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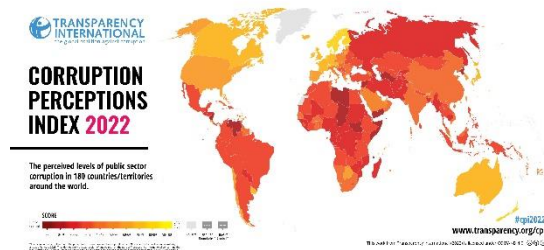
Compliance Society of Zimbabwe

“There Is No Right Way Of Doing The Wrong Thing”

The impact of corruption goes beyond the corrupt individuals, the innocent colleagues who are implicated, or the reputation of the organisations they work for. It raises serious social, moral, economic and political concerns, undermines good governance, hinders development and distorts competition. It erodes justice, undermines human rights and is an obstacle to the relief of poverty. It also increases the cost of doing business, introduces uncertainties into commercial transactions, increases the cost of goods and services, diminishes the quality of products and services, which can lead to loss of life and property, destroys trust in institutions and interferes with the fair and efficient operation of markets.

The 2022 Corruption Perceptions Index (CPI) shows that most countries are failing to stop corruption. For some of us who does not know what the CPI is, it is an index which ranks countries by their perceived levels of public sector corruption, as determined by expert assessments and opinion surveys. Despite concerted efforts and many hard-won gains, the CPI 2022 shows that the scale of corruption is enormous: the global average remains unchanged at a score of 43 out of 100 for the eleventh year running, and more than two-thirds of countries (68 per cent) score below 50.

The CPI ranks 180 countries and territories around the world by their perceived levels of public sector corruption.



The results are given on a scale of 0 (highly corrupt) to 100 (very clean). More than two-thirds of countries score below 50, while 26 countries have fallen to their lowest scores yet. Despite concerted efforts and hard-won

gains by some, 155 countries have made no significant progress against corruption or have declined since 2012.

This year's Corruption Perceptions Index (CPI) reveals that 124 countries have stagnant corruption levels, while the number of

Zimbabwe is on number 157 out of 180 with a score of 23 which is similar to the 2021 CPI score of 23. In 2020 Zimbabwe has a score of 24, which represents a slight decline on the score. Over the years, Zimbabwe has regressed in its fight against corruption. Countries like Togo, Uganda, Zambia and Angola fared even

countries in decline is increasing. This has the most serious consequences, as global peace is deteriorating¹ and corruption is both a key cause and result of this. It has been noted that corruption undermines the ability of governments to guarantee the human rights of their citizens. This affects the delivery of public services, the dispensation of justice and the provision of safety for all. In particular, grand corruption committed by high-level officials usually combines the large-scale, transnational theft of public funds with gross human rights violations.

The COVID-19 pandemic severely affected livelihoods, deepening inequalities and increasing corruption risks across Sub-Saharan Africa. The region remains the lowest performer on the CPI, with an average score of 32. Forty-four of the 49 countries assessed still score below 50, and significant declines in many countries outweigh the gains made in a few.

better than Zimbabwe on the CPI. Despite the concerted efforts in country to fight this scourge, the perception is that Zimbabwe as a country has not made any progress. Past research has found a correlation between a higher CPI and higher long-term economic growth, as well as an increase in Gross Domestic Product (GDP) growth of 1.7% for every unit increase in a country's CPI score. Past research has also shown a power-law dependence linking higher CPI score to higher rates of foreign investment in a country.

Corruption is also amongst the key factors that are considered before targeted sanctions are applied by competent authorities. This is evidenced by Department of the Treasury's Office of Foreign Assets Control (OFAC) actions pursuant to the Executive Order (E.O.) 13469. Even correspondent bankers look at key indicators like the CPI, US OFAC, UK Her Majesty's Treasury and European Union designated sanctions list when deciding to do business in a particular jurisdiction. The higher the perception of corruption and sanctions risk, the higher the risk a particular jurisdiction is perceived to be. This explains why Zimbabwe has seen a massive de-risking by most correspondent banks in the past decade. This has negatively impacted the country's ability to effect cross border payments, resulting in financial exclusion. Donor payments, lines of credits, money transfer payments (remittances) and developmental finance have also not been spared by this development.

However, the law alone is not sufficient to solve this problem. Organizations have a responsibility to proactively contribute to combating corruption. This can be achieved by instituting anti-corruption management systems through leadership commitment to establishing a culture of integrity, transparency, openness, and compliance. As the Compliance Society of Zimbabwe we can assist both the private and public sector in coming up with sound framework that includes an Anti-Bribery and Corruption outline that is compliant with the ISO 37001 Anti Bribery Management Standards. The nature of an organization's culture is critical to the success or failure of an anti-corruption management system.



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