

ANTI-CORRUPTION HELPDESK

PROVIDING ON-DEMAND RESEARCH TO HELP FIGHT CORRUPTION

MOZAMBIQUE: OVERVIEW OF CORRUPTION AND ANTI-CORRUPTION

QUERY

Can you please provide an overview of corruption and anti-corruption in Mozambique with a special focus on extractive industries and forestry, large-scale activity (multinational) and small-scale/traditional mining.

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NOTE

This paper draws on a 2012 U4 Helpdesk answer: Overview of Corruption and Anti-Corruption in Mozambique.



Author(s)

Maira Martini; Iñaki Albisu Ardigo, tihelpdesk@transparency.org

Reviewer(s):

Marie Chêne, Tapiwa Uchizi Nyasulu Transparency International

Date:

30 September 2014.

SUMMARY

With the establishment of multi-party democracy in 1990 and the recent exploitation of gas and mineral resources, Mozambique is hailed by some as a post-civil war success story. Nevertheless, the country's quality of governance is still poor and corruption is present at all levels of society. Weak public administration standards, a weak judiciary and a lukewarm commitment to fighting corruption have created serious governance problems. Despite recent normative developments, a strong civil society presence, weak implementation, and enforcement of rules and policies in the country, the perception of corruption seems to be getting worse.

Much of the focus on Mozambique is centred on its primary sector industries, namely its gas, petroleum and mineral extraction sector as well as its forestry sector. Despite recent developments aimed at improving transparency, such as Mozambique's status as an Extractive Industries Transparency Initiative certified state, reports in the media still surface about the mismanagement of resource extraction revenues, conflicts of interest in the allocation of licenses or subsidies, and the involvement of public officials in illegal or semi-legal extraction and export of these materials.

1. OVERVIEW OF CORRUPTION IN MOZAMBIQUE

Background

The Republic of Mozambique became independent from Portugal in 1975 following a decade-and-a-half of civil and political instability. The country plunged into civil war thereafter, with fighting between the ruling political party FRELIMO (Frente de Libertação de Moçambique) and RENAMO (Resistência Nacional Moçambicana). The civil war ended in 1992 with the Rome General Peace Accords, but temporary bouts of violence are still common. Since the establishment of a multi-party democracy as per the 1990 constitution, Mozambique has been ruled by the FRELIMO party. The last elections were held in October 2014, with Filipe Nyusi of FRELIMO being elected with 57.4 per cent of the votes.

Mozambique has one of the fastest growing GDPs on the African continent, with the economy having grown 7.4 per cent in 2012 (KPMG International 2013). This growth is largely based on its primary industries, mostly comprising of gas and mineral extraction as well as forestry. In 2013, large reserves of oil were discovered off the coast of Mozambique (Helman 2013), sparking concern about how the revenues from this oil would be managed.

Despite its natural endowments, Mozambique has high levels of poverty and inequality. Mozambique has a human development index (HDI) value of 0.393 (on a scale from 0 – poor human development to 1 – strong human development), among the lowest in the world (United Nations Mozambique 2014). In 2009, 54.7 per cent of the population was living beneath the poverty line (The World Bank 2014). Within this framework, Mozambique depends on foreign donors for the funding of various elements of the public sector. An overall lack of transparency, accountability and corruption pose serious challenges to the fair distribution of resources and the governance of natural resources, impacting the country's social and economic development.

General corruption trends

Corruption indicators from the past decade demonstrate that Mozambique has not made significant advances in the area of governance and control of corruption. The Worldwide Governance Indicators (WGI), which include an indicator for the control of corruption, and ranges from 0 (lowest control of corruption) to 100 (highest control of corruption), gave Mozambique a value of 29.67 per cent in 2013, which is slightly below the sub-Saharan Africa region average. Since 2002, Mozambique's value for control of corruption has fluctuated between the 30 percentile rank and the 40 percentile rank. In 2010, the country achieved its highest indicator value of 41 (World Bank Institute 2013).

Other indexes concur with the poor state of corruption control in Mozambique. Transparency International's Corruption Perceptions Index (CPI) shows that in 2013, Mozambique received a score of 30 on a scale that ranges from 0 (most corrupt) to 100 (least corrupt). This is a slight retrogression from its 2012 CPI score of 31. Overall, Mozambique ranks 119 out of 177 worldwide, and 23 in sub-Saharan Africa.

With regard to citizens' perceptions of corruption, 45 per cent of citizens in Mozambique surveyed within the framework of Transparency International's Global Corruption Barometer considered that corruption is a serious problem in the country, and 32 per cent believe that the levels of corruption have increased in the country in the two years preceding the survey (Transparency International 2013b).

Corruption is also considered a great problem by the private sector. Approximately 16 per cent of the business community believe that corruption is the most problematic factor for doing business in the country. In fact, corruption is considered as the second major constraint to their operations (World Economic Forum 2014).

The 2013 Ibrahim Index of African Governance gives Mozambique a score of 38.3 out of 100, below the African average of 41. This index also shows the deterioration of Mozambique's score since 2007, when it reached its peak score of 47.5 (Mo Ibrahim Foundation 2013)

Main forms of corruption

Corruption in Mozambique manifests itself in many forms, from petty and bureaucratic corruption to political and grand corruption. They all have a negative impact on the country's social and economic development.

Grand corruption

Grand corruption is a significant problem in Mozambique, particularly due to law enforcement and other oversight bodies' lack of capacity and resources to investigate and punish wrongdoings. Though several laws aimed at preventing and identifying corruption among public officials have been approved in the past, embezzlement and malfeasance of state funds continues to be a serious problem.

In September 2014, eight civil servants from five different provincial ministries were accused of embezzling 6.7 million metacais (US\$220,000) from public funds (All Africa 2014). In 2010, a former minister was sentenced to 20 years in prison for his involvement in the embezzlement of US\$1.7 million from the Mozambican state airport company (Arce 2010).

Bureaucratic corruption

Petty and bureaucratic corruption is a serious and widespread concern across the civil service. Low wages in the civil service lead many public servants to resort to extortion or accepting bribes to get additional funds. This situation is exacerbated by complex bureaucratic processes which feature significant bottlenecks where a few public servants have significant discretion and can delay processes. While government regulations in recent years have been eased for large-scale investment projects, small and medium businesses still suffer significantly from red tape.

According to the business community, particularly small and medium size enterprises, corruption and bureaucracy remain the main impediments to their operations. For instance, tax declarations require 37 different payments per year (The World Bank Group 2014). Nevertheless, the percentage of companies surveyed within the framework of the

World Bank and the International Finance Corporation (IFC) 2007 Enterprise surveys reporting that they are expected to make informal payments or give gifts to public officials "to get things done" is lower than the world average (14.5 per cent against 25.7 per cent) and much lower than the sub-Saharan Africa average (36.6 per cent)¹ (World Bank and IFC 2007).

On the other hand, citizens' experience of corruption to access public services is high in Mozambique, with more than two out of five Mozambicans that came into contact with key services in the country reportedly paying bribes (Transparency International 2013b).

Patronage and favouritism

Patronage and favouritism are common practice in Mozambique. The fact that the executive government concentrates much of the power and is responsible for the appointment of public officials in different government agencies and bodies, make the reliance on personal and partisan relationships more prominent (Oxford Policy Management 2012).

The Bertelsmann Transformation Index of 2014 indicates that elites enjoy a favourable position when vying for government contracts (Bertelsmann Foundation 2014). This is corroborated by the 2013/2014 Global Competitiveness Report which gives Mozambique a favouritism rating of 2.7 out of 7 (7 being no government favouritism, 1 being significant government favouritism) (World Economic Forum 2014).

The tendency to favouritism and patronage is also demonstrated in the Afrobarometer results (2013). For instance, 30 per cent of respondents agree that, once in office, elected leaders are obliged to help their community or group first. Moreover, 70 per cent of Mozambicans agree that "the government is like a parent. It should decide which [recte what] is good for us" (Afrobarometer 2013).

2. EFFECTS OF CORRUPTION BY SECTOR

¹ Please see: <http://enterprisesurveys.org/Data/ExploreEconomies/2007/mozambique#corruption>

Evidence suggests that corruption pervades many of the country's key sectors and institutions. Citizens interviewed within the framework of Transparency International's Global Corruption Report reported having paid bribes to access a variety of public services. For instance, 65 per cent of those who had contact with the police in the year preceding the survey reported paying bribes. Forty-three per cent reported paying bribes to education services, 40 per cent to land services, 40 per cent to the registry and permit services and 42 per cent to the tax administration (Transparency International 2013b)².

While corruption seems to be a threat in several sectors, at the request of the enquirer, this section focuses on corruption in the country's rich extractive (oil and mining) and forestry sectors.

Extractive industries

Overview

Mozambique's economic growth in the last decade is largely due to recent discoveries of oil and gas reserves. But in addition to oil and gas, Mozambique also has commercially exploitable reserves of coal, titanium, graphite, iron, gold, silver, marble, nickel, copper and chromium.

In 2012, Mozambique's extractive industries contributed to 2 per cent of the national GDP ([EITI Mozambique](#)). The Mozambican mining industry was valued at US\$96.5 million in 2010, and analysts expect the value of the mining industry to reach US\$667 million in 2015 (Anderson 2012).

While government projections for the coming years place a significant emphasis on mega projects related to the extractive industries as sources for funding for future infrastructure and social projects, small-scale/artisanal mining continues to be an important activity, particularly for local communities. Both offer different governance challenges and opportunities for corruption, as discussed in this section.

² The Afrobarometer survey of 2013 shows the number of respondents that paid a bribe to these services to be significantly lower for registry and permit services (23 per cent of respondents), water and sanitation services (25 per cent) and education services (21 per cent) (Afrobarometer, 2012).

EITI, large-scale oil and mining extraction and corruption risks

Rent seeking in the extractive industry is a high priority concern in Mozambique, which is a relatively small player in the world mineral, oil and gas market at the moment but is projected to become a major exporter in the next decades.

From 2008 till 2012, Mozambique was a candidate country for the Extractive Industries Transparency Initiative (EITI), which aims to promote transparency in the extractive industries sector worldwide in order to ensure that government revenues from these industries are clearly defined and collected. Having failed in 2011 to meet the standards for full compliance, Mozambique achieved the status of an EITI compliant country in 2012. As an EITI member country, Mozambique must provide information regarding government revenues related to mining, oil and gas exploitation and provide information regarding how much they receive from companies contracted to extract the minerals (for more information on issues regarding EITI compliance see a [previous U4 Helpdesk answer on Mozambique](#)).

Despite adhering to EITI requirements, the government of Mozambique has recently passed laws that might conflict with their recent EITI compliant status. According to the Centre for Public Integrity (CIP), new draft laws on the mining and petroleum sector do not include a commitment to mandatory contract disclosure (Open Oil 2013).

Furthermore, some experts believe that the EITI framework does not go far enough to promote transparency in the extractive industry in Mozambique.

The National Resource Governance Institute gives Mozambique a "failing" score of 37 in its 2013 Resource Governance Index. In particular, the index notes that Mozambique lacks the necessary auditing and enforcement mechanisms to follow up on environmental and financial regulations placed on private companies. It also stresses the fact that, without more transparency within government and with the limited implementation of the current right to information law, only a small part of the extractive

industries sector is transparent to the public (Natural Resource Governance Institute 2013). The CIP also holds that information on area surveys and exploration should be in the public domain, so citizens can monitor which areas are of interest to large companies, which in turn might help to ensure better prices for land they sell (Centro de Integridade Pública 2012).

Also, the CIP has noted that common financial transfers between governments and private extraction firms, like in-kind payments, do not fall under the scope of EITI. For example, in 2008, the South African energy and chemical company, Sasol, paid the government with 2,528,854 gigajoules of natural gas, which CIP claims was never accounted for (Martini 2012).

Another problem related to large-scale projects in the sector is the amount of fiscal incentives given for mining megaprojects, which significantly reduces export duties and business taxes and establishes rules for project negotiations regarding tax incentives for companies (German & Wertz-Kanounnikoff 2012). Nevertheless, national oil and mining laws offer only vague stipulations about the nature and amount of tax incentives the government offers companies in those sectors and, therefore, additional secret negotiations are still commonplace (Ossemame 2013).

Some experts believe that Mozambique's extractive industry regulators, like the Ministry of Natural Resources (MIREM), National Petroleum Institute (INP) and the Ministry of Coordination of Environmental Affairs (MICOA), should have the power to audit and monitor private firms directly. A paper published by Columbia University's School of International and Public Affairs states that granting these institutions the power to directly audit and monitor the activities of private extraction companies may deter reporting of revenues and violations of other legal standards (Abrahamson et al. 2013).

Artisanal mining

Small-scale or artisanal mining in Mozambique is significant. It is estimated that more than 150,000 people work in the extraction of gold, gemstones and other minerals, with the great majority of people

working in precarious working conditions on artisanal gold mines throughout the country (Selemana 2010; Dondeyne & Ndunguru 2014). In fact, gold exploitation in Mozambique has been conducted almost exclusively by artisanal miners (Dondeyne & Ndunguru 2014).

While artisanal mining is an important economic activity for many Mozambicans, it also offers a series of social and environmental challenges, including health issues related to the use of mercury and bad working conditions and the degradation of protected areas, among others (UniZambeze & Mining Development Fund 2012).

In an attempt to control some of these challenges and formalise the activity, the government of Mozambique passed a decree in 2003 (Decree N828/2003) that requires individuals who want to work on designated artisanal mining areas to obtain a mining pass from the provincial government. The Minister of Mining is responsible for determining the designated areas where artisanal mining can take place (Dondeyne & Ndunguru 2014).

In spite of these rules, some reports point to an increase in informal and illegal artisanal mining, which poses serious social, economic (such as tax evasion) and environmental challenges. The weak rules at local and national levels make it easier for workers and companies to operate in an informal manner (UniZambeze & Mining Development Fund 2012).

The literature on artisanal mining in Mozambique does not, however, discuss if and how corruption manifests itself and impacts the sector. In other countries where informal and artisanal mining is also common, the main corruption risks identified include the payment of bribes to local level officials in exchange for not enforcing property rights or environmental regulations or for working outside of designated areas and/or without mining licenses (ELLA no year).

With regard to transparency in small-scale mining activities, to date, none of the EITI implementing countries have included artisanal mining in their reports. The fact that artisanal mining often involves informal activities that are subjected to very limited regulation and low contribution to the national

revenue makes it difficult to have it included in the EITI. However, in many countries, artisanal mining is responsible for a great part of mineral production, and excluding artisanal mining suggests an imprecise or inaccurate account of the sector (Martini 2014).

Forestry

Mozambique has the 14th largest forest-covered area in the world, with about 78 per cent of the country covered in forest (Convention on Biological Diversity no year). While only contributing to 3.3 per cent of the GDP, the timber industry has grown a considerable amount in the last decade (German & Wertz-Kanounnikoff 2012)

The Environmental Investigation Agency (EIA) in its 2013 report revealed that 93 percent of logging in Mozambique was illegal (Environmental Investigation Agency 2013). Several multinational logging companies, many of them of Chinese origin, have been accused of several violations of timber-harvesting quotas and export regulations. These companies allegedly over-harvest timber beyond the legal limits and then allegedly export the timber through small ports where there is limited or no control over the exports (Environmental Investigation Agency 2013).

Illegal timber harvesting has several negative consequences on the population of Mozambique. Deforestation is a major concern, both ecologically and economically. The Forest Carbon Partnership claims that forestry will cease to be sustainable within 10 years if current logging practices continue (UN REDD Programme 2013). In addition, illegal logging reduces potential tax income on the timber that is exported from the country and fuels corruption.

The problem of illegal logging stems from the fact that monitoring and enforcement of forestry law is weak. Monitoring is done through sporadic visits to concessions. Regular law enforcement is only done at road and port checkpoints to verify the volume and species harvested. Understaffing is a significant problem as “the country has only 1,069 law enforcement officers of whom only 489 are responsible for controlling the harvesting of timber and wildlife products outside protected areas.

Therefore, one officer is responsible for over 83,000 ha. of forests contrary to the recommended 1:5,000 ha.” (UN-REDD Programme 2013).

Bribery and fraud also contribute significantly to the problem of illegal forestry. Law enforcement officials and border and customs agents alike have been reported to partake in many of the illegal export operations, usually turning a blind eye for a fee. An EIA report produced in 2013 also recognised that “friendships” between timber agents and public officials helps the agents to avoid regulations and obtain logging permits illegally (Environmental Investigation Agency 2013).

Several incidents of illegal logging have exposed some of the major governance weaknesses in Mozambique’s forestry sector. In 2008, inspection teams discovered 750 containers of illegal timber in the province of Nacala. The company was fined for their infractions but was still permitted to export the timber. The estimated worth of the timber was 12 times the amount of the fine for exporting illegally (Roque 2009). In July 2013, a Chinese logging company tried to export 20 containers of illegally harvested wood. Shortly thereafter, an EIA report claimed that the company had been caught log smuggling three previous times between 2007 and 2011 without further consequences. After the 2013 scandal, the company had its logging licence suspended for a year (Berger 2013).

In 2009, Mozambique joined the REDD+ network, an international carbon trading programme which aims to develop financing mechanisms that will compensate developing countries as an incentive for changing the way forest resources are used to curb CO₂ emissions. Despite the implementation of the programme in several areas of the country, some experts claim that, without appropriate monitoring of forestry focused areas, it is very difficult for the government to effectively implement the programme and monitor its progress (Nhantumbo 2011). Some sources claim that the REDD+ programme has led to a rise in preferential land concessions to larger companies, and that red-tape and corruption have hindered local communities from attaining legal ownership over their lands (Barbier & Tesfaw 2013; Nhantumbo 2011).

3. OVERVIEW OF ANTI-CORRUPTION EFFORTS IN MOZAMBIQUE

Overview

Since the return to democracy, reducing poverty has been a priority in Mozambique. Nevertheless, donor and civil society pressure has led various Mozambican governments in the last decade to focus their attention on topics of governance and anti-corruption.

In 2001, the government launched the Public Sector Reform Strategy, a ten year strategy to improve public finances and reducing opportunities for corruption. This strategy introduced a new public financial management system (SISTAFE) and incorporated the Poverty Reduction Strategy 2006-2009 (PARPA I and II). While PARPA II aimed to reduce poverty, good governance and transparency were assessed as crucial for achieving the overall goals of the strategy. Within this framework, a new anti-corruption law was passed, the anti-corruption agency was strengthened and research projects were commissioned to evaluate the state of corruption in the country and evaluate possible solutions.

In 2004, an additional strategy was implemented, called the Anti-Corruption Strategy for 2006-2010. The strategy aimed to improve the quality and efficiency of public services, increasing participation of local communities in monitoring the government, encouraging a transparency culture, integrity and responsibility in the public sector as well as improving the public financial management system, but little has been done to ensure the effective implementation of the strategy (CIP 2013)

In early 2010, some international donors were of the opinion that Mozambique had not committed enough to implementing a national anti-corruption framework and decided to withhold aid from the country until there were signs of improvement. In response, the government announced that it would pass a new anti-corruption law.

In 2012, the government announced a series of laws that would be added to the country's penal code. These laws, which came to be referred to as

the "anti-corruption legal package" ("*pacote legal anticorrupção*") included bills regulating the criminalisation of corruption (illicit enrichment, traffic of influence, among others), immunities, statute of limitations, conflicts of interest, whistleblowing, mutual legal assistance, among others (Pereira & Trindade 2012). The package was hotly debated and finally split into separate parts. The different proposals are being dealt with as separate bills with distinct degrees of priority by the Mozambican congress.

Legal framework

International conventions

Mozambique ratified the United Nations Convention against Corruption (UNCAC) in 2008 and the African Union Convention against Corruption in 2006. Mozambique is also part of the Southern African Development Community Protocol against Corruption.

National legislation

The Mozambican penal code criminalises active and passive bribery (articles 318-323). In addition, the Anti-Corruption Law (Law no. 6/2004) also criminalises both passive and active corruption, but practices such as embezzlement of public funds, traffic of influence and illicit enrichment were not included.

Against this backdrop, in August 2014, as part of the anti-corruption package proposed by the government, the country's assembly approved a new law addressing some of these issues. The law aims to harmonise the country's legal framework on corruption with international and regional conventions. As such, traffic of influence, illicit enrichment and private to private corruption are now criminalised (Fael 2014).

Prior to that, another bill that was part of the anti-corruption package aiming to establish grounds for Mozambican civil servants to respect public morality and public property was approved. The Public Probity Law (Law no. 16/2012) covers all public officials, including elected and appointed individuals. It does not, however, cover members of the judiciary. The law establishes a set of incompatibilities with public office; for instance,

public officials are prohibited from taking up paid activities in their areas of responsibility, make decisions in their favour, make use of confidential information for private benefit, among others. They are also forbidden from receiving wages or fees from more than one public institution or company (Article 25). Public officials are also prohibited from using the state property for private reasons. The law also regulates conflicts of interest, including post-public employment rules, gifts and hospitalities and illicit enrichment.

The law established that public officials should declare any incompatibility or conflict of interest within 30 days of taking office. The law also determines that a special ethics commission should be created to regulate, prevent and analyse potential conflicts of interest. The ethics commission was established three months after the enactment of the public probity law (Portal do Governo de Moçambique 2013). After the establishment of the commission, approximately 30 members of the assembly were found to be in conflict of interest for holding more than one position in the public administration. They had to choose between resigning from the assembly and giving up their positions (All Africa 2013). Nevertheless, according to Centre for Public Integrity (CIP), as of September 2013, several public officials were still acting in conflict of interest (Agencia Angola Press 2013).

In addition, the probity law establishes rules on asset declaration for elected officials, public prosecutors, senior officials of the Mozambican state bank and managers of public enterprises, among others (Article 58). The annual declarations should include information on income, properties, liabilities, current or past functions in public and private companies, as well as information on the assets and liabilities of spouses and children. The Office of the Public Prosecutor is responsible for receiving and overseeing the declarations, with the exception of their own, which is reviewed by the Administrative Tribunal. Asset declarations are not made publicly available. They can be accessed by law enforcement bodies at any time and by any interested party, including members of the general public, upon request.

The anti-corruption law states that “no complainant or whistleblowers may be subject to disciplinary

proceedings or prejudiced in his professional career or be prosecuted in any form because of the complaint against or denunciation of the crimes envisaged in the present law” (Article 13, Law no. 6/2004). In 2012, also as part of the anti-corruption package, a dedicated law on witness protection was approved (Law No. 15/2012). The law aims to protect victims, plaintiffs, regular witnesses and expert witnesses who testify on, or flag, corrupt practices from physical, social and economic retaliation.

In August 2014, the bill regulating access to public information was approved in a first hearing by the Mozambican assembly. A second hearing to discuss the specificities of the law is still to take place (Voz da America 2014).

With regard to political party funding, the law established rules on both public and private donations. Political parties receive regular public funding for their overall operation as well as for campaigning during elections. In addition, they receive in-kind donations from the state in the form of free airtime and free use of public premises during the campaign (International IDEA 2013).

Moreover, individual contributions from national or foreign citizens is allowed. There is, however, a ban on corporate donations. The law does not establish limits to donations from private individuals or spending limits to political parties and candidates (International IDEA 2013). Political parties and candidates are required to report donations and expenditures to the Election Commission. However, the commission does not seem to have the necessary capacity to effectively audit these accounts, and very few irregularities have been found until now (International IDEA 2013). Political parties also have to report to the Ministry of Finance on the public subsidies received for their operation.

Institutional framework

There are several institutions responsible for preventing, detecting and curbing corruption in the country. Assessments, however, have pointed to the fact that, in spite of recent improvements, corruption-related crimes still go largely unpunished (Freedom House 2013), particularly crimes involving high-level government officials. Law enforcement and anti-corruption bodies in

Mozambique still need more autonomy, including adequate human and financial resources and less political influence to be able to effectively curb corruption.

Central Office for Combating Corruption (Gabinete Central de Combate à Corrupção, GCCC)

The Central Office for Combating Corruption (*Gabinete Central de Combate à Corrupção, GCCC*) was established within the Attorney General's Office in 2005, replacing the anti-corruption agency created in 2003 (Anti-Corruption Unit).

The agency is responsible for awareness raising activities and for investigating corruption-related complaints ex officio or based on information from the public. The agency does not, however, have the mandate to prosecute corruption, and cases have to be referred to the Public Prosecutor's Office. In the first half of 2013, the office initiated investigation on 227 cases, which is more than the whole of 2012 when 209 cases were investigated, but the statistics presented do not show the overall number of corruption denouncements received by the office (Fael & Cortez 2013).

As part of the anti-corruption package, a new law approved in 2012 gave new powers to the office (Freedom House 2013). In addition to its prevention and investigation mandate, the office now also has a coordinating role. It is responsible for gathering all the intelligence and information on corruption-related cases investigated by other government bodies. However, there are doubts about whether the office will be adequately resourced to conduct this task (Pereira & Trindade 2012).

Prosecutor General's Office (Procurador-Geral da República)

The Prosecutor General's Office plays an important role in the fight against corruption. In addition to following up on the investigations of the GCCC and conducting its own, since 2013 the office has also been tasked with receiving and overseeing asset declarations submitted by senior public officials.

The office also receives corruption information from the public. According to their [2012 annual report](#),

1,895 anonymous tips were received through the "Corruption: Denounce here" initiative in 2012 (approximately 200 more than in 2011), out of which, 34 tips lead to in-depth investigations and 11 resulted in formal prosecution.

Judiciary

Experts and citizens alike point to Mozambique's judiciary as being a highly corrupt or, at the least, a highly inefficient institution (Transparency International 2013b; Freedom House 2013). A weak judiciary has impeded Mozambique from enforcing anti-corruption legislation and has led to a sense of impunity for crimes related to corruption.

Corruption manifests itself within the judiciary in many ways. Trials for minor crimes can usually be circumvented by bribing judges or judicial workers to favour the accused. Even people accused of major crimes, including those related to grand corruption and homicide, have been reported to have been released thanks to defendants' personal connections with judges or with the assistance of bribery (IRIN 2006)

Corruption within the judiciary is due particularly to the lack of capacity. For starters, the judiciary is significantly under-resourced. In Mozambique, understaffing and a lack of resources, particularly in district courts, combine to create high case-loads and judicial backlog that impede the timely resolution of cases. Judges and judicial staff are not remunerated well and, some claim, they must resort to bribery in order to make a living (Bertelsmann Foundation 2014).

Furthermore, despite a constitutional provision that ensures judicial independence, the judiciary in Mozambique lacks independence from other branches of government (Bertelsmann Foundation 2014). The executive branch exercises significant power over the judiciary, including the institution, demotion and movement of judges. This can have a detrimental effect for judges who wish to investigate official corruption, as they might be deterred because of a realistic fear that they might lose their job.

The Administrative Tribunal

The Administrative Tribunal (*Tribunal Administrativo*) is responsible for auditing government expenditure. It is formally an independent body, but according to recent assessments, the body lacks autonomy and its members may be influenced by personal relations and party loyalty. Moreover, in spite of recent reforms and support from international donors, the agency still faces challenges with regard to technical capacity and resources, making the effective verification of companies' technical or financial data related to the extractives sector almost impossible (Oxford Policy Management 2012).

The Administrative Tribunal is financed by the government of Mozambique and by development agencies through a common fund. As part of the common fund agreement, the financial resources received by the tribunal have to be audited, and an audit conducted in 2012 showed some irregularities on how the tribunal has been spending resources. According to the auditor, the tribunal has not always purchased goods and services following the country's procurement rules, and it has failed to present adequate invoices for the purchase of goods such as fuel, airline tickets and consultancy services, among others, raising questions on whether these illegalities demonstrate the body's lack of capacity to enforce the law and effectively monitor how public resources are spent (Nuvunga 2013).

National Electoral Commission

The National Electoral Commission is an independent body responsible for the management and oversight of elections in Mozambique, including for the verification on whether rules on campaign financing are being followed.

However, there have been questions regarding the politicisation of the Electoral Commission (Bertelsmann Foundation 2014). In 2014, a new law on the composition of the commission proposed by the opposition party was approved. The Election Commission will now be composed of 17 members, out of which five are appointed by the ruling political party (FRELIMO), four by the main opposition party (RENAMO) and one by the Democratic Movement of Mozambique (MDM). The other seven members

are to be appointed by civil society. According to some experts, the new composition rule may prevent the body from favouring the ruling party and will bring more transparency and accountability to the electoral process. Others believe that the new rule does not ensure the professionalisation of the body (Matias 2014).

Other actors

Media

The constitution as well as the 1991 Press Law provides for freedom of expression and of the press, but there is still room for restricting journalists' work (Freedom House 2013). In particular, political figures have exploited legal loopholes, such as the libel law, to reprimand journalists reporting on corruption cases (Bertelsmann Foundation 2014).

According to the 2014 Reporters Without Borders Freedom of the Press Index, Mozambique ranks 79 out of 180 assessed countries, a decline in six ranks compared to the previous assessment.

The government owns and operates much of the print, radio and television media. Radio is one of the most important sources of information for Mozambicans throughout the country, since adult illiteracy is fairly high (approximately 50 per cent). There are also a fair number of independent media outlets in the country, but they usually face sustainability challenges as media channels tend to rely on state advertising (Freedom House 2014).

Civil society

Freedom of association is guaranteed in the Mozambican constitution (Article 34) and since democratisation, civil society organisations (CSOs) have grown in number and importance. More than 5,000 CSOs are formally registered in the country working on a variety of issues and subjects. The majority of CSOs in the country operate in the areas of humanitarian assistance, and only a few based in the capital work on governance and anti-corruption issues.

Nevertheless, according to an assessment by the Bertelsmann Foundation, existing legislation makes registration of non-governmental organisations very

time-consuming and expensive. For instance, a minimum of 10 people are required to start the registration process, and all of them are required to submit several documents, including an official police record, which is difficult to obtain. Moreover, in order to be exempt from taxes, CSOs need to be qualified as being of “public utility”, a status that can only be given by a Council of Ministers and is therefore not a process without hurdles (Bertelsmann Foundation 2014).

Civil society organisations, in particular CIP and Instituto de Estudos Sociais e Económicos (IESE), have played an increasingly important role in monitoring the extractive industry value chain, advocating for better policies and rules in the sector as well as increased civil society participation.

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