himself or herself and the principal, as the case may be;

- (b) any person agreed or arranged with an agent that the full nature of any transaction should not be disclosed to the agent's principal, that person shall be presumed, unless the contrary is proved, to have done so intending to deceive the agent's principal;
- (c) any person carried out a transaction with an agent or assisted an agent to carry out a transaction the full nature of which was not disclosed to the agent's principal, that person shall be presumed, unless the contrary is proved, to have known that the agent did not intend to disclose to the principal the full nature of the transaction.

173 Corruptly concealing from a principal a personal interest in a transaction

- (1) Any—

- (a) agent who carries out any transaction in connection with his or her principal's affairs or business without disclosing to the principal that he or she holds a personal interest in the subject-matter of the transaction—
 - (i) intending to deceive the principal or realising that there is a real risk or possibility that the principal may be deceived; or
 - (ii) intending to obtain a consideration knowing or realising that there is a real risk or possibility that such consideration is not due to him or her in terms of any agreement or arrangement between himself or herself and the principal;

or

- (b) person who—
 - (i) carries out any transaction with an agent in connection with the affairs or business of the agent's principal; or
 - (ii) assists an agent to carry out any such transaction;knowing that the agent does not intend to disclose to the principal a personal interest which he or she or the agent holds in the subject-matter of the transaction;

shall be guilty of corruptly concealing from a principal a personal interest in a transaction and liable to a fine up to or exceeding level fourteen or imprisonment for a period not exceeding twenty years or both.

(2) Where an agent agrees or arranges with another person or a person agrees or arranges with the agent not to disclose to the agent's principal any personal interest held by the agent in the subject-matter of any transaction which the agent has carried out or will carry out in connection with the principal's affairs or business, and the agent or person so agreed or arranged—

- (a) intending to deceive the principal or realising that there is a real risk or possibility that the principal may be deceived; or
- (b) intending that the agent should obtain a consideration knowing or realising that there is a real risk or possibility that such consideration is not due to the agent in terms of any agreement or arrangement between the agent and the principal;

the competent charge shall be conspiracy to commit the crime of corruptly concealing from a principal a personal interest in a transaction.

(3) If it is proved, in any prosecution for the crime of corruptly concealing from a principal a personal interest in a transaction, that—

- (a) an agent—
 - (i) agreed or arranged with another person that a personal interest held by the agent in the subject-matter of any transaction should not be disclosed to the agent's principal;
 - (ii) failed to disclose to his or her principal a personal interest held by him or her in the subject-matter of any transaction;

the agent shall be presumed, unless the contrary is proved, to have done so intending to deceive the principal or to obtain a consideration for himself or herself knowing or realising that there is a real risk or possibility that such consideration is not due to him or her in terms of any agreement or arrangement between himself or herself and the principal, as the case may be;

- (b) any person agreed or arranged with an agent that a personal interest held by the agent in the subject-matter of any transaction should not be disclosed to the agent's principal, that

person shall be presumed, unless the contrary is proved, to have done so intending to deceive the agent's principal;

- (c) any person carried out a transaction with an agent or assisted an agent to carry out a transaction in the subject-matter of which the agent had a personal interest which was not disclosed to the agent's principal, that person shall be presumed, unless the contrary is proved, to have known of the personal interest and that the agent did not intend to disclose to the principal the personal interest held by him or her in the subject-matter of the transaction.

174 Criminal abuse of duty as public officer

(1) If a public officer, in the exercise of his or her functions as such, intentionally—

- (a) does anything that is contrary to or inconsistent with his or her duty as a public officer; or
- (b) omits to do anything which it is his or her duty as a public officer to do;

for the purpose of showing favour or disfavour to any person, he or she shall be guilty of criminal abuse of duty as a public officer and liable to a fine not exceeding level thirteen or imprisonment for period not exceeding fifteen years or both.

(2) If it is proved, in any prosecution for criminal abuse of duty as a public officer, that a public officer, in breach of his or her duty as such, did or omitted to do anything to the favour or prejudice of any person, it shall be presumed, unless the contrary is proved, that he or she did or omitted to do the thing for the purpose of showing favour or disfavour, as the case may be, to that person.

(3) For the avoidance of doubt it is declared that the crime of criminal abuse of duty as a public officer is not committed by a public officer who does or omits to do anything in the exercise of his or her functions as such for the purpose of favouring any person on the grounds of race or gender, if the act or omission arises from the implementation by the public officer of any Government policy aimed at the advancement of persons who have been historically disadvantaged by discriminatory laws or practices.

Annex -2- The Ten Principles of the UN Global Compact

Source: UN Global Compact (2019) The Ten Principles of the UN Global Compact . [online] Available at <https://www.unglobalcompact.org/what-is-gc/mission/principles> [Accessed on 14 May 2019]

Corporate sustainability starts with a company's value system and a principles-based approach to doing business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible businesses enact the same values and principles wherever they have a presence, and know that good practices in one area do not offset harm in another. By incorporating the Ten Principles of the UN Global Compact into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

The Ten Principles of the United Nations Global Compact are derived from: the [Universal Declaration of Human Rights](#), the [International Labour Organization's Declaration on Fundamental Principles and Rights at Work](#), the [Rio Declaration on Environment and Development](#), and the [United Nations Convention Against Corruption](#).

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Annex -3- Sample of a Simple Anti-Bribery and Anti-Fraud Policy

1. Introduction

We strictly prohibit bribery, fraud and all other corrupt business practices at ABC Company. We expect employees at all times to obey the law and maintain high ethical standards as stated in our Code of Business Conduct.

We will uphold laws relevant to countering fraud, bribery and corruption in all of the jurisdictions in which we operate, particularly laws that are directly relevant to specific business practices. Losses due to fraud, bribery and all other corrupt business practices can be more than just financial in nature: they can also cause damage to the company's reputation. The reputation of ABC Company for lawful and responsible business behaviour is of paramount importance.

2. Policy objectives

The purpose of this policy is to set out the responsibilities of the company in observing and upholding our position on bribery, fraud and other corrupt business practices.

To achieve this commitment ABC Company will:

- a) Develop and maintain effective controls to prevent bribery, fraud and other corrupt business practices;
- b) Ensure that any suspected, alleged, attempted or actual instances of bribery, fraud or other corrupt business practices are investigated appropriately, regardless of the position held or length of service of any individual implicated;
- c) Take appropriate disciplinary action in all cases where investigation has proven attempted or actual instances of bribery, fraud or other corrupt practices. All significant cases shall be reported to line manager who will report them in the appropriate manner; and,
- d) Operate a lesson learnt process to review incidents, systems and procedures to prevent similar instances occurring and embed responsible business behaviours within ABC Company.

3. Delivering our objectives

ABC Company strictly prohibits:

- a) the offering, solicitation or the acceptance of any bribe, whether cash or other inducement;
- b) to or from any person or company, wherever they are located in the world, and whether they are a private person or company or a public official or body;
- c) by any individual employee, agent or other person or body acting on the ABC Company's behalf;
- d) to gain any commercial, contractual or regulatory advantage for ABC Company in a way which is unethical;
- e) or to gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.

ABC Company recognizes that market practice varies across the country in which it does business and what is normal and acceptable in one place may not be in another. This policy prohibits any inducement which results in a personal gain or advantage to the recipient or any person or body associated with them, and which is intended to influence them to act which may not be solely in the interests of the company or of the person or body employing them or whom they represent.

Payments to public officials to carry out or speed up a process (“facilitation payments”) are prohibited – but ABC Company understands that employees should not put their lives, liberty or property at risk. If employees are coerced or extorted into making a payment they must report the payment to their line manager as soon as possible.

This policy is not meant to prohibit the following practices providing they are customary in a particular market, are proportionate and are properly recorded:

- a) normal and appropriate hospitality;
- b) the giving of a ceremonial gift on a festival or at another special time;
- c) the use of any recognised fast-track process which is available to all on payment of a fee; or
- d) the offer of resources to assist the person or body to make the decision more efficiently provided that they are supplied for that purpose only.

We do not make direct or indirect donations to political parties. Donations to charity on behalf of the group must be made following our internal processes.

For practical purposes fraud may be described as the act of making false representation, or failure to disclose information, or abusing a position of trust, with the intent to make a gain or cause a loss or to expose another to the risk of loss.

Examples of frauds that may be perpetrated against ABC Company include the following:

- a) theft, misuse and misappropriation of ABC Company property, equipment, funds, materials, records or any other assets;
- b) false accounting and/or making fraudulent statements financial or non-financial with a view to personal gain or gain of another (e.g. timesheets, expense claims, purchase orders, budgets, regulatory returns);
- c) any activity which involves the alteration, destruction, copying or manipulation of data for inappropriate purposes.

Fraud may involve one individual or several people in collusion with each other who could be either from within or external to ABC Company.

Inevitably, decisions as to what is acceptable may not always be easy. If anyone is in doubt as to whether a potential act constitutes bribery or fraud, the matter should be referred to your most senior local manager before proceeding.

4. Reporting and response

Any employee who discovers or suspects bribery or fraudulent activity should normally raise any concerns through their line manager. Alternatively, you may raise your concerns with the Executive Director

However, it is recognised that individuals may feel inhibited in certain circumstances. In this case, employees are encouraged to raise concerns about any instance of malpractice at the earliest possible stage through our confidential and independent whistleblowing helpline.

5. Scope

This policy is concerned with internal and external bribery, fraud and other corrupt business practices, committed by employees, temporary staff, agents, suppliers and contractors. It applies to all activities of ABC Company.

6. Governance

The ABC Company Executive Director provides oversight of this policy.

7. Responsibilities

This policy applies to all individuals who are employed by ABC Company, or carry out work on behalf of ABC Company including contractors, temporary staff and agency workers.

All individuals identified above are responsible for:

- a) understanding and acting in accordance with ABC Company's Code of Business Conduct in obeying the law and maintaining high ethical standards;
- b) reporting any known or suspected instances of attempted or actual bribery, fraud or instances of other corrupt practices in the company in line with this policy;
- c) notifying the Company at the earliest opportunity of the concern so that the issue can be investigated appropriately; and
- d) co-operating with any investigation into any concern.

8. Supporting information

This policy of ABC Company is supported by the following other Policies:

- ↔ Code of Business Conduct
- ↔ Whistleblowing Policy
- ↔ Procurement Policy
- ↔ Anti-Bribery and Anti-Fraud Compliance Manual

9. Document change history

Policy status:	FINAL
Issue date:	X
Version:	X
Policy owner:	X
Review date:	X



Annex -4- Sample Whistle-blowing Policy

1) **About this policy**

- 1.1 We are committed to conducting our business with honesty and integrity and we expect all staff to maintain high standards. Any suspected wrongdoing should be reported as soon as possible.
- 1.2 This policy covers all employees, officers, consultants, contractors, [volunteers,] [interns,] casual workers and agency workers.
- 1.3 This policy does not form part of any employee's contract of employment and we may amend it at any time.

2) **What is whistleblowing?**

Whistleblowing is the reporting of suspected wrongdoing or dangers in relation to our activities. This includes bribery, fraud or other criminal activity, miscarriages of justice, health and safety risks, damage to the environment and any breach of legal or professional obligations. It also includes the following matters specific to this workplace.

3) **How to raise a concern**

- 3.1 We hope that in many cases you will be able to raise any concerns with your manager. However, where you prefer not to raise it with your manager for any reason, you should contact the [Whistleblowing Officer ([NAME])] [or the Managing Director ([NAME])]. Contact details are at the end of this policy.
- 3.2 We will arrange a meeting with you as soon as possible to discuss your concern. You may bring a colleague or union representative to any meetings under this policy. Your companion must respect the confidentiality of your disclosure and any subsequent investigation.

4) **Confidentiality**

- 4.1 We hope that staff will feel able to voice whistleblowing concerns openly under this policy. Completely anonymous disclosures are difficult to investigate. If you want to raise your concern confidentially, we will make every effort to keep your identity secret and only reveal it where necessary to those involved in investigating your concern.

5) External disclosures

- 5.1 The aim of this policy is to provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace. In most cases you should not find it necessary to alert anyone externally.
- 5.2 The law recognizes that in some circumstances it may be appropriate for you to report your concerns to an external body such as a regulator. We strongly encourage you to seek advice before reporting a concern to anyone external. Public Concern at Work operates a confidential helpline. Their contact details are at the end of this policy.

6) Protection and support for whistleblowers

- 6.1 We aim to encourage openness and will support whistleblowers who raise genuine concerns under this policy, even if they turn out to be mistaken.
- 6.2 Whistleblowers must not suffer any detrimental treatment as a result of raising a genuine concern. If you believe that you have suffered any such treatment, you should inform [the Whistleblowing Officer **OR** [POSITION]] immediately. [If the matter is not remedied you should raise it formally using our Grievance Procedure.]
- 6.3 You must not threaten or retaliate against whistleblowers in any way. If you are involved in such conduct you may be subject to disciplinary action. [In some cases, the whistleblower could have a right to sue you personally for compensation in an employment tribunal.]
- 6.4 However, if we conclude that a whistleblower has made false allegations maliciously or with a view to personal gain, the whistleblower may be subject to disciplinary action.
- 6.5 Public Concern at Work operates a confidential helpline. Their contact details are at the end of this policy.

Contacts

Whistleblowing Officer	[NAME] [TELEPHONE] [E-MAIL]
[Managing Director [OR OTHER TRUSTED INDIVIDUAL]]	[NAME] [TELEPHONE] [E-MAIL]
Public Concern at Work (Independent whistleblowing charity)	[NAME] [TELEPHONE] [E-MAIL]

Annex -5- Where to Report Corruption: Contact Details

You are strongly advised to report corruption to your nearest police station.

a) Government Authorities

	Name	Nature of corruption	Address	Contact Telephone	Contact e-mail
1	Zimbabwe Revenue Authority (Zimra)	Corruption by Zimra officials and other stakeholders	ZB Centre CnrNkwame Nkrumah Ave/ First Street P O Box 4360 Harare	Phone: 04 – 758891/5; 790813; 790814; 781345; 751624; 752731 Toll-free 0808 190; 0732 880 880; +263 782 729 862WhatsApp	zimraanticorruption@gmail.com

b) Report to the Justice Delivery System

Attorney General's Office Tel: 04-774586/8, 774595/7	Judicial Service Commission Tel: 04-704118, 706260	Law Society Of Zimbabwe Tel: 0772240424, 0715641969, 04-751000, 778207/9	Ministry of Justice Legal and Parliamentary Affairs Tel: 04-774620
National Prosecuting Authority Tel: 04-774595-7	Zimbabwe Anti-Corruption Commission Tel: 04-307079, 369602/5/8	Zimbabwe Prisons and Correctional Services Tel: 04-706501/4	Zimbabwe Republic Police Tel: 04-700171

c) Civil Society Organisations

	Name	Nature of corruption	Address	Contact Telephone	Contact e-mail
1	Anti-Corruption Trust of Southern Africa	All cases	Kwekwe Office Number 16, 2 nd Avenue, Kwekwe, Zimbabwe	Phone: +263552525235 Mob: +263784490660	info@anticorruptiitrust.org
2	Transparency International-Zimbabwe	All cases	Harare Office 96 Central Ave Harare, Zimbabwe	Tel: +263 4 793 246/7, +263 4 793 277 VOIP CALL: 08677004072	info@tizim.org
3	Transparency International-Zimbabwe	All cases	Bulawayo Office Suite 211 MasiyePambili Business Centre Fort Ave, Btwn 8th/9th Avenue Bulawayo	Tel +263 9 881 397 VOIP CALL: 08677004073	info@tizim.org
4	Transparency International-Zimbabwe	All cases	Mutare Office 4 Carlos Flats Cnr D Avenue/4th Street Mutare	Tel: + 263 20 60030 VOIP CALL: 08677004073	info@tizim.org

d) Others

	Name	Nature of corruption	Address	Contact Telephone	Contact e-mail
1	Deloitte Tip-offs Anonymous	Deloitte Tip-offs anonymous provides an anonymous reporting channel for unethical behaviour in the workplace. It is completely independent, confidential whistleblowing hotline service operating 24-hours a day, 7 days per week and 365 days a year. It does not matter whether one is an employee, customer, supplier, manager or shareholder, you are welcome to report fraud and inappropriate activities in an organization in a safe, confidential and secure way	Free Post: The Call Centre, P.O. Box HG 883, Highlands, Harare	Toll Free: 0800 1400 to 0800 4106 Toll Free Econet: 0808 5500, 4461 Toll Free Net One: 0716 800 189/190 and 0800 4146	Email: reportszw@tip-offs.com

SMEs ANTI-CORRUPTION MANUAL

Preventing & Combating Corruption to foster and stimulate micro, small and medium-sized enterprises development in Zimbabwe



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