

THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED BY PAKISTAN

ARTICLE 5 UNCAC

PREVENTIVE ANTI-CORRUPTION POLICIES AND PRACTICES

PAKISTAN (TENTH MEETING)

Subject: UNCAC Open-ended Intergovernmental Working Group on Prevention of Corruption (4-6 September 2019, Vienna).

The information / input of National Accountability for UNCAC Open-ended Intergovernmental Working Group on Prevention of Corruption (4-6 September 2019, Vienna) is given below:

- a. **Background.** Corruption is one of the main challenges for the international community. There are many factors that contribute to the proliferation of corruption. These include lack of education, awareness, and political will and weak institutions. There are multiple solutions, though, if they were sincerely applied. Open and transparent governance is considered a precondition for preventing and revealing corruption and maladministration. In order to minimize this problem, both preventive and punitive measures are necessary to be taken.
- b. **National Anti-Corruption Strategy.** Pakistan's National Accountability Strategy (NACS) has laid great emphasis on the importance of Prevention and has suggested preventive measures for our identified national integrity pillars i.e. Legislature, Judiciary, Executive, Public Accountability Bodies, Anti-corruption Agencies, Media, Civil society and Private sector.
- c. **Role of National Accountability Bureau (NAB).** NAB has also been declared as the Central Authority on Prevention Regime under the United Nations Convention Against Corruption (UNCAC). The formation/establishment of Awareness & Prevention Division at the NAB Headquarters and its Wings in the Regional Bureaus reflects the Bureau's commitment to the holistic approach of a three pronged strategy i.e. Awareness, Prevention & Enforcement for curbing the menace of corruption in the country. The Prevention methodology of the NAB gets its strength from the Sections 33B and 33C of the National Accountability Ordinance (NAO), 1999.

- d. The public sector tendering process/contract agreements are scrutinized by the Awareness and Prevention Sections at the NAB HQ as well as Regional Offices. The public procuring entities are also advised to strictly follow the public procurement rules for ensuring transparency in the tender processes and subsequent award of contracts.
- e. All public sector organizations are required to provide details of the contracts of monetary value Rs. 50 million or above to NAB as per law. NAB is fully cognizant with the fact that corruption in procurement represents a potentially large drain on the public purse. Other adverse impacts include faulty and inadequate service provision, inflated maintenance and replacement costs, environmental damage, reduced efficiency and innovation, damage to public trust in government and curtailment of economic development.
- f. The formation of Prevention Committees under Section 33C of NAO, 1999 at NAB HQ and Regional level provides a unique platform for studying and analyzing the existing rules, procedures and laws of public sector departments and to suggest amendments/changes in processes for enhanced transparency and effectiveness. It involves frequent meetings and brain storming sessions with other government offices and relevant stakeholders wherein the existing weaknesses in the systems are thoroughly discussed before suggesting changes in the systems. The role of the Prevention Committees has been highly praised by the public sector offices and intelligentsia, as their official business and mitigating the risks of corruption in the public sector service delivery.
- g. Prevention Committees in the following sectors have successfully finalized the recommendations to plug the loopholes in the existing procedures for improving and strengthening the regulatory mechanism of public sector service delivery for transparency, meritocracy, fair play and compliance with relevant laws:

- (1). Prevention Committee on Tax Evasion.
 - (2). Prevention Committee on Ministry of Religious Affairs (MoRA).
 - (3). Prevention Committee for Reformation of Ministry of National Health Services Regulations & Coordination and attached / subordinate offices. Further divided into 9 x sub committees out of which following 8 x sub committees have finalized their recommendations and forwarded to quarter concerned for implementation:
 - (a). Sub Committee No:01 – Reformation in Pharmaceutical Evaluations and Registration Division (DRAP).
 - (b). Sub Committee No:02 – Reformation in Costing and Pricing Division (DRAP)
 - (c). Sub Committee No:03 – Reformation in Drug Licensing, Quality, Assurance, Laboratory Testing and Pharmacy Services Division (DRAP)
 - (d). Sub Committee No:04 – Health & OTC Products / Medical Devices/ Medicated Cosmetics (DRAP)
 - (e). Sub Committee No:05 on National Institute of Health (NIH)
 - (f). Sub Committee No:06 – Guidelines for Procurement of Syringes and Vaccines
 - (g). Sub Committee No:07 on Tibb& Homeopathy
 - (h). Sub Committee No:08 on Pakistan Medical & Dental Council (PMDC)
 - (i). Sub Committee No:09 on Procurement of Drugs Medicines & Medical Instruments Devices
- h. Prevention Committees in the following sectors are under process:
- (1). Health –Sub Committee on Procurement of Drugs Medicines & Medical Instruments.

- (2). Capital Development Authority (CDA).
- (3). Reformation in Cooperative Department – Islamabad Capital Territory (ICT).
- (4). National Fertilizer Marketing Limited (NFML).
- (5). Pakistan Railways
- (6). Press Information Department (PID).
- (7). Pakistan Sports Board (PSB)

- i. **Contract Evaluation under Section 33B of NAO, 1999-** The process of analysis of public sector contracts has been initiated by the Chairman, NAB. All the procurement related documents are carefully studied and observations/queries are sent to the relevant departments for their responses. Briefing sessions are also held with the procuring departments in order to address the queries and educate the officials with regard to the procurement rules. The observations noted during the course of evaluation were communicated to respective departments for clarifications / rectification.
- j. **Miscellaneous Complaints-** The Awareness and Prevention Division also receives complaints regarding procurement processes. The responses are taken on the complaints from the relevant departments in order to verify the authenticity of the contents of the complaints. The complaints are processed as per the Awareness and Prevention methodology and SOPs. Appropriate actions are recommended after careful analysis of replies of public procuring agencies. Advisory letters are also issued to public procuring agencies for strict adherence to the public procurement rules and for bringing transparency in their processes.

2. Further information / details on the subject will be forwarded in due course of time, please.

THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED BY PAKISTAN

ARTICLE 5 UNCAC

PREVENTIVE ANTI-CORRUPTION POLICIES AND PRACTICES

PAKISTAN (SECOND MEETING)

The National Anti-Corruption Strategy (NAGS)

In the initial phases after its inception, NAB felt the need to fight corruption through a three-pronged approach; awareness, prevention and enforcement. However, this approach was adopted after comprehensive study on the causes of corruption and remedial measures. The study concluded in a grand National Anti-Corruption Strategy (NACS).

The approval for the Project by the President of Pakistan was granted on 12th October 2001. The Project took off on 11th February 2002. Basically, the Project was undertaken by NAB to diagnose the causes of corruption and envisaged reforms in all spheres of life from the anti-corruption perspective. It was a consultative, participative and consensus-building process involving a range of stakeholders from public and private sectors.

The project team studied international best practices and domestic systems. NACS has developed a time-bound implementation action plan. The action plan was approved by the Cabinet in principle on 5th October 2002, while the President of the Islamic Republic of Pakistan approved its Implementation Mechanism on 24th October 2002. The implementation committee comprises leaders and managers both from public sectors and private sectors to oversee implementations of reforms as envisaged by NAGS.

Objectives of NAGS

- **Long Term.** Eliminating corruption through a holistic, inclusive and progressive approach.
- **Short Term.** Initiate reforms for systemic improvements to strengthen the national integrity system.

- **Immediate.** Assist the political leadership in adopting publicly verifiable high ethical standards to improve governance.

Recommendations

To achieve above-mentioned objectives, the NAGS stresses upon creation of an Awareness and Prevention strategy which;

- involves everyone in the fight against corruption;
- changes societal attitudes towards corruption;
- reduces opportunities of corruption by improving the system - Prevention
- cultivates strong political will to fight corruption;
- promotes meritocracy in recruitment, career management and decision-making;
- bolsters transparency and access to information;
- improves participatory governance with top-to-bottom approach of accountability;
- reforms judicial system;
- deregulates the state to make it less intrusive;
- strengthens internal controls within public sector;
- simplifies procedures;
- rationalizes discretionary powers;
- revives internal accountability and strengthen public accountability mechanism;
- reforms institutional and legal anti-corruption structure;
- increases remuneration to a liveable level;
- empowers civil society and media to exert moral pressure on corrupt individuals and institutions.

NACS Implementation Committee-Contributions

- The Asset Declaration Monitoring Mechanism. The Government Servants Conduct Rules 1964 require that every Government Servant should declare his/her assets annually. The Assets Declaration System, before computerization, was only of an archaic nature. No monitoring mechanism

was in place unless an inquiry was initiated. Hence, the need to revamp the declaration and monitoring mechanism of Assets.

- Vigilance Units. The primary objective of these Units was to create deterrence and to ensure that laws and regulations are properly followed. Vigilance Units directly report to Head of the department. The mandate of the Vigilance Unit is uniform across the country to avoid overlapping with other organizations. No additional staff of infrastructure has been utilized.
- Integrity Pact. PPRA Ordinance was promulgated in May 2002 but Public Procurement Rules were not framed. The notification of Public Procurement Rules, 2004 was expedited with active support from the Implementation Committee. Integrity Pact for procurements exceeding Rs.50 million was made compulsory. Relevant Sections of the Public Procurement Rules were amended to incorporate this mandatory requirement.