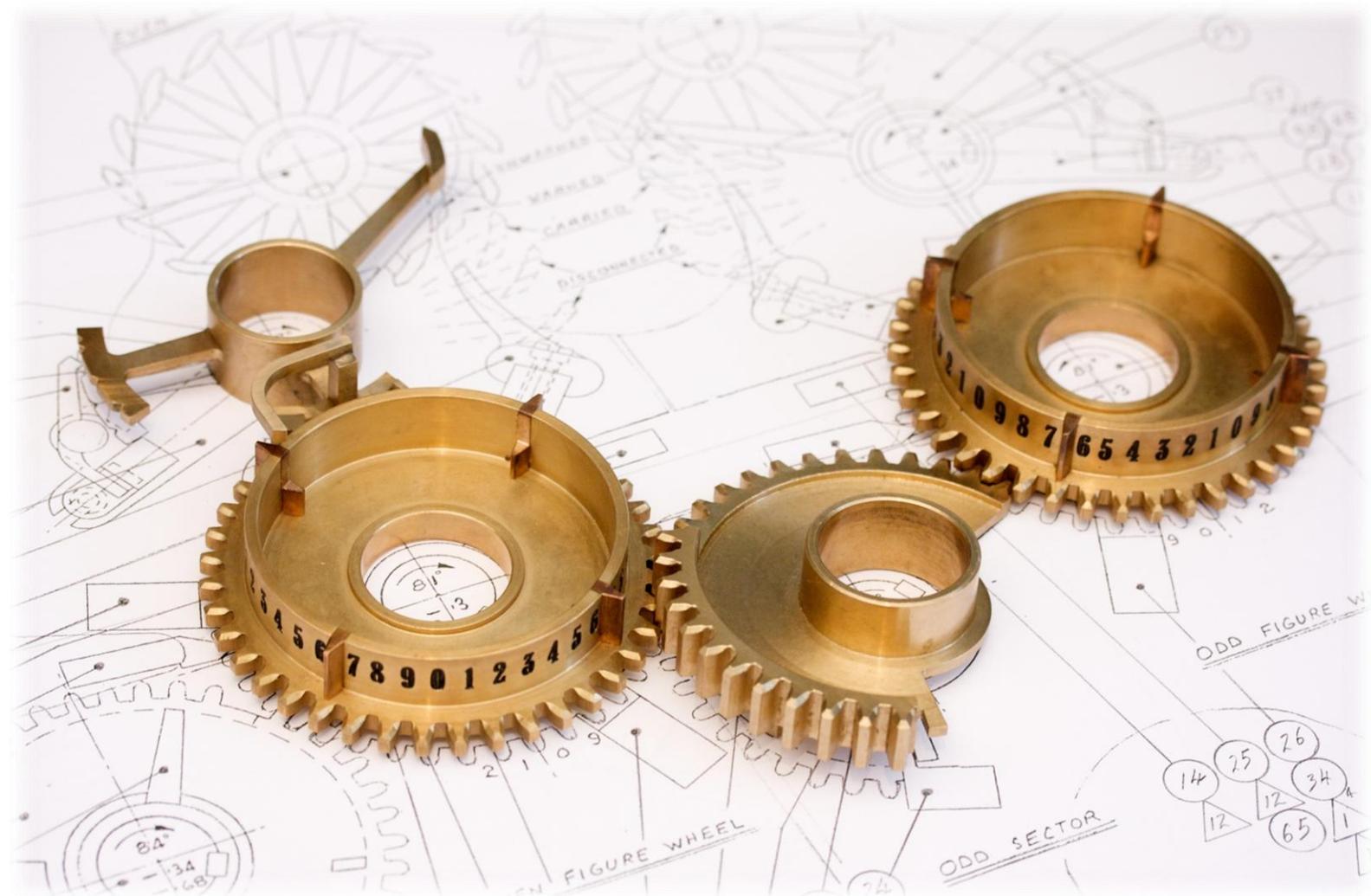


Corruption Prevention Reviews

Volume 1: Inspections of Works in Public Bodies



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Foreword

In 2013, the Independent Commission Against Corruption (ICAC) received 1613 complaints. Among these, 553 resulted in the opening of Preliminary Investigations, which in turn yielded a lower figure of Further Investigations after careful analysis of the allegations. This trend, observed constantly along the years, is common to every anti-corruption agency in the world, with Mauritius ranking in the upper tier in terms of statistics.

Corruption being a secretive crime, in some cases, not all elements are present at the stage of complaints for a corruption case to be effectively put together for prosecution, even through thorough investigations. The question that beckons here is: what happens to the other 1060 cases put aside on the very outset in 2013? While some of them can be best qualified as grievances that do not necessarily fall under the purview of the Prevention of Corruption Act (2002), many complaints allow the Commission to uncover malpractices that may not always amount to corruption offences, in public bodies.

Section 20 (1) (g) of the PoCA, empowers the ICAC to « *examine the practices and procedures of any public body in order to facilitate the discovery of acts of corruption and to secure the revision of methods of work or procedures which, in its opinion, may be conducive to corruption* ». This exercise is known as Corruption Prevention Reviews which have been conducted since 2003.

However, in 2006, the ICAC decided to gear these exercises to focus on specific areas of

public bodies that are the subject of recurrent complaints or where a corruption investigation uncovers malpractices, instead of a thorough audit of the public body altogether. Corruption Prevention Reviews are undertaken by officers of the System Enhancement branch of the Corruption Prevention and Education division of the ICAC. Each report typically involves a team of five to six analysts for an average of 400 to 500 working hours for each assignment.

The new impetus since 2006 has yielded a significant number of Corruption Prevention Reviews that were communicated to the public body along with recommendations to enhance their systems. Along the years, implementation rate of recommendations of Corruption Prevention Reviews has varied from one public body to the other, although most institutions concerned displayed a genuine drive to comply with ICAC's views.

This release is the first volume of compilations of Executive Summaries of the 74 Corruption Prevention Reviews undertaken by ICAC so far. The second volume will regroup Corruption Prevention Reviews on Procurement, the third on Recruitment and the final installment will be a compilation of miscellaneous sectors of activities. I hope that public sector organisations seize this opportunity to implement the Public Sector Anti-Corruption Framework and develop systems that will better help identify opportunities for corruption as it is important for the Mauritian Public Service to recognise and promote a strong sense of moral purpose and responsibility.

Anil K. Ujoodha, Director General

Inspection Works in Public Bodies

Overview

Ensuring effective compliance with rules, laws, regulations, policies and procedures is important for creating public trust in government entities. Many public bodies in Mauritius have directly or indirectly an inspection role. It is therefore in public interest to promote trust in this enforcement function which entails not only compliance with standards but also demonstrate that inspections are fair, transparent and not subject to corruption.

While inspections are crucial for effective monitoring yet they can also provide a favourable environment for corruption. The nature of inspection works, which amongst others include the conduct of inspection alone on sites, frequent face to face contact with the stakeholders, use of discretionary powers with little or no accountability and lack of supervisory controls, increases the risk of corruption.

Following complaints founded but more specifically where the complaints were recurrent but not necessarily disclosing factually an offense, the ICAC deemed it necessary to conduct CPRs. These corruption prevention reviews revealed many risk areas and weaknesses. The aim of these reviews was to address areas (for example red-tapes, poor guidelines, 'outdated' rules and regulations) which could have a bearing on corruption and to recommend remedial solutions so that these risks and perception of corruption are diminished at all levels.

MAIN FINDINGS

The main weaknesses within the inspectorate functions include the lack of formalwritten and comprehensive policy and procedures. This results in inconsistent practices and unfairness in the system by conferring high discretionary power to Inspectors. Inspectors are responsible for various tasks ranging from planning and conduct of inspections to instituting criminal proceedings at court level. This favours a potential situation for Inspectors to be selective (at a very subjective level) in their tasks as they have control over the whole process of enforcement.

Given the state of affairs in respect specifically to discretion, there is a high perception, and may even be factual, that the Inspectors exercise some sort of favoritism when deciding on whom to issue notices in relation to any possible infringement of the laws and regulations. Whenever they decide not to sanction an offence, there is no oversight mechanism to take stock or to take action. At other times, absence of oversight mechanisms also allows Inspectors to resort to delaying tactics against some kind of personal benefits in respect to the said infringement of laws and regulations. Other shortcomings noted include the absence of timeframe for instituting of court proceedings, poor monitoring and record-keeping of court cases, disparity in the application of the law. We noted, however, representations from certain staffs who complained that they are not provided with the proper and required training to act as Prosecutor.

An absence of a risk-based approach to inspection is also observed. The more so, that basic inspection checklists are not resorted to, which would have ensured systematic attention to all important aspects of inspections.

Moreover, the failure to have oversight mechanism also results in consequential failures to avail to management the required information for proper decision-making. There is no follow-up for implementation of court orders. The requirement to have a database so that effective planning of inspections could be monitored has never been implemented.

We have to stress that a lack of transparency, accountability and supervisory controls brings lack of fairness in systems and processes, opportunity for corruption, increased perception of corruption. For instance, a proper mechanism to manage situations of conflict of interests, in line with Section 13 of PoCA 2002, is critical. The claim that inadequate level of monitoring with respect to inspection works, often attributed to inadequacy of personnel, which undermines the effectiveness of this function, cannot be accepted or condoned.

It is imperative that the public is informed

Inspection Works in Public Bodies

Overview

(through standard medium) about the procedures, their consequences and their limitations. There has been a lack of consideration and/or necessity on behalf of management to formalize, standardize and review such procedures which dates back decades and which are known to one and all, to either breed corruption or influence the perception of level of corruption.

MAIN RECOMMENDATIONS

The main recommendations made to reinforce integrity of the inspection function include the implementation of the following:

- Adoption of an appropriate risk-based approach to inspection to ensure effective use of regulatory resources. Such an approach involves an assessment of the level of risks before conduct of on-site inspections.
- Proper and reliable management information system to generate periodic information in form of reports and statistics for effective management, accountability and control of activities.

Policies and procedures

- Comprehensive and formal policy and procedural guidelines in respect of all core activities including inspection, complaints handling and prosecution should be clearly documented to promote transparency and accountability. Relevant aspects must be effectively communicated to all stakeholders.

Prosecution

- Setting the timeframe from the date of institution of proceedings in court of the contravention/offence, given the nature of the offences involved. Cases where prosecution actions are not initiated at all, should be supported by valid reasons to promote transparency and accountability.
- Adequate supervisory controls for Prosecution duties should be subject to adequate supervisory control. This will act as deterrence

to corrupt practices. Consequently, information on prosecution should be generated and provided to Management on a regular basis.

- A schedule programme to ensure that Inspectors who are assigned duties of Prosecutor are properly trained to conduct such cases.

Accountability

- A proper mechanism which would ensure accountability given that 'high discretionary powers' require proper records/reports supporting the decision taken.

Segregation of duties

- A proper structure which ensures proper segregation of duties is imperative and this should be underpinned by proper planning of works, conduct of inspections and prosecution to reduce discretion throughout enforcement.

Bias

- Scheduled system to ensure, as far as possible, that Inspectors are not called to effect inspection works, firstly, in an area which is close to his place or residence and, secondly, to have a proper rotation system.

OUR OBSERVATIONS

The inspection function is an area which is perceived as highly prone to corruption and malpractices. This perception is likely to persist if management of public bodies do not take immediate and bold measures to increase supervisory controls, transparency and the level of accountability in the use of discretionary powers.

The implementation rate in the majority of cases is satisfactory, although we note that in two departments, there needs to be more engagement. The ICAC is confident that full implementation will impact on service delivery and also on risk of corruption.

Legal Metrology Services at the Ministry of Industry, Commerce & Consumer Protection

The Corruption Prevention Review (CPR) at the Legal Metrology Service (LMS) of the Ministry of Industry, Commerce and Consumer Protection was conducted following a request from the Ministry. The LMS is the regulatory body for the protection of consumers in relation to the sale of articles by weight or measure. The review mainly covered the core functions of the LMS including assizing of instruments (Note: The Legal Metrology Act provides for the "Assizing" - Control of weighing and measuring equipment used in trade - of instruments, weights and measures and the protection of the consumer and the public at large in all transactions by weight and measure), inspection of trade premises, on-request calibration and prosecution.

The exercise revealed several weaknesses at the time of review. Law enforcement function is an area prone to risk of malpractices/corruption. Situations that can lead to corruption risk include *un-assized* instruments being used for trade purposes without sanctions, and connivance between officers and defaulting traders. These corruption risks can entail serious breaches of the PoCA 2002, as amended and undermine the integrity of the organisation.

The review aims to assist management in enhancing corporate governance including aspects of transparency, fairness, accountability and openness in systems in place at the LMS as well as promoting people's integrity.

MAIN FINDINGS

- Despite that Section 8 of the Legal Metrology Act empowers the LMS to issue notices calling traders for *re-assizing*, yet the LMS is not in a position to identify non-abiding traders because of an absence of database of traders and their respective instruments.
- The absence of a database is also hampering the inspection function. A proper planning of inspections with a targeted and risk-based approach is not in place.
- Accountability mechanism and supervision over inspection works are inadequate.

- The actual sanctioning policy and systems are not forceful against defaulting traders.
- Material delays are noted in the prosecution system.
- The traditional method of sealing instruments to prevent unauthorized adjustments as provided in the Legal Metrology (*Assize*) Regulation 1990, is not appropriate and applicable to instruments of latest technology.
- The law provides for suppliers of measuring instruments to have all instruments *assized* before sales. However, there is no mechanism at the LMS to ensure compliance to this provision of the law.

MAIN RECOMMENDATIONS

- While maintaining the policy of voluntary *assizing* of instruments, the LMS should also be in a position to identify defaulting traders to whom notices for *assizing* should be issued. The LMS should set up a database of traders and their respective instruments.
- The database of traders should be used for planning of inspection and consider the risk-rating of traders. The name of the trade premises to be visited should be included in the daily programme of work to mitigate discretionary power.
- Accountability mechanism and supervision in respect of inspections should be enhanced.
- The LMS should re-assess the effectiveness of its policy of not penalising traders whose certificate of *re-assizing* have elapsed for up to one year as revealed during inspection. Sanctions should be in line with the policy of the organisation.
- Supervision and control over the processing of case files for eventual prosecution should be enhanced.
- The law should be reviewed to cater for additional risks associated with instruments based on latest technologies. Possible means may include among others new assizing techniques and penalty for suppliers of instruments for disclosing of codes to traders.

Legal Metrology Services at the Ministry of Industry, Commerce & Consumer Protection

- Consideration should also be given for the need to include the protection of consumers in other fields such as health, safety, environment and energy users under the purview of the LMS.

IMPACT

The following changes have been noted:

- Better supervisory control over inspection works and processing of case files.
- Increased public awareness about its role and functions by designing and publicising posters and customer charter.
- Education and awareness programme have been conducted through customer feedback.

The Corruption Prevention Review at the Consumer Protection Unit (CPU) was conducted following a request from the Ministry of Industry, Commerce and Consumer Protection.

The CPU is an enforcement arm of the Ministry for the protection of consumers against corrupt and fraudulent traders. It plays a critical regulatory role to ensure that consumer laws are upheld. This review is expected to assist management to establish sound and appropriate frameworks to prevent corruption and malpractices.

The exercise revealed several shortcomings at the time of review.

MAIN FINDINGS

- There is risk of selective checking as inspection of trade premises is carried out in an ad-hoc and unsystematic manner.
- Lack of accountability and transparency in the conduct of inspection which can lead to
 - risk of inspectors refraining from performing complete checks on all criteria relevant to particular trade premises and
 - risk of incomplete recording by inspectors to screen traders from punishment against gratification.
- There is no systematic rotation of officers to prevent connivance during the execution of the inspection.
- No documented policies and procedures are available to ensure a consistent approach to work and to ensure fairness.
- Computerisation project initiated since October 2004 was kept in abeyance.
- The registry system is poor and there is no control over the movement of files.

MAIN RECOMMENDATIONS

- Management should adopt a strategic approach in respect of its inspection role by having a yearly plan indicating key performance indicators.
- Transparency and accountability should be enhanced in respect of inspection. Inspection Sheet for the conduct of inspections and a Daily Report Form to record outcomes of the daily visits are proposed.
- Regular rotation system should be in place to prevent the development of inappropriate relationship which may lead to connivance.
- All major activities should be backed by policy and procedure manuals and essential guidelines together with key performance indicators.
- The CPU should revamp the computerisation project. The ICAC may assist to ensure that corruption prevention measures are inbuilt in the computerised systems.
- Filing system and files management should be enhanced and be backed by a procedure manual.

IMPACT

The following improvements have been noted:

- Management is adopting a strategic approach in respect of inspection by establishing performance indicators in its annual plan.
- The pairing system has been reviewed to provide for rotation of staff in a team.
- Complaints are being reviewed systematically.
- CPU has conducted awareness and education programmes on TV and radio, held seminar on consumer Rights Day and publicized posters and pamphlets.

Ministry of Labour, Industrial Relations and Employment - Labour Administration and Industrial Relations Department

The CPR in respect of Labour Administration and Industrial Relations Department at the Ministry of Labour, Industrial Relations and Employment was conducted following a request from the Permanent Secretary of the Ministry. The Department is responsible for the regulation of labour conditions for employees and workers of the private sector and the parastatal bodies as well as their relationship with employers. Enforcement officers, due to their nature of work, are exposed to corruption risks. The exercise revealed a number of shortcomings at the time of review.

MAIN FINDINGS

- A formal registration process for employers having more than 15 workers is not yet in place at the Ministry. In the absence of the registration process and a complete register of employers, the Ministry cannot assess the adequacy of its enforcement role.
- Discretionary power for the selection of undertakings to be visited is present due to the fact that inspectors, who visited undertakings, are also involved in inspection planning. All undertakings are not inspected on a yearly basis and information on undertakings, not subject to inspection, is not disseminated to management for corrective actions.
- The Prevention of Corruption Act 2002, as amended, requires that conflict of interests be disclosed in writing. However, there is no administrative mechanism in place to facilitate such disclosure as per Section 13 of the PoCA 2002, as amended.
- Verifications conducted are based solely on a sample of employees. Any proposed remedial actions following non-compliances are limited to the sample of workers identified. No reference is made as to whether the same problem applies to other workers. Furthermore, follow-up visits to verify remedial actions are limited to only those workers. The risk of a problem arising at the overall enterprise level might remain unreported, exists.

- Most cases of non-compliances refer to short payment of arrears due to changes in remuneration. No workings on the computation of amount payable are available in files. Statements obtained from the concerned workers does not mention the amount to which the workers are eligible but to the amount agreed upon during amicable settlement.
- With respect to complaints on claims of notices, outstanding wages or severance allowances, workings on the amount to be claimed according to legal provisions are not computed and recorded in the Occurrence Books. Employees are not informed of the amount that they should have obtained from their employers. Instead, negotiation started from the amount that the employee proposed to obtain from the employer.
- No employers' signature is provided on the "Inspection Report" form or any other correspondence in files to act as evidence that outcomes of inspections and necessary remedial actions have been communicated to employers.
- Cases where inspection reports are not submitted at all or not submitted on a timely basis to senior officers have been observed. Follow-up visits have not been undertaken or done well beyond the established time frame of two months given to employers for remedial actions.
- No case can be lodged against non-complying employers unless employees are willing to be a witness and give a statement to that effect. Employees, being in a weaker position vis-à-vis their employers, as their jobs are at risk, are often agreeable to their conditions of work.
- No policy on rotation of staff is in place at the Ministry.
- During the processing of case files, decisions have to be taken as to whether cases be lodged in Chambers or in Open Court and also whether cases struck out in Chambers be closed or referred to court. The procedural manual does not take on board any criteria to help in the decision-making process.

Ministry of Labour, Industrial Relations and Employment - Labour Administration and Industrial Relations Department

- No time frame has been set by management in respect of processing and lodging of cases to Chambers or to Court. The absence of a reasonable time frame left room to delay or expedite prosecution against soliciting of bribes. Information on the prosecution system is not provided.

- High risk areas such as inspections, complaints management, prosecution and settlement of industrial disputes, are not subject to examination by Internal Auditors. Focus is laid on financial issues but technical issues are not adequately addressed.

MAIN RECOMMENDATIONS

- A system to register employers as per the legal provision should be set up. This register should thus be the main database on which the register of undertakings and inspection planning should be based on.

- The responsibility for scheduling inspection works should be separated from the responsibility to conduct them to ensure an internal check through segregation of duties. Inspection should be planned in relation to risk profiles of undertakings so as to optimise upon resources available.

- Management information on undertakings not subject to inspection during a specific year should be channelled to management for corrective actions.

- A declaration of interests clause should be included in inspection forms to remind inspectors that high ethical behaviour is expected from them.

- To promote transparency in the inspection works and attendance to complaints, workings must be available on amount that should legally be paid to workers and that they are informed of same.

- The “Inspection Report” form should cater for the signature of employers, indicating clearly actions that need to be taken at their level. Evidence that employers are well informed of

non-compliance as well as remedial actions should be obtained from files.

- Inspection completion and reporting time should be defined and supervision over submission of inspection reports should be enhanced. Close monitoring of follow-up visits should be envisaged to ensure that defaulting employers take remedial actions or else sanctioned.

- The Ministry should consider rotating labour inspectors to ensure that they do not have continuous control over undertakings inspected by them.

- Time targets should be set to speed up the lodging of case files. Bottlenecks in the processing of case files need to be identified and streamlined.

- Given the technicality of the prosecution system, the Ministry should consider disseminating information to the general public on its procedures. Information may be publicised through pamphlets and website of the Ministry.

- The Ministry should ensure that the Internal Auditors perform systems audit in technical areas over and above audit of financial systems. Systematic analysis of the various activities will help towards prompt actions to be undertaken at an early stage if corruption opportunities are detected.

- Management should adopt a computer-based information system to have accurate, reliable and timely information about its core activities.

- The Ministry should come up with an Ethics and Integrity programme aiming at continuously instilling ethical values into its employees in helping towards the setting up of an ethical and integrity environment.

IMPACT

- The risk of selective planning of inspection has been reduced as inspection works are being planned by senior officers.

Ministry of Labour, Industrial Relations and Employment - Labour Administration and Industrial Relations Department

- A culture of integrity is being fostered whereby Inspectors have been formally notified about the necessity to declare any conflict of interests on their part during the conduct of their duty.

- The perception and risk that Inspectors are being influenced in the conduct of inspections

has decreased given that close monitoring of follow-up visits is being done to ensure compliance.

- The opportunities to delay or speed up prosecution against gratification are reduced since case files are being lodged within the set timeframe.

Grand Port-Savanne District Council - Public Health Department- Market and Fairs

The CPR at the Public Health Department of the Grand Port Savanne District Council (GPSDC) dealt with the issuance of notices and contraventions at market and fairs.

The responsibility of the Health Inspector cadre in respect of market and fairs is basically enforcement, which entails monitoring of activities and subsequently prosecution or other disciplinary actions in case of non-compliance. Knowledge of the regulatory framework as well as close monitoring of the prevailing situation are therefore sine qua non for proper discharge of responsibilities by the Health Inspectors.

In view of the discretionary powers of Inspectors and their direct interaction with the public, well-defined policy and procedures are critical. In the absence of these pre-requisites, there are more opportunities for corruption and the detection of the malpractices becomes difficult.

The review revealed the following shortcomings at the time of review.

MAIN FINDINGS

- A comprehensive and updated database is not being properly maintained. Information such as vacancy of stalls/spaces, name of stallholders and agents, amongst others, are not clear and comprehensive. The incompleteness of information has also been noted at sub-offices which were visited
- A reliable database depends, amongst others, on a systematic capture of pertinent information in time. There are major deficiencies in the filing system that can be used to tamper with documents in files. Key information for the enforcement activity, like applications for stalls/spaces received in chronological order, stalls/spaces becoming vacant or being vacated due to non-compliance are not systematically fed into the decision-making system
- A strategic approach that would require, inter alia, up-to-date databases and generation of reliable statistics for policy formulation cannot not be ascertained for maintaining the

integrity of the systems and ensuring that changes in the operating environment are given due consideration

- Inconsistent and unfair treatment is difficult to detect in the absence of written and clear procedures. For example, loopholes in the system can easily be exploited when timeframes for processing of Notices of Intended Prosecution have not been set and abnormal delays do not have to be explained. They also create opportunities for demand and offer of bribes and other corrupt practices.
- The Health Inspectorate cadre is responsible both for the collection of cash and for drawing up the arrears list. Thus, there is the risk of tampering with the arrears list; especially when traceability of records is difficult.
- Several operational aspects impact on the corruption risks inherent in the overall system. These include the filing system, inadequate supervisory control and lack of public awareness on procedures and complaints channels. The allocation of stalls/spaces has to be particularly monitored in light of its impact on the integrity of the system for market/fairs.

MAIN RECOMMENDATIONS

- GPSDC should set up a comprehensive and reliable database for each and every market and fair with emphasis laid on: osystematic and timely updating of information osafeguard of archives oinformation sharing.
- GPSDC should come up with proper documented policy and procedures for corruption prevention and effectiveness in respect of markets and fairs. They should promote accountability and transparency by setting out the guiding principles/standards and deviations can then be easily spotted.
- There should be proper segregation of Inspectors' duties between enforcement, recording of data in the 'central database' and follow-up on arrears
- An in-house mechanism for officers to report loopholes for malpractices and to transmit

Grand Port-Savanne District Council - Public Health Department- Market and Fairs

suggestions for making the system corruption-free in light of developments in the operating environment should be set up

- A strong and visible commitment to ethics at all levels of the Council should be demonstrated
- The Council should inform the public (e.g. through brochures, posters and the organisation's website) on channels available to report. Council should be mindful to link such public awareness with corruption prevention by informing the public that complaints can also be made to uncover any perceived malpractices

IMPACT

- Effective enforcement and reduced opportunities of corruption with the computerised database on stalls in markets/fairs set up in the context of the

implementation of the E-Governance Project for Local Authorities.

- Risk of malpractices in the remittance of cash, in the computation of arrears and updating of the arrears list is reduced as Health Inspectors are no longer responsible for collecting fees in markets and fairs.
- The risk that officers turn NIPs issued with the intention of prosecution into warnings against gratification is reduced with the use of separate serially numbered booklets for issue of warning and prosecution notices.
- The complaints channel which is a powerful whistle-blowing tool for corruption is being promoted through an increased public awareness of the procedures and complaints channel.

Systems and Procedures at the Registry of Associations

This CPR at the Registry of Associations (ROA) was carried out on the following complaints on alleged cases of corruption concerning the inspection process. The ROA has the prime responsibility to oversee the functioning of registered organizations and to ensure that registered organizations operate in conformity with their rules and relevant acts.

Vulnerability of the inspection activity to corruption risks is explained by the fact that inspection is performed outside office. It involves direct contact with the public and high discretion. Malpractices associated with inspection function include selective planning/conduct of inspections, claiming mileage for dummy inspections, doing personal works during official working hours, turning a blind eye/failing to report non-compliances.

The above malpractices can give rise to corruption risks such as bribery, taking gratification to screen offender from punishment, abuse of office, influence and conflict of interests. These corruption risks would eventually lead to corruption offences under the PoCA 2002, as amended.

The review aimed to eliminate risks of corruption and malpractices in the inspection activity and assist management to build corruption resistance in the organisation through a sound legal, inspection and ethics framework which are important pre-requisites for effective enforcement of law. The exercise revealed several shortcomings at the time of review.

MAIN FINDINGS

- The legislative framework governing the functioning of the Superannuation Funds (SF) does not provide adequate powers of inspection and a proper definition and guideline on investment income. Such weakness may lead to the risk of underestimating the investment income to remit a lower contribution to the ROA.
- There is an absence of a risk-based approach to inspection. This approach should consider the profile of organisations and the associated risks. This situation may result in selective

planning and conduct of inspection against gratification.

- A comprehensive database for effective planning of inspection visits is not available. This can lead to risk of selective planning of inspections.
- Lack of comprehensive and documented policy and procedures which allowed for inconsistent practices and unfairness in the system of inspection, prosecution and complaints handling.
- High discretionary power is conferred to Inspectors responsible for planning and conduct of inspections as well as instituting of court proceedings. This provides an ideal platform for Inspectors to be selective in their work as they have control over the whole process of enforcement.
- There was absence of well-established prosecution system at the ROA to ensure the overall effectiveness of the enforcement function of the ROA.

MAIN RECOMMENDATIONS

- Amendments to the Employees Superannuation Fund Act to provide for sufficient powers of inspection of SF to the ROA and a legal definition of Investment Income.
- Adoption of a risk-based approach to inspection to ensure an effective use of regulatory resources. Such an approach requires an assessment of level of risks associated with organisations registered before conduct of on-site inspections.
- Prompt consideration to the implementation of the computerisation project at the ROA to promote effective planning of inspection visits.
- Establishment of a comprehensive and documented policy and procedural guidelines in respect of all core activities of the ROA including inspection, complaints handling, and prosecution to promote transparency and accountability.

Systems and Procedures at the Registry of Associations

- The tasks for planning of works, conduct of inspections and prosecution activities should be properly segregated to reduce discretion throughout the enforcement activities.
- The setting up of a prosecution unit and a reasonable timeframe for instituting of court proceedings to ensure proper administration and control of court cases.

IMPACT

The implementation of the corrective measures is expected to:

- legally empower the ROA with powers of inspection of SF for effective fulfillment of the regulatory role.
- ensure effective use regulatory resources in high risks.
- reduce discretion in inspection and enforcement activities.
- enhance transparency and accountability in the overall activities of the ROA.

Inspection Duties at the Food Import Unit at Ministry of Health and Quality of Life

A CPR on the system and procedures regarding inspection duties at the Food Import Unit of the MoHQL was carried out following complaints of alleged malpractices/acts of corruption.

This CPR examined the system, procedures and practices to identify loopholes in the methods of work and procedures which may be conducive to corruption and to recommend remedial measures.

The exercise revealed several shortcomings at the time of review.

MAIN FINDINGS

- The system is not computerised. All transactions are recorded manually. The absence of a computerised system may give rise to various shortcomings.
- There are no clear/documented policies and procedures at the Food Import Unit.
- There is a lack of public awareness with respect to the services provided by the Food Import Unit.
- Inspectors conduct inspections alone. Thus, in the exercise of their duties Inspectors have high level of autonomy and discretion. There is a lack of segregation of duties of Inspectors. Supervision is inadequate when Inspectors go on site alone.
- There are insufficient controls with respect to records management system.
- Inspectors are empowered by law to take sample of food for examination to assess fitness for consumption and seize products in case found unfit for consumption. With respect to foodstuff seized, there is no mention of the location or method of disposal, in the foodstuff seized register.
- There is no appropriate framework to ensure ethical conduct. This can undermine the reputation of the organisation.
- Employees involved in the inspection process are exposed to the risk of conflict of interests.

There is no policy/mechanism in place for management of situations of conflict of interests.

- The area under review is not subject to Audit by the Internal Control Section recently.

MAIN RECOMMENDATIONS

- The MoHQL must consider computerising the transactions and records keeping system of the Food Import Unit.
- The Food Import Unit must document and communicate to all stakeholders its policies and procedures with respect to the various functions carried out by the Unit to promote transparency.
- The Food Import Unit must implement a proper filing and archiving system for safekeeping of records and to provide for audit trail of actions/decisions taken.
- The Food Import Unit needs to develop its Customer Charter to define what the unit and its customers can expect from each other.
- As a measure to reinforce control at the Food Import Unit at the port, the Ministry must consider the implementation of a camera surveillance system (CCTV).
- The Ministry must ensure that there is a closer supervision of the work of Public Health and Food Safety Inspectors.
- Proper record keeping must be ensured regarding details of inspections conducted and health clearance issued at the port.
- A formal procedure for the management of situations of conflict of interests in line with Section 13 of PoCA 2002, as amended, must be established at the Food Import Unit.
- The Internal Control Section must regularly review the existing system and procedures at the Food Import Unit through a structured and pragmatic approach.

Inspection Duties at the Food Import Unit at Ministry of Health and Quality of Life

IMPACT

The timely implementation of the recommendations contained in the review will no doubt:

- eliminate any perception of corruption/malpractices in this area; and
- improve the services provided by the Food Import Unit regarding protection and improvement of public health.