

**Open-Ended Intergovernmental Group on the Prevention of Corruption**  
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**Articles 5 & 13: Preventive anti-corruption policies and practices**

**The National Anti-Corruption Strategy (NACS)**

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 11<sup>th</sup> 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 5<sup>th</sup> October 2002, while the President of the Islamic Republic of Pakistan approved its Implementation Mechanism on 24<sup>th</sup> October 2002. The implementation committee comprises leaders and managers both from public sectors and private sectors to oversee implementations of reforms as envisaged by NACS.

**Objectives of NACS**

- **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 NACS 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.

#### **Legal Mandate for Awareness and Prevention Activities**

Section 33C of the NAO-1999 deals with corruption prevention and awareness responsibilities of NAB. The provisions of the section are extensive and empower NAB to take measures deemed appropriate to prevent corruption and raise levels of awareness within society. The section is reproduced as under;

**Section 33C:** "The Chairman NAB, shall from time to time as he deems fit, constitute committees comprising officers of the NAB or other persons or organizations from the private or public sectors to:-

- a. educate and advise public authorities, holders of public office and the community at large on measures to combat corruption;
- b. develop, arrange, supervise, participate in or conduct educational programs or media campaigns, and generally to disseminate information on the detrimental effects of corruption and the importance of maintaining the integrity of public administration.
- c. examine the laws in force, and also rules and regulations relating to the practice and procedure of various ministries, departments of the Federal Government or Provincial Government, statutory or other public corporations

or bodies, and the conduct of holders of public office and to recommend amendments in such laws, rules or regulations, as the case may be, in order to eliminate corruption and corrupt practices;

- d. instruct, advise and assist any statutory or other public corporation or bodies or upon request, any organization in the private and public sector on measures for the reduction and elimination of corruption and corrupt practices; and
- e. monitor the implementation of the instructions and advice as aforesaid and to assess and evaluate the success or otherwise of such instructions and advice on the reduction and elimination of corruption and corrupt practices.

### **Policies for Awareness and Prevention**

In view of the above-mentioned mandate, NAB had developed coherent multi-dimensional policies (Awareness and Prevention Strategies 2007-2009 and 2009-2011) to undertake awareness and prevention activities throughout the country.

The strategies envisaged a collaborative effort from all stakeholders from public and private sectors to raise awareness levels and execute preventive interventions in various public and private sector institutions. Initially, we focused the public service delivery institutions where interaction among general public and state machinery is both extensive and intensive having greater social and economic bearings for individuals and society.

The awareness activities had been highlighting ill-effects of corruption on society and individuals, rights and privileges of public, their responsibilities to avoid becoming unwilling partners in the business of corrupt officials, reporting of wrongdoings to concerned agencies, collaboration with investigative agencies to prosecute corrupt officials, pointing out practices which may lead to frauds and other important aspects of fighting corruption. Such activities had been designed to have positive impact to stamp out the menace and achieve the vision of a corruption-free Pakistan. The awareness activities are focused on;

- highlighting various aspects and dimensions of corruption in Pakistan and its impact on society;
- highlighting roles of various stakeholders for curbing this evil;

- building anti-corruption coalition across the social, political, public and private sectors divides; and
- ultimately transforming the social attitude towards corruption from indifference to zero-tolerance.

The above-mentioned objectives are related to society as whole, which can only be reformed through working with people from all walks of life. This fact is never lost on NAB, and has therefore been active pursuing a strategy to create a united front against corruption with social groups and institutions. These goals were pursued through a well-articulated and executed campaigns focusing on;

- the future leaders and managers, the youth of Pakistan, in the anti-corruption drive;
- building anti-corruption coalitions of civil, private and public sectors stakeholders;
- building political will across the party lines;
- engaging public servants in general and new entrants in particular; and
- educating public on the harmful impact of corruption through variety of mediums.

The mission needed the resolve accentuated with consistent efforts to actively chase the targets. NAB has been equal to the task and is doing a commendable job through outreach programs for all the selected groups and institution that would immediately deliver. We have been uninterruptedly interacting with;

- educational institutions (from schools to universities);
- public sector training institutes and public servants;
- private sector organizations including industrial associations, labor unions;
- civil society organizations;
- community based organizations;
- parliamentarians, politicians and policymakers;
- international organizations including the international development organizations and development finance institutions; and
- media;

There are many mediums of interaction, consultation and collaboration with all public and private sectors stakeholders. NAB has been using variety of them which include;

- seminars;
- workshops;
- purposive walk-outs
- celebration of the International Anti-Corruption Day;
- interaction and coordination with public sector organizations;
- visits to educational institutions;
- efforts to include anti-corruption themes in the national curricula from grade-2 to university level;
- efforts to include anti-corruption themes as research subject in HEC recognized universities;
- debates, declamation contests, paintings and posters competitions among students and public servants;
- encouraging educational institutions to arrange awareness campaigns at the campus;
- awareness advertisements in media;
- publishing various pamphlets inscribed with anti-corruption message;
- displaying banners and moving message boards at prominent places;
- publication of fraud-alerts in national media;
- co-production of drama serials for awareness purposes;
- production of documentaries on NAB;
- SMS messages campaign;
- anti-corruption messages relayed by the national flag-carrier during flights;
- participation in discussions and talk-shows on corruption and good governance on radio and television;
- publication of booklet on 'Good Governance Practices in Public Sector';
- issuance of stamps by Pakistan Post on the International Anti-corruption Day;
- visits to public sector training institutions for lectures and presentation on corruption;
- interaction with newly inducted public office holders (government servants);

- parliamentarians and politicians;
- interaction with the media;
- interaction with women groups;
- interaction with civil society organizations;
- interaction with NGOs;
- establishment of hotline for guidance of general public on corruption issues and receiving complaints through UAN.111-622-622;
- publication of NAB Newsletter;
- publication of NAB Annual Report; and
- miscellaneous activities.

Alongside awareness activities, NAB has been involved in preventive interventions for the sake of pre-empting corruption in the public sector organizations. The interventions are coordinated with the concerned department and concerned officers and experts are also taken on board for consultation and wide ownership purposes. Such undertakings for diagnostic studies and reforms in public sector have saved public money and spared the public problems and hassles. Implementation of all these measures for improvement in systems of public service delivery is regularly monitored. We have conducted the following studies;

- study on Islamabad Traffic Police;
- study on and devising of Asset Declaration and Monitoring System;
- study on Public Procurement System;
- study on and drafting of Ethics Retreat;
- study on Defense Procurement System;
- study on Remuneration and Tenure Security;
- study on and Ratification of UNCAC;
- study on strengthening of ACEs;
- study on Gold Import SROs;
- study on Pakistan Mint;
- study on Sindh Police- Selection, Salary System and Absentee Enrolments;
- study on Regional Transport Authority Punjab;

- study on Health System Improvements in KPK;
- study for Improving Procurement System in KPK;
- study for Reforms in Skills Development Council;
- study for Reforms in Systems of Storage and Transportation of Wheat;
- study for Reforms in Trade Testing Board;
- study on General Post Office-Pension Payments to Para-military Forces;
- study on Military Pension System;
- study on Revenue System Reforms- Computerization of Land Record in KPK;
- study on Lahore Mass Trade System;
- study on Reforms in Traffic Police System in Islamabad;
- study on Prevention of Public/Private Housing Societies Scams;
- other miscellaneous interventions.

Similarly, NAB has been actively participating in international forums against corruption after ratification of the UNCAC. It has been sharing its experiences and knowledge in the anti-corruption field with all members of such forums. NAB provides and seeks international assistance under section 21 of NAO-1999 which greatly facilitates investigation and prosecution of corrupt public office holders and recovery of looted wealth.

#### **Article 7: Public sector**

Pakistan has created an independent body in the shape of Federal Public Service Commission that is responsible to recruit right personnel for the executive jobs related to the functions of the Federation. The selection is purely based on merit determined through a transparent mechanism.

The officials undergo rigorous training at various prestigious national institutions of learning and training. They are sufficiently familiarized with laws, rules and regulations of Pakistan. They are also trained in their relevant fields in order to function in an effective and transparent manner as envisaged in the relevant laws.

The selected officials are compensated through a salary package that is commensurate with basic needs. However, the salaries are being revised every year



in the form of increments and also raises during budgets keeping in view fiscal space available to the government.

#### **Article 8: Codes of Conduct for public officials**

Pakistan has been making efforts to prevent corruption in its state machinery through both civil and criminal codes. These laws not only facilitate initiation of civil and criminal proceedings against public officials found involved in corruption, but also act as an important deterrent against such behavior. A detailed list of such laws is given asunder;

- Relevant Offences under Pakistan Penal Code, 1860
- Prevention of Corruption Act, 1947
- The Pakistan Special Police Establishment Ordinance, 1948
- List of Orders & Notification under Anti-Corruption Laws, 1948
- The Public Servants (Inquiries) Act, 1950
- The Sindh Prevention of Bribery and Corruption Act, 1950
- The Civil Services of Pakistan (Composition and Cadre) Rules, 1954
- Prevention of Corruption Act (West Pakistan Extension) Ordinance, 1958
- Pakistan Criminal Law Amendment Act, 1958
- The Police Department Delegation of Powers Rules, 1958
- The West Pakistan Departmental Inquiries (Powers) Act, 1958
- Anti-Corruption Establishment Ordinance, 1961
- Pakistan Criminal Law Amendment Rules, 1962
- Pakistan Criminal Law Amendment Rules, 1962 (Pb. Amendment 1980)
- The Government Servants (Conduct) Rules, 1964
- Anti-Corruption Laws (Application to Tribal Areas) Regulation, 1966

- The Government Servants (Conduct) Rules 1966
- The West Pakistan Government Servants (Conduct) Rules, 1966
- The Government Servants (Efficiency and Discipline) Rules, 1973
- The Civil Servants (Appointment, Promotion and Transfer) Rules, 1973
- The All Pakistan Services (Change in Nomenclature) Rules, 1973
- The Civil Services (Change in Nomenclature of Services and Abolition of Classes) Rules, 1973
- The Sindh Civil Servants Efficiency and (Discipline) Rules, 1973
- The North-West Frontier Province Government Servants (Efficiency and Discipline) Rules, 1973
- Rules for Appointment to the Cadre Post, 1973
- Punjab Anti-Corruption Establishment Rules, 1974
- The Federal Investigation Agency Act, 1974
- The Punjab Civil Servants (Appointment and Conditions of Service) Rules, 1974
- The Punjab Civil Servants (Appointment and Conditions of Services) Rules, 1974
- The Punjab Civil Servants (Change in Nomenclature of Services and Abolition of Classes) Rules, 1974
- The Railway Servants (Efficiency and Discipline) Rules, 1975
- The Federal Investigation Agency Rules, 1975
- The Federal Investigation Agency (Appointment, Promotion and transfer) Rules, 1975
- The Punjab Police (Efficiency and Discipline) Rules, 1975
- Instructions issued under Punjab Police (Efficiency and Discipline) Rules, 1975
- The Sindh Civil Servants (Probation, Confirmation and Seniority) Rules, 1975
- The Balochistan Police Disciplinary Rules, 1975

- The North-West Frontier Province Police Rules, 1975
- Martial Law Orders Against Bribery & Corruption, 1977
- The Civil Servants (Appeal) Rules, 1977. The Pakistan Railway Police Act, 1977
- The Members of the Federal Investigation Agency (Efficiency and Discipline) Rules, 1978
- Punjab Administrative Vigilance Commission Ordinance, 1979
- Punjab Administrative Commission Rules of Business, 1979
- The Balochistan Government Servants (Conduct) Rules, 1979
- Balochistan Civil Servants (Appointment, Promotion and Transfer) Rules, 1979
- The Sindh Civil Servants (Appeal) Rules, 1980
- Balochistan Civil Servants Appeals Rules, 1983
- Pakistan Criminal Law Amendment (Punjab) Rules, 1985
- Punjab Anti-Corruption Establishment Rules, 1985
- The North-West Frontier Province Civil Servants (Appeal) Rules, 1986
- The North-West Frontier Province Government Servants (Conduct) Rules, 1987
- The Sindh Police Efficiency and (Discipline) Rules, 1988
- The North-West Frontier Province Civil Servants (Appointment, Promotion and Transfer) Rules, 1989
- The Balochistan Civil Servants (Efficiency and Discipline) Rules, 1989
- Sindh Enquiries and Anti-Corruption Rules, 1993
- The Punjab Civil Servants (Efficiency and Discipline) Rules, 1999
- National Accountability Ordinance 1999

## **Article 9: Public procurement and management of public finances**

The government of Pakistan had promulgated an Ordinance on May 15, 2002 called the Public Procurement Regulatory Authority Ordinance 2002. The Ordinance extends to the whole of Pakistan and has come into enforce on the same day of promulgation.

The Ordinance has established a Public Procurement Regulatory Authority at the Federal Level. The Ordinance has also been adopted by two federating Units (The Punjab and Sindh) with some modifications. However, substance of the law has remained the same. The Ordinance consists of 6 Chapters and 28 Sections that sufficiently deals with ensuring clean and transparent public procurement.

The Authority has the powers to make rules for achieving purposes of the Ordinance and rules were made in 2004 accordingly. The Federal Government machinery is subject to follow these rules in letter and spirit.

NAB has been interacting with PPRA since its inception. This interaction is in two spheres; one to ensure that public procurement is done according to these rules, and two, to process the contracts for criminal investigations if procurements were made in violation of this statute leading to loss public money. For this purpose, NAB and PPRA had jointly produced a Contract Evaluation Proforma that is completed and returned to PPRA and NAB along with contracts documents by the contracting departments.

Further more, section 33B of NAO-1999 makes it mandatory for all three tiers of government to forward all public procurement contracts exceeding Rs. 50.00 million are sent to NAB for evaluation. The Section is reproduced as under;

### **Section 33B: Reporting of public contracts.**

“All Ministries, Divisions and Attached Departments of the Federal Government, all departments of Provincial and local governments, statutory corporations or authorities established by the Federal Government or Provincial Government and holders of public office shall furnish to NAB a copy of any contract, entered into by such Ministries, Divisions, and Attached Departments of the Federal or Provincial

Government or such holder of public office on its behalf, as the case may be, of the minimum monetary value of **fifty million rupees** or more, within such time as is reasonably practicable from the date of signing such contract”.

#### **Article 10: Public Reporting**

The President of Pakistan had promulgated an ORDINANCE NO. XCVI OF 2002, called the Freedom of Information Ordinance 2002. The Ordinance is meant to provide for transparency and freedom of information to ensure that the citizens of Pakistan have improved access to public records and for the purpose to make the Federal Government more accountable to its citizens, and for matters connected therewith or incidental thereto. Under this Ordinance all citizens of Pakistan well within their right to obtain information they needed for to know decision of their officialdom or government of the day. The Ordinance addresses the issue of transparency and prevention of corruption.

Similarly, most of the Ministries, Divisions and Attached Departments of the Government of Pakistan publish periodicals and annual reports to report activities for information of the general public.

#### **Article 12: Private sector**

To ensure transparency and prevent corruption in the private sector, the government of Pakistan has instituted the Companies Ordinance 1984. Currently, the SECP (Security Exchange Commission of Pakistan) is the authority under the said law. The law is sufficiently vibrant and flexible to meet challenges arising out of conflicts, both civil and criminal.

Similarly, section 33C of NAO-1999 empowers NAB to take necessary measures to prevent corruption in the private sector as well. Any person involved in corruption in Pakistan (whether a public office holder or any other person) can be prosecuted for offences under this ordinance.

