



Our Experience in Fighting Corruption

Office of The Auditor General

13th Meeting of the INTOSAI Working Group for the Fight against Corruption and Money Laundering.

SAI Zambia- Our Experience in Fighting Corruption

25-27 April 2019



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❖ ***Role of the office in the fight against Corruption***

The Office plays a very important role in the promotion of accountability and transparency in the management of public resources in the Republic of Zambia.

❖ ***Mandate***

Article 250 of the Constitution of Zambia (Amendment) Act, 2016, Public Audit Act of 1980 and Section 45 (1) and (2) of the Public Finance Act No. 15 of 2004.



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- *Despite the SAI having been carrying out its constitution mandate through audits, matters relating to fraud, corruption and money laundering were rapidly on the rise in the same entities we audited.*
- *Need to change Course – while maintaining the constitutional mandate of carrying out ordinary audits*



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❖ *Forensic Audits and Investigations Unit at OAG*

- *In 2005 we restructured the Office and introduced the Unit called the Forensic Audit and Investigations Audits.*
- *The Directorate was established in response to white collar crimes in Government agencies, especially in matters such as **occupational fraud, corruption and other related white collar crimes.***
- *This is our contribution to the fight against corruption which we felt needed a sectorial approach considering that Law Enforcement Agencies were already in it.-But our role has its own advantage to the cause*



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- *The Forensic Audits and Investigations Unit's mandate is to conduct forensic audits and investigate fraud and other white collar crimes in the public sector in order to assist Law Enforcement Agencies for the successful prosecution of such and related cases in the Courts of Law.*
- *The Forensic audit reports are submitted to Law Enforcement Agencies and tendered in court as evidence and Auditors testify as expert witnesses.*



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- *To enhance capacity our forensic auditors were certified as Fraud Examiners and are undergoing training in use of software such as Encase, FTK and ACL.*
- *Frauds in the Public Civil Works were on the rise and so we trained our forensic auditors in Construction Audits and procured tools such as the Schmidt hammer.*
- *Successfully developed a manual that is used as a guide to initiate and execute forensic audits.*



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❖ *Cooperation with Other Stake holders*

- *In 2012, the Auditor-General's Office with Memorandum of Understandings (MoU) with Law Enforcement Agencies such as the Anti-Corruption Commission, the Financial Intelligence Centre, the Drug Enforcement Commission.*
- *This enables SAI Zambia and the Law Enforcement Agencies to speed up investigations and prosecution of corruption cases in the country.*
- *The MoU ensures that the Auditor-General's office furnishes the ACC with its investigation findings before the Auditor-General makes the report public.*
- *Article 250 (1) (e) empowers the Auditor General to recommend to the Director of Public Prosecutions or a law enforcement agency any matter within the competence of the Auditor-General, that may require to be prosecuted.*



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❖ **Legislation**

- *The constitution expressly empowers SAI Zambia to conduct the Forensic and other investigative audits.*
- *Article 250 (1) (e) empowers the Auditor General to recommend to the Director of Public Prosecutions or a law enforcement agency any matter within the competence of the Auditor-General, that may require to be prosecuted.*
- *Other pieces of legislations that has strengthened our work include Proceeds of crime Act of 2012 and also the Whistle blowing Act of 2010.*
- **Hotline-** *We have just been issued with hotline numbers by the Zambia Information Technology Authority (ZICTA). This line will enable any persons to report issues of fraud , corruption and money laundering occurring in the Public Sector.*



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❖ *Results*

- *We have produced many reports that have exposed very complicated financial matrices and we have testified in the Courts securing impressive convictions. In the process assets have been recovered.*
- *Successful prosecutions of persons named in our forensic audit reports.*



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***“IT IS BETTER TO FAIL WITH HONOUR
THAN SUCCEED BY FRAUD”***

THANK YOU