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English only

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**Statement submitted by UNCAC Coalition, a  
non-governmental organization not in consultative status  
with the Economic and Social Council\***

The following document is being circulated in accordance with paragraph 1 (i) of resolution 4/6 of the Conference of the States Parties to the United Nations Convention against Corruption and rule 17, paragraph 3 (b), of the rules of procedure for the Conference.

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\* The present document is processed in the form in which it was received.





## **Ethiopia: Civil Society Report by Progress Integrated Community Development Organization (PICDO)**

An input to the UNCAC Implementation Review Mechanism:  
Fourth year of review of UNCAC Chapters II and V

**14 November 2023**

This is the executive summary of a civil society parallel report from May 2023 reviewing Ethiopia's implementation and enforcement of selected articles in UN Convention against Corruption (UNCAC) Chapters II (Preventive Measures) and V (Asset Recovery). The report was supported by the UNCAC Coalition and is intended as a contribution to the UNCAC peer review process of Ethiopia covering those two chapters. The full report is available on the UNCAC Coalition's website.<sup>1</sup>

While Ethiopia has made progress towards developing normative legal frameworks for the implementation of Chapter II of the UNCAC, several challenges remain to effectively advance anti-corruption efforts, especially regarding the implementation of Chapter V articles. Better inter-institutional coordination and effective asset recovery laws and practices are needed.

### **Assessment of the Review Process**

Has the government disclosed information about the country focal point?	Yes	The Department Head for Monitoring the Implementation of International Conventions at the Federal Ethics and Anti-Corruption Commission is the focal point for the review process.
Was the review schedule published somewhere?	No	
Was civil society consulted in the preparation of the self-assessment checklist?	No	Civil society was not consulted in the preparation of the self-assessment checklist, but invited after the report was prepared to collect feedback.
Was the self-assessment checklist published online or	No	

<sup>1</sup> The report was published on the UNCAC Coalition website in May 2023:  
<https://uncaccoalition.org/uncacparallelreportethiopia/>.

made available to civil society?		
Did the government agree to a visit to the country?	Yes	
Was a country visit undertaken?	Not yet	
Was civil society invited to provide input to the official reviewers?	Yes	Around 12 civil society organizations were consulted.
Was the private sector invited to provide input to official examiners?	Yes	The private sector was invited to participate and offer feedback, but did not attend the meeting.
Has the government committed to publishing the full country report?	Not yet	

## Main Findings and Recommendations (R)

### Anti-Corruption Bodies and Policies

The Federal Ethics and Anti-corruption Commission (FEACC) has established Ethics and Anti-corruption Liaison Offices at every level within public offices and enterprises. The Commission oversees awareness-raising and trainings, conducts risk analyses and takes precautions against corruption. The FEACC Proclamation protects the legal independence of anti-corruption bodies, but is ineffective.

*R: Strengthen the technical and financial capacities of anti-corruption institutions, and ensure their independence and autonomy when making decisions.*

### Public Sector Employment

A legal framework governs public sector employment with vacancies advertised online. Government offices provide a complaints mechanism about the selection process and decisions; however, there is no public inspection mechanism for employment procedures, code of conduct to evaluate candidates' merit, adequate performance evaluation system, or sanctions. Beyond the Anti-Corruption Commission, there are no laws obliging government institutions to educate public officials on corruption issues.

*R: Adopt and implement criteria for training requirements and curricula for individuals in public positions vulnerable to corruption. Improve civil servants' and public officials' remuneration to prevent corruption. Select managers of public institutions based on merit, according to transparent criteria. Balance the decision-making process so that the immediate superior does not have the final decision.*

## **Political Financing**

Legislation adopted in 2018 significantly improved the electoral legislation; however, the mechanism monitoring penalty application needs strengthening. Adequate oversight of donations and spending of political parties and candidates is lacking, and information is not made public. Unlike political parties, candidates are not required to disclose expenditures. Political parties cannot receive financial support from foreign or anonymous domestic donors, which could incentivize the use of illegal funding.

*R: Allow political parties to get financial support from any legal sources with appropriate regulation. Revise the legal framework to force candidates to report their budget utilization transparently.*

## **Codes of Conduct, Conflicts of Interest and Asset Declarations**

The Anti-Corruption Commission's mandate covers codes of conduct, conflicts of interest and asset declarations and publishes general information about asset declarations online. Candidates must declare property, or face criminal liability. However, the scope of asset and interest declarations fails to incorporate all relevant financial interests and assets, with unsatisfactory enforcement. Sanctions for declaring false or incomplete information are not fairly and transparently applied, and there are no measures against the 'revolving door' issue.

*R: Adopt and practice clear-cut recruiting criteria and procedures, including the potential for early detection of potential conflicts of interest, for the selection of people to occupy particular categories of posts that are thought to be corruptible.*

## **Whistle-blower Protection**

Under Ethiopia's whistle-blower protection law, anyone with proof of corruption must report it. The Federal Ethics and Anti-Corruption Commission has no formal whistle-blower protection role. There is no comprehensive system shielding whistle-blowers from retaliation,<sup>2</sup> and the Directorate under the Ministry of Justice working on public whistle-blower protection is under-resourced. The lack of formal disclosure channels leaves whistle-blowers with no remedies.

*R: Adopt a new law on whistle-blower rights and protection that complies with current international standards.*

## **Public Procurement**

Tender eligibility requirements are legislatively regulated and procurement processes must be published for bidders to submit an offer. However, the Electronic Government Procurement (e-GP) platform<sup>3</sup> lacks sufficient information. The proclamation on public procurement has gaps on issues related to the transparency and independence of the procurement appeals board.

*R: Ensure documents for the whole procurement cycle are available on the e-platform and the independence of the procurement appeals board.*

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<sup>2</sup> <https://www.pplaaf.org/country/ethiopia.html>.

<sup>3</sup> <https://egp.ppa.gov.et/egp/home>.

## **Management of Public Finances**

The procedure for preparing and ratifying the national budget is open to the public. There are sanctions for failing to comply, and the drive to improve financial transparency and accountability is institutionalized through the Financial Transparency and Accountability initiative,<sup>4</sup> allowing for citizen involvement. Auditing reports concerning government revenues and expenditures for the national budget are common practice. However, there is evidence of improper utilization of public resources going unpunished. Despite legal grounds allowing for public discussion on the budget before and after it is submitted to the legislature, this is not common practice.

*R: Conduct lifestyle inspections, home visits, and target random samples as part of the Federal Ethics and Anti-Corruption Commission's routine verification approach to detect corruption.*

## **Access to Information and Participation of Society**

The Proclamation on Freedom of the Mass Media and Access to Information guarantees the right to inquire about, acquire, and disseminate information held by authorities. However, declarations on access to information and participation of society are not well implemented. The deliberate publication, dissemination, and possession of false information is criminalized, and barriers to accessing information remain. Legislation in 2019<sup>5</sup> lifted limitations on NGO operational activities, however, many NGOs are unable to access parts of Ethiopia, due to security concerns or lack of authorization. Civic space remains highly restricted.

*R: Increase civil society organization's involvement in the national anti-corruption policy. Update the exemptions to the right of access to information, and minimize the period to receive access information from public bodies. Remove the powers granted to the Ombudsman under article 32 of Proclamation No. 590/2008 on Freedom of Expression and Access to Information, and permit a direct appeal on the judgments of the head of the administrative body to the Court.*

## **Judiciary and Prosecution Services**

Independence of the judiciary and prosecution services is constitutionally enshrined. Proclamations regulating independence include enforceable sanctions for members of the judiciary, that are implemented in practice. However, courts suffer delays, with suspicions of political meddling in cases. Judges are appointed by the Parliament with ruling party majority, and the judiciary lacks the power of judicial review.

*R: Amend the constitution to ensure judicial independence, in line with international best practices.*

## **Private Sector Transparency**

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<sup>4</sup> [https://www.mofed.gov.et/programmes-projects/fta/#:~:text=About%20Financial%20Transparency%20and%20Accountability\(FTA\)&text=The%20two%20successive%20programs%20also,implementation%20of%20citizen%20engagement%20initiatives](https://www.mofed.gov.et/programmes-projects/fta/#:~:text=About%20Financial%20Transparency%20and%20Accountability(FTA)&text=The%20two%20successive%20programs%20also,implementation%20of%20citizen%20engagement%20initiatives)

<sup>5</sup> <https://freedomhouse.org/country/ethiopia/freedom-world/2021#:~:text=again%20prohibited%20assembly.-,E2%200%2D4%20pts,-Is%20there%20freedom.>

The legal framework regulating private sector corruption is supplemented by the Accounting and Auditing Board. However, the quality of audits is insufficient. The practice of auditing in the private sector on non-financial issues is weak and companies' key beneficial ownership information is not made public.

*R: Improve the capacity of the Accounting and Auditing Board of Ethiopia for the auditing of financial and non-financial concerns in the private sector.*

### **Anti-Money Laundering**

The Financial Intelligence Service was re-established in 2022 as an independent unit to follow-up on money laundering and financing of terrorism, and is currently striving to curb illicit financial flows with national institutions. Officials must disclose their property to the authorities; however, the asset disclosure and registration regime lacks clear information requirements. Asset declaration disclosure and registration lacks uniformity across institutions.

*R: Establish a central registry of beneficial owners that follows the Open Contracting Data Standard principles.*

### **Asset Recovery**

The International Cooperation on Legal Affairs Directorate deals with international cooperation on legal issues. There is no independent institution legally authorized to recover stolen property, and asset recovery laws are fragmented. A stand-alone law on asset recovery is necessary. Cooperation options include conviction-based, non-conviction-based, and civil action alternatives, and the justice system assists States Parties in legal proceedings before Ethiopian courts. Besides being party to various international treaties, Ethiopia is a member of numerous information-sharing forums.

*R: Adopt comprehensive asset recovery and international cooperation laws; improve institutions' technical and financial capacities, and ensure their independence and autonomy.*