

THE

The people of South Africa are fed up with corruption. But amid surging anger and frustration, there's a growing awareness that every South African has a role to play in fighting the scourge. Corruption Watch is a platform for you to expose and confront the corrupt. Don't be a passive victim any longer, report corruption to us and make your voice heard!

IT ALL STARTS WITH A WHISPER...



Corruption is defined as the abuse of public resources to enrich or give unfair advantage to individuals, their family or their friends.

Corruption Watch is concerned with any such abuse of power or position by anyone at any level of government or in business.

HOW WORRIED SHOULD WE BE?

The South African public and our international counterparts are increasingly interested in perceptions of corruption.

The latest Transparency International Corruption Perceptions Index places us 69th out of 176 countries, with a score of 4.3 out of 10.

| RANK | COUNTRY | SCORE | SURVEYS USED | CI: LOWER | CI: UPPER |
|------|-------------|-------|--------------|-----------|-----------|
| 1 | DENMARK | 90 | 7 | 87 | 93 |
| 1 | FINLAND | 90 | 7 | 85 | 95 |
| 1 | NEW ZEALAND | 90 | 7 | 87 | 94 |
| 4 | SWEDEN | 88 | 7 | 85 | 91 |
| 5 | SINGAPORE | 87 | 9 | 83 | 90 |
| 6 | SWITZERLAND | 86 | 6 | 81 | 90 |
| 7 | AUSTRALIA | 85 | 8 | 83 | 86 |
| 7 | NORWAY | 85 | 7 | 82 | 87 |
| 9 | CANADA | 84 | 7 | 80 | 87 |

| RANK | COUNTRY | SCORE | SURVEYS USED | CI: LOWER | CI: UPPER |
|------|----------------------|-------|--------------|-----------|-----------|
| 66 | ROMANIA | 44 | 8 | 38 | 50 |
| 66 | SAUDIARABIA | 44 | 5 | 34 | 55 |
| 69 | BRAZIL | 43 | 8 | 38 | 49 |
| 69 | FYR MACEDONIA | 43 | 6 | 35 | 51 |
| 69 | SOUTH AFRICA | 43 | 9 | 39 | 48 |
| 72 | BOSNIA & HERZEGOVINA | 42 | 7 | 38 | 46 |
| 72 | ITALY | 42 | 7 | 38 | 46 |
| 72 | SAO TOME & PRINCIPE | 42 | 3 | 34 | 50 |
| 75 | BULGARIA | 41 | 8 | 35 | 47 |
| 75 | LIBERIA | 41 | 7 | 35 | 47 |

While it is true that we are nowhere near the worst, the level of perceived corruption in South Africa places us far from the cleanest countries. What's more disturbing is that we're rapidly sliding down the ladder year-on-year.

Widespread corruption is on the increase in South Africa; many think that we're approaching a tipping point beyond which it will become increasingly difficult to combat these abuses.

THOSE AFFECTED MOST BY CORRUPTION ARE BEST PLACED TO EXPOSE CORRUPTION



Corruption is an abuse of public resources and it is people who rely on public education, on public healthcare, on public transport and on public security who pay the price. People living in poor conditions, with no jobs, and facing ill-health are among those who are most vulnerable.

As mounting service-delivery protests show, it is precisely people affected by poverty and corruption who no longer trust their elected representatives and public officials. Corruption Watch provides a platform that enables all who are fed up with the abuse of public resources to report corruption.

CORRUPTION WATCH IS NOT A SUBSTITUTE FOR GOVERNMENT OR BUSINESS'S RESPONSIBILITIES

One of our main objectives is to persuade government and business to take the popular dissatisfaction with corruption seriously and act accordingly. Indeed, the inadequate responses to corruption by these sectors largely influenced the formation of Corruption Watch. Clearly, we cannot rely on law enforcement or other acts of government alone to combat corruption.

Confronting corruption requires an active and engaged public that is willing to hold to account leaders who wield public power and who control public resources, including those in the private sector who supply and distribute these resources.

WE ENABLE THE PUBLIC TO EXPOSE CORRUPTION



We encourage and enable people to resist corruption by asking them to report experiences and knowledge of corruption to us.



We encourage people to refuse to take part in corruption by engaging in mass communication campaigns that inform people about their rights and the negative consequences of corruption.



We build networks of corruption fighters and promote an environment that does not tolerate corruption.



We make every effort to ensure that people who engage in corruption will be punished by referring our reports and investigations to the law enforcement authorities and the Public Protector and by following up these referrals.



We use our communications platforms and our partnership with the media to 'name and shame' perpetrators of corruption.



We participate actively in public campaigns to improve the policy and legislative environment.



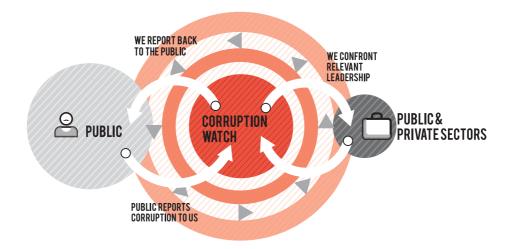
We gather data and are able to identify hotspots of corruption and provide people with information that enables them to hold their leaders accountable.

WE ANSWER ONLY TO THE PEOPLE



The cornerstone of Corruption Watch's activities is a three-way communication between the public, Corruption Watch and those who hold power in the public and private sectors. The public report corruption to us; we confront leaders in the public and private sectors with the reports to advocate for change; and we report back to the public.

Our three-way communication starts with the public and it ends with the public. Having a voice is a requirement of democracy. Corruption Watch's own communication platforms and its relationship with the mainstream and community media amplifies the voices of the public in order to ensure that they are heard by the those in positions of authority.

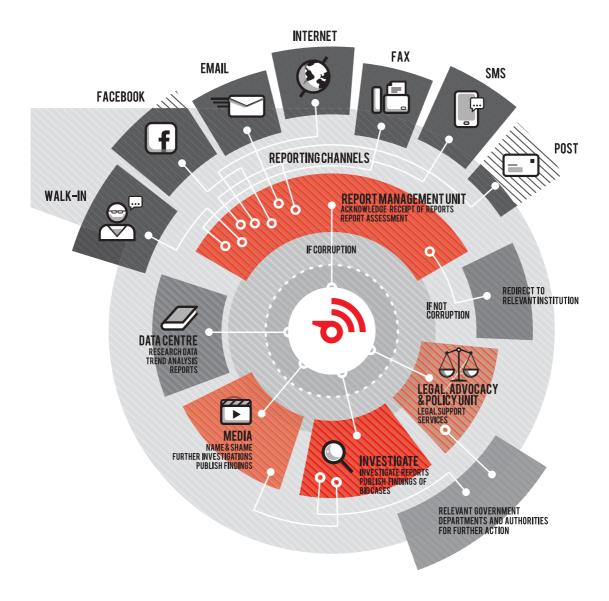




HOW IT WORKS

By tolerating corruption we allow our weakest members of society to be treated with contempt and we compromise our hard-won freedom and constitutional rights. Complaining about corruption is not enough. A public

that actively opposes corruption and holds its leaders accountable makes a difference. Corruption Watch offers one platform upon which South Africans can demonstrate their commitment to fighting corruption.





YOUR VOICE GIVES US POWER

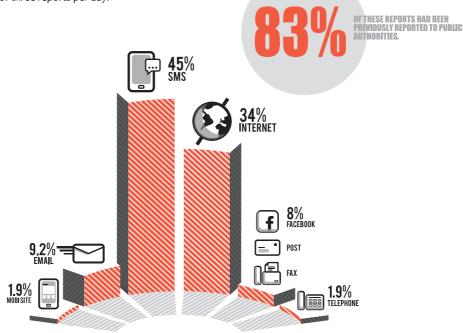
"Information from people on the ground offers a deeper understanding of what is happening in communities. While we won't be in a position to investigate each and every report, the combined knowledge of people who report to us will provide us with a powerful tool to build alliances with other institutions and NGOs and to engage with those in authority." (David Lewis, CW Exec Director)

"If you can measure it, you can manage it," the saying goes. Our first year of operation has provided us with important information enabling us to identify hot spots and patterns of corruption, and to refine and focus our activities. We're learning which information channels work best for different segments

of the public, we're discovering areas in which corruption occurs and we're finding out more about methods of awareness-building. This enables us to focus our messages, to identify the most effective communications channels and to build communities of corruption fighters.

1227 REPORTS ALLEGING CORRUPTION IN THE FIRST 11 MONTHS

We received a total of 3 223 reports of which 1 227 (38%) related to corruption as we understand it. This is the equivalent of three reports per day.



The confidentiality and ease of use of the incident reporting tool on our website makes it one of the more preferred channels for reporting. While SMS is the most popular and extends our reach, a large number of reports received via SMS do not provide adequate information about the incident. This makes

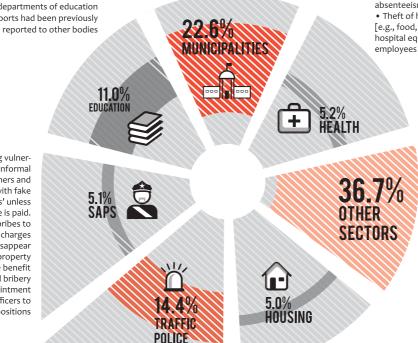
it difficult for Corruption Watch to take any kind of meaningful action. The website is the best place to report corruption to us. Reports can be written in any language, people can choose to remain anonymous, and there is enough space to tell your story.



ANALYSIS OF REPORTS

Reporting by sector provides us with key strategic information, highlighting the sectors that are of most concern to those who report to us, and consequently the ones we should focus our efforts on.

- Theft of funds, goods and equipment from school by members of staff
- Corrupt awarding of tenders by principals or school governing bodies
- Allegations of nepotism or favouritism
 65 reports related to SETAs and provincial departments of education
 25% of reports had been previously
- High levels of procurement corruption
- Channelling funds into personal bank accounts
- Using political influence or positions of power to ensure that certain officials guilty of misconduct are not prosecuted.
- Theft of equipment and supplies by government employees in local municipalities
- Distribution of food and funds to secure votes in local elections
- Corruption in procurement processes, mainly in provincial departments of health.
- Allegations of nepotism in appointments and remuneration of staff
- Payment to staff members who either do not exist or have not rendered services due to perpetual and continual absenteeism.
- Theft of hospital supplies [e.g., food, cleaning materials, hospital equipment] by hospital employees



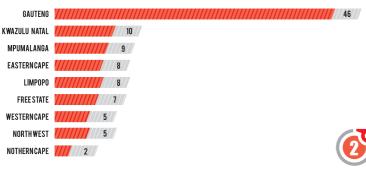
- Intimidating vulnerable people [informal traders, foreigners and women, etc] with fake 'criminal charges' unless a bribe is paid.
- Accepting bribes to make criminal charges or dossiers disappear
- Use of SAPS property for private benefit
- Nepotism and bribery in the appointment of police officers to certain positions
- 96 reports involved traffic police on the roads and 78 related to licensing of drivers or vehicles

- Allegations of corruption in allocating tenders for building RDP houses and supplying building materials
- Manipulation of RDP housing allocation lists
- Allocation of houses to those loyal to councillors or bribe payers
- Extortion to prevent illegal evictions



THE 2012 REPORTS □





The concentration of reports to CW in Gauteng is likely skewed by the fact that:

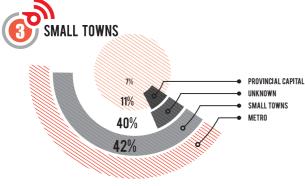
• Gauteng is the most populous province;

 CW is located in Gauteng and most of its communications efforts (including efforts to solicit reports) have targeted the residents of Gauteng;

Having said that, a high number of reports come from small towns across South Africa.

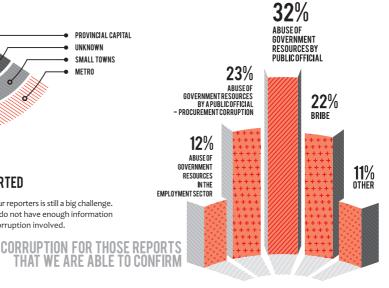


| CORRUPTION TO | | | REPORTS | | REPORTS |
|-----------------------------------|-----------------------------------|-----|---------|-------|---------|
| UNKNOWNINSTITUTIO | VAL LOCATION | | 87 | | 7.0% |
| MUNICIPALITIES | METROPOLITAN MUNICIPALITY | 418 | 184 | 33.9% | 14.99 |
| | LOCAL MUNICIPALITY | | 234 | | 19.09 |
| PROVINCIAL GOVERNM | ENT DEPT / AGENCY / FUNCTION | | 399 | | 32.59 |
| NATIONAL GOVERNMEN | IT DEPARTMENT / AGEMCY / FUNCTION | | 216 | | 17.69 |
| PRIVATE SECTOR COMPANY / BUSINESS | | | 39 | | 3.49 |
| STATE-OWNED ENTERP | RISE (S.O.E OR M.O.E) | | 39 | | 3.49 |
| NON-GONVERNMENT O | RGANISATION . | | 17 | | 1.39 |
| TRADE UNION | | | 12 | | 0.99 |
| TOTAL | | | 1227 | | 100 % |





Getting more detailed information from our reporters is still a big challenge. Some 14% of corruption reports received do not have enough information in them for us to work out the type of corruption involved.



THE IMPORTANCE OF ANONYMITY VS TRUST IN CORRUPTION WATCH

By choosing the reporting channels of SMS, Facebook, e-mail or walk-ins, 61% of reporters reveal either their cell number, email address or name to us. 68% of reporters who used our online reporting system elected to remain anonymous, but a third were prepared to put their names to the allegations.

CW will never reveal the identity of its reporters without their express permission.



USE THESE CHANNELS TO SHOUT!

Awareness is the first step to change.



Our communications efforts

www.corruptionwatch.org.za

Our primary communication platform is our website. It includes a secure place for reporting corruption and allows the public to give us detailed accounts of their experiences, knowledge of corruption, and facilitates easy data-collection

and analysis. The second purpose of the website is to disseminate information about Corruption Watch's activities, campaigns, and news; expose corruption; and inform and educate the public about their rights and other corruption related-information.

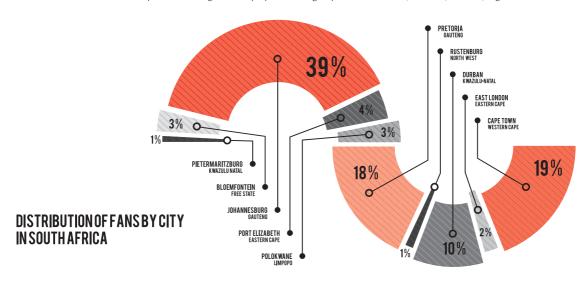
Be our friend on Facebook and follow us on Twitter

With 3425 members, our Facebook page is a site of robust debate and discussion. An additional 8709 individuals follow our regular updates on Twitter.

To reach all the friends of our current fans would give us a potential following of 1-million people. Harnessing the power

of social media enables us to influence social attitudes so we can meet our objectives more rapidly.

Users from 20 countries have accessed our Facebook page, with the top 10 being South Africa, India, US, UK, Germany, Botswana, Australia, Pakistan, Nigeria and Zimbabwe.





TURNING INFORMATION INTO ACTION



WE USE LEGAL STRATEGIES TO ENGAGE WITH PUBLIC BODIES

Corruption Watch uses policy and legal strategies to contribute to making the South African policy and regulatory environment less conducive to corruption. The policy and legal team leads CW's engagement in policy dialogue and in the process of law-making; it

seeks to exploit and strengthen existing mechanisms for gaining access to information and for protecting whistleblowers. It also undertakes strategic litigation designed to gain access to information and to impose consequences on those who engage in corruption.



Submissions to parliament

Example 1: The Protection of State Information Bill (the "Secrecy Bill")

During February 2012 we wrote to the ad hoc committee on the Protection of State Information Bill, expressing our concern regarding the limitations and risks the Bill imposed on the public. We were invited to make submissions in parliament together with other civil society

organisations. The ability to access information is of paramount importance to Corruption Watch, and we are of the view that the Bill, in many respects, offends the principles of openness, transparency and accountability as set out in the Constitution.

Example 2: The Amendment of the SAPS Act (the "Hawks Bill")

Independence from political influence by public officials, especially those in high office, is one of the key elements in achieving a corrupt-free society.

In March 2012 Corruption Watch made a joint submission with the Open Society Foundation, the Institute for Security Studies and the African Policing Civilian Oversight Forum (ACPOF) on the Hawks Bill.

We argued for the Directorate of Priority Crime and Intelligence (DPCI) – which houses the Hawks – to be housed outside SAPS so as to reduce its susceptibility to political influence.

The new version, which was passed into law in September 2012, improves on the prior version; however it still locates the DPCI within SAPS. This makes the Bill susceptible to further challenge.



Legal action

Example: Application to intervene in the Richard Mdluli case

We have applied to the North Gauteng High Court, together with the Social Justice Coalition, to join Freedom Under Law's court application against ex-crime intelligence boss Richard Mdluli.

The application aims to review and set aside the decisions taken by the authorities to withdraw charges against Mdluli. Corruption Watch's interest in the case centres on the unsuitability of Mdluli to hold one

of the most senior law enforcement positions despite being accused of serious criminal acts, including corruption.

If the intervention application is successful, Corruption Watch and the Social Justice Coalition plan to place new evidence before the court. The application, which is expected to be heard in early 2013, is being opposed by Mdluli.



Request for documents in terms of the Promotion of Access to Information Act (PAIA)

Example: Application to access an SIU report

On 16 October 2012 Corruption Watch sent a request to the Special Investigating Unit (SIU), in terms of the Promotion of Access to Information Act (PAIA), to access information pertaining to the SIU's investigation into the Gauteng Health Department and serious maladministration and unlawful expenditure of public money, as well as improper conduct by public officials.

The SIU investigation was initiated by a Presidential Proclamation on 7 May 2010. Corruption Watch, represented by Webber Wentzel Attorneys, has called for disclosure in the public interest and in line with the constitutional values of transparency and accountability. Corruption Watch seeks information on the SIU's investigation to establish the extent and effect of corruption and maladministration

in the provincial health department. Corruption Watch also seeks the information to ascertain whether sufficient steps have been taken by the SIU within its mandate to finalise the investigation.

The Treatment Action Campaign (TAC), whose mission it is to engage in monitoring, advocacy and campaigning within the health sector to ensure access to HIV prevention and treatment, has also requested access to information on the SIU's investigation.

In December the SIU responded to the information requests of CW and TAC, refusing access to all information requested. CW and the TAC see the SIU's approach as unlawful and are preparing to approach the court to have the SIU's decision reviewed and set aside.



TURNING INFORMATION INTO ACTION ...



PARTNERING WITH THE MEDIA TO EXPOSE CORRUPTION

Example 1: Myula Trust

In 2012 we were approached by a whistleblower who alleged that rural development NGO Mvula Trust had obtained a government tender irregularly.

The tender was for a lead agent to manage the Department of Cooperative Governance and Traditional Affairs' (Cogta) Community Works Programme. Corruption Watch's investigations team looked into the allegation and uncovered a number of irregular practices in the awarding of the tender and subsequent management of the contract awarded.

Part of this included the fact that the successful bidder, Myula Trust,

subcontracted a significant part of the awarded contract to a third party.

This arrangement between Mvula Trust and the third party, Ubuntu Sima, was not disclosed in the initial bidding documents as required. A number of questionable links between Mvula Trust and Ubuntu Sima were also uncovered.

We have addressed our concerns about the tender to the directorgeneral of Cogta and have partnered with Eyewitness News and the Daily Maverick to investigate the case further and expose the individuals involved.

Example 2: Neo Africa

While we do our own investigations into some of the reports we get, we also partner with mainstream media to maximise exposure of perpetrators. In this case, we were approached by a whistleblower who alleged that firm Neo Africa, previously known as Neo Solutions, paid bribes to government officials to secure tenders. We were given a tape-recording of a conversation, in which Neo Africa's head speaks about setting aside R3-million to bribe public officials, which we then handed over to City Press for further investigation. The paper sourced a second recording and subsequently wrote a hard-hitting exposé on Neo Africa.

City Press revealed that Neo Africa paid bribes to officials from the Department of Public Works in Gauteng to secure a R23-million contract

in 2007, but Neo Africa's head and government officials involved denied these allegations.

In addition to allegations of tender irregularities, we also learned that Neo Africa was heavily implicated in the Limpopo textbook saga, after a whistleblower submitted documents relating to a contract awarded to EduSolutions to deliver textbooks in the province. We subsequently found out that Neo Africa had been hired to conduct a forensic investigation into the whistleblower's allegations and the results of that probe cleared senior Limpopo education department officials of any wrongdoing relating to the EduSolutions contract. Neo Africa's findings have been refuted by Gobodo Forensic, independent legal expert Pat Ellis and the Special Investigating Unit.



EXPOSING CORRUPTION THROUGH OTHER PLATFORMS:

Department of Transport irregular tender

Last year Corruption Watch received a complaint from a company called Indigo Design alleging that there had been a tender irregularity relating to the International Investor Conference held by the Department of Transport in June 2011.

Indigo Design reported that a communications company, Global Interface Consulting, had been awarded the tender to manage communication for the department to the value of R13.9-million. This amount was apparently significantly higher than the competitor bidder, Indigo Design, which had bid at R3.9-million. Indigo made several failed attempts to contact the department to find out why they had been overlooked for the tender.

Corruption Watch then conducted a preliminary investigation into the matter. There were indeed irregularities in the tender process, confirming Indigo Design's assertions. We also uncovered that Global Interface Consulting, sister company to Global Interface, was a relatively

new business registered in July 2009, while Indigo Design had a much longer history.

Furthermore, there was a possible case of conflict of interest because Global Interface Consulting's parent company had done business for the Department of Transport in the past 12 months, a fact that the company neglected to mention in their bidding documents.

In June Corruption Watch publicised the findings on our website and submitted a preliminary report on the issue to the Public Protector for further investigation.

The office of the Public Protector has acknowledged receipt of Corruption Watch's file on the alleged irregular tender and has communicated that it has commenced a probe into the matter, however, the investigation is still in its early stages.



TURNING INFORMATION INTO ACTION .



CAMPAIGNS

at all times when on duty

The No More Tjo-Tjo campaign meets the Johannesburg Metro Police Dept

The No More Tjo-Tjo campaign was launched on 23 April 2012 with the publication of a hard-hitting report on the extent of corruption and bribery in the Johannesburg Metropolitan Police Department (JMPD). In addition, Corruption Watch made recommendations to the JMPD and the City of Johannesburg, which were widely publicised in the media. One recommendation was for JMPD officers to wear their name badges

The campaign, which is ongoing, also aims to inform people of their rights when it comes to traffic law enforcement. Some 100 000 wallet-sized 'Know your rights' cards were produced and distributed to Johannesburg road-users.

The campaign's major success to date is the positive reception of the Corruption Watch report by the City, which has used it as the basis for their anti-corruption strategy for the JMPD.

All of the report's recommendations have been accepted and extended. The JMPD anti-corruption strategy was launched by Mayor Mpho Parks Tau on 24 October 2012, with Corruption Watch present.

Corruption Watch will continue to monitor the implementation of the City's programme.



SA's youth: building an anti-corruption army

One of Corruption Watch's key constituents in the fight against corruption is young South Africans. They're the future of the country, but more importantly they inform the current attitudes and behaviours towards corruption. They are the trend-setters and therefore the most significant players in the anti-corruption fight.

enthusiastically, pledging their support for the anti-corruption fight and acknowledging the need for more people to talk openly about the issues. The programme gave a vital platform to the youth to voice the challenges they face in the fight against corruption.

Example 1:

In 2012 Corruption Watch had a regular Friday morning slot on YFM to share ideas on how young people can become active participants in the fight against corruption. The weekly topics were based on issues that directly affect youngsters and were linked to cases of corruption reported to us through our various channels. Listeners, who were encouraged to call in and join the discussion, responded

Example 2:

Students added their voice to the anti-corruption movement at a Human Rights Day event held at the University of KwaZulu-Natal's Pietermaritzburg campus. In a debate, hosted by CW and the local branch of Students for Law and Social Justice, students highlighted that the duty of ensuring social equality lies not only with government, but every citizen of the country. A number of participants raised the issue of high levels of inequality in South Africa, and how it was vital for the privileged to acknowledge their broader responsibilities.



The pledge: committing to a non-corrupt SA

By signing our anti-corruption pledge, young South Africans are encouraged to take a stand and think deeper about the ethos passed on to the next generation of public and private sector leaders. In the next few months Corruption Watch will be reaching out to other institutions, where young people are present, to engage and educate them about corruption and its consequences. The pledge provides an ideal platform to initiate discussions around ethical leadership, active citizenry and activism. The pledge campaign aims to build an army of youngsters who become active participants in fighting corruption, rather than passive victims.

The very first pledge signatories were at the launch of Corruption Watch in 2012 and included panellists Justice Minister Jeff Radebe, Cosatu general secretary Zwelinzima Vavi, Public Protector Thuli Madonsela and Corruption Watch director David Lewis.

Other distinguished South Africans who signed the pledge at the launch were liberation stalwart Ahmed Kathrada, political and social activist Jay Naidoo, former director-general of higher education Mary Metcalfe, Section27's advocate Adila Hassim and Mark Heywood, political economist Moeletsi Mbeki, former director-general of Home Affairs Mavuso Msimang and former Anglican Archbishop Njongonkulu Ndungane. Several other institutions were also represented and signed the pledge.

In May 2012 Corruption Watch participated in the first university pledgesigning ceremony, hosted by Rhodes University Vice-Chancellor Dr Saleem Badat. The University of Johannesburg also hosted similar events in the second half of the year, while Cosatu circulated the pledge to its affiliates.



OUR STRATEGY FOR

In our first year the South African public demonstrated its willingness to speak out against corruption and we learned that people respond positively to seeing others do the same.

This is why in 2013 we will be renewing our efforts to encourage people to report their experiences of corruption to us. Our ongoing campaign against bribery on the roads in Johannesburg has taught us the value of focussed projects. Based on the reports we have received, four key areas have been selected for this year.



2013 STRATEGY □





We have received reports that show wide-scale misappropriation of school funds. While the individual amounts involved may not be large compared to the reports of tender corruption, they often make the difference between having an extra classroom or a library. We have also received reports of payments being made to ghost teachers.



Corruption in small towns



Again, we have received widespread reports of favouritism in appointments and the accompanying abuse of public resources. We will be focusing our attention on selected small towns so we can gain a better understanding of the particular problems they face and how such difficulties can be confronted.



Corruption in public procurement and supply chair management



We appeal to the public to continue reporting these large-scale abuses so we can keep on investigating the reported cases and exposing the perpetrators. We will continue to encourage a public discussion about how our procurement systems can be tightened to reduce their vulnerability to corruption. We will also undertake a project focused on the procurement of medicines for the public healthcare system.



Public education campaign directed at the youth





There is disturbing evidence from international surveys that shows people under the age of 30 are more willing to pay a bribe than their parents. Our public education campaign will focus on communicating to young people:

- How increasing levels of corruption will affect their future and that of their country.
- Why it's not cool to engage in corruption.
- Youngsters can and should lead their communities in rejecting corruption.



These focal points will teach us much about how corruption takes place and what has to be done to combat it. Our learnings will be applied to other parts of the country as well.

These focussed exercises will not detract from Corruption Watch's general appeal to the public to report any and every experience of corruption. We will continue to expose the perpetrators, we will carry on identifying and publicising hot-spots of corruption, and we will not stop confronting the authorities with the evidence the public presents to us.



CHAIR'S REPORT

Vuyiseka Dubula

Almost a year has passed since the establishment of Corruption Watch, an organisation formed by civil society to monitor, investigate and report corruption in South Africa. Since its birth in January 2012, Corruption Watch has been promoting public awareness and responsibility in reporting corruption. The organisation provides a platform for people to expose corrupt acts. By reporting corruption, people show they are refusing to allow it to become an embedded culture within our society.

Looking at the rising number of corrupt acts reported, it is of utmost importance that a corruption watchdog exists. The presence of a civic organisation like Corruption Watch represents a commitment to take responsibility for the future of South Africa. It confirms that we have not given up on our collective power as the public and are finding ways to hold our leaders accountable.

In recent years the numbers of individuals abusing power and public resources have risen at an astonishing rate. While the impact is felt by all South Africans, the people who pay the highest price are those who have the least. They are the ones who are immensely reliant on the state for public healthcare, public education, public housing, public transport and security – but constantly face the absence of service delivery due to corruption and mismanagement of public resources.

The complaints received by Corruption Watch expose the prevalence of corruption in small towns where people do not have viable platforms to report and fight against the corrupt. Communities most affected have every right to make the loudest noise about the effects of corruption in their daily lives. The abuse of public resources robs them of essential services and, dare I mention, strips away their human dignity. Sufficient tools and platforms that will enhance the capabilities of communities to detect and report corruption should be easily accessible. Within the next year

Corruption Watch will extend its reach to marginalised communities and offer credible channels through which all who live in South Africa can take a stand and let their voices be heard.

In our short existence we've recognised that there are many in leadership positions, both in public and private sectors, who share our concerns. We will work with them to isolate those in positions of power who participate or condone acts of corruption. We will work closely with other civil society organisations who share our concerns. I would like to reiterate that Corruption Watch belongs to the people, and its campaigns are driven by proactive and patriotic individuals and organisations that seek to protect the fruits of democracy and promote fairness, accountability and transparency.





'The corruption of the best things gives rise to the worst."

THOSE WHO GUIDE US



Adila Hassim

Corruption Watch is an independent organisation with no political or business alignment. I think that this is an imperative for tackling corruption. Over the last year Corruption Watch has begun to establish itself as an institution to be taken seriously. Much of the work it has done so far has been behind the scenes. This year, I

expect that Corruption Watch will be more visible. The fight against corruption needs to be embedded in communities and discussed in local media in more than one language. I am confident that Corruption Watch will continue to be a credible leader in the fight against corruption.



Corruption can only occur when individuals and organisations offer bribes in return for favours of some kind. Therefore, the fight against corruption needs to start with the bribe giver, which is why Corruption Watch is so vital in mobilising South Africa's 51-million citizens against giving bribes. The organisation also has an important role to play in providing a credible avenue for individuals and organisations to report corrupt acts. Corruption Watch's third key role is to facilitate, prod, and

ensure that reported corruption is, in fact, properly investigated and that the individuals and organisations responsible are held to account with real consequences. This young organisation has started very well. My hope for this year is broader mobilisation of our nation and a changed behaviour symbolised by hundreds of thousands more people signing the Corruption Watch anti-corruption pledge.



Mavuso Msimang

Corruption Watch is important because it has become necessary to formally take a public stand against rampant corruption that is taking place in society to the detriment of the citizenry. The consequence of such corrupt practices has been a corrosion of public confidence in the institutions that have been set up to provide essential services. Corruption is manifested in a variety of ways, including denial of a service unless a bribe is paid, subverting the execution of justice and other inequities. The purpose of Corruption Watch is to give the public a platform for airing the malpractices and to assist those in authority by identifying their corrupt employees so that corrective action can be taken against them.

Corruption Watch has been successful in encouraging people to report corruption and to form informal networks that discuss their experiences and strategies in combating the scourge. Where there has been cooperation, institutions plagued with corruption have made some progress in dealing with the malaise. It is important to firm up the strategies that have been adopted and to give them a chance to take root. More and more people must be drawn into corruption-combating efforts. Resources must be mobilised to carry out various activities that are required to detect and expose corruption. These include detective work, forensics, legal and other services.



Zwelinzima Vavi

Corruption unravels the fabric of our society and undermines the great progress we have made to build a democracy. The cost of corruption is adversely felt by those who depend upon public resources for their wellbeing. Therefore, it is fitting for organisations like Corruption Watch to hold the custodians of public resources accountable and demand transparency. Corruption Watch has created platforms that make it easier for people to report corruption. The channels are open for people to use and make their voices louder.

The fight against corruption demands collaboration and collective effort. In other words, each and every voice against corruption is indispensable. Therefore, emphasis on public education is of utmost importance. Knowledge is an influential element that enables individuals to be gallant enough to take a stand. I expect Corruption Watch to do more work on public education, making sure it reaches all corners of South Africa in various languages.

THOSE WHO GUIDE US ...



Archbishop Njongonkulu Ndungane

⁶⁶Author G Edward Griffin once said: "To oppose corruption in government is the highest obligation of patriotism". I would like to add that ANY corruption, not just in government, is intolerable. It is a cancer that is eating at the soul of South Africa and therefore all attempts to fight and eradicate it are welcome. Corruption Watch is one of a few civil society organisations established with the core purpose of investigating cases of corruption and nepotism, and exposing the perpetrators in public. The number of people who abuse power and public resources for personal gain has increased phenomenally in recent years. While the impact is felt by all South Africans, those who bear the greatest costs are the poorest of the poor who depend on the state for healthcare, education, housing, transport and security - all

'services' that have deteriorated significantly in the communities of the marginalised. If South Africans were to be less tolerant towards corruption, policies would be developed to reduce further opportunities. South Africans' attitudes would also change if perpetrators were named and shamed and punished. More people will report corruption if it becomes less socially acceptable and less tolerated. The fight against corruption is like running a marathon - it requires stamina, perseverance, endurance and the crowds of supporters on the roadside to cheer it on with words of encouragement. We need to scale up our efforts with the support from civil society. Human greed has grabbed our souls and destroyed the dream of our forebears. It's time to change our narrative.



Mary Metcalfe

Corruption Watch is a resource to both individuals and organisations who wish to combat corruption. It has developed a solid institutional base, a visible profile, and research and investigative capacity. It is ready to function as a vehicle to receive and process information and take forward both campaigns and strategic interventions. All of these activities give muscle to the desire of so many South Africans who wish to contribute to the combating of corruption - which in essence we understand to be stealing resources from the poor and thereby frustrating development. The first year of Corruption Watch's life has necessarily been about establishing a strong institutional base. In addition to this, it has received a steady stream of information from the public which is being processed, and has run some highly visible campaigns. I was very pleased that both the President in his State of the Nation address,

and the Minister of Finance in his Budget Speech made special acknowledgement of the contribution of Corruption Watch as an important vehicle to assist the country in dealing with one of our major challenges.

We need to make sure that all organisations with strong mass-based constituencies and membership – the faith-based communities, the unions, academic organisations, youth organisations, civic organisations, and employers – use Corruption Watch as their resource, driving and directing its campaigns, and making sure that all their members make a positive pledge to never be involved in any act of corruption, and to use Corruption Watch to combat corruption. This is an institution which must belong to the people, and its campaigns must be driven by all progressive and patriotic individuals and organisations.



Kate O' Regar

Corruption Watch seeks to stop the development of a culture of corruption in South Africa. This is important for two reasons. Firstly, corruption diverts scarce public resources into the pockets of the few to the continued impoverishment of the many. Secondly, corruption breeds distrust in public institutions and is thus destructive of democracy. Corruption Watch is just turning one year old. Although it has made a good start, it is too soon to say it has made a major contribution. A highlight of the first year has been the Johannesburg Metro Police Department "No More Tjo-tjo" campaign. If we can destroy the practice

of bribery in the JMPD, that will be a victory, but we cannot call it that yet. This year, the organisation needs to explain to South Africans why corruption is harmful. Corruption is not a legitimate way to address the inequality that apartheid and colonialism caused. On the contrary, corruption will undermine service delivery and destroy our democracy. Corruption Watch needs to build strong alliances with civil society to spread this message. It is a simple message: corruption destroys. We can stop corruption by never paying or taking bribes whether in the public or private sphere.

FUNDERS AND SUPPORTERS

WE CANNOT BE BOUGHT BUT WE DO NEED TO BE FUNDED



Corruption Watch would like to thank and acknowledge the support of our funders and sponsors during our first year, who ensured that our advocacy role was supported financially and logistically. As a result we have been able to significantly contribute, together with other people, towards increasing transparency and accountability of those in positions of power.

Businesses

Aveng Group

The Aveng construction and engineering group, based in South Africa, focuses on a number of market sectors, including power, mining, infrastructure, commercial and industrial, oil and gas. The group believes that elected politicians and civil servants are not the only people responsible for upholding values of trust and integrity in our society.

Business Leadership South Africa

Business Leadership South Africa is an association of the country's largest corporations and major multinational companies that have a significant presence in South Africa. It is committed to achieving high growth, greater employment, inclusivity and the reduction of poverty.

Cheadle Thompson & Haysom

Cheadle Thompson & Haysom is a leading South African law firm with a team of highly specialised, skilled and committed lawyers, concentrating on constitutional law, labour law, public sector law, communications, media and information technology law and commercial, corporate and competition law.

Draftfcb

Draftfcb is a network of specialist partners extending from Cape Town to Durban, including full-service advertising agencies, social marketing, design, digital, experiential marketing, retail, healthcare and PR.

Ernst & Young

Ernst & Young is a leading financial services company promising new technologies and continuous change, and so remaining at the forefront in times of rapid globalisation. The focus of the company is on entrepreneurship, education and environmental sustainability.

J&J Group

The J&J Group is an investment holding and management company with interests in businesses operating in the financial services, healthcare, information technology and industrial sectors. It contributes to economic growth and development, as well as broader participation in the economy.

Resolve Group

Resolve is a collection of specialist consulting companies bound by a common vision and driven by common values. They are experts in people, performance and change, and have been making a difference since 1997.

SAB Limited

South African Breweries (SAB) Ltd is the local subsidiary of SABMiller, one of the world's largest brewers by volume. SAB is the country's premier brewer and leading distributor of beer and soft drinks. It aims to play a formative role in tackling social- and health-related challenges in the country.

Civic organisations

Section27

Section27 is a public interest law centre that uses and develops the law to advance human rights. It is named after Section 27 of the Constitution, which lies at the heart of our supreme law's commitment to socio-economic rights. The organisation was established in May 2010 and incorporates the Aids Law Project, one of South Africa's most successful post-apartheid human rights organisations.

Unions

Congress of South African Trade Unions (Cosatu)

The Congress of South African Trade Unions is a labour federation that launched in December 1985. It represents more than 2-million workers through 19 affiliate unions.



FUNDERS AND SUPPORTERS □

Foundations

Andrew Roberts Memorial Fund

The Andrew Roberts Memorial Fund is a family charity started by Dr Mary Ellis in remembrance of her father, Dr Andrew Roberts who died in 1982. The fund aims to support and further develop social justice projects in South Africa.

Atlantic Philanthropies

The Atlantic Philanthropies are dedicated to bringing about a lasting change in the lives of disadvantaged and vulnerable people. Atlantic is a limited life foundation focused on four critical social issues: Ageing, Children & Youth, Population Health and Reconciliation & Human Rights. Programmes funded by Atlantic operate in Australia, Bermuda, Northern Ireland, the Republic of Ireland. South Africa, the United States and Vietnam.

Bertha Foundation

The Bertha Foundation is dedicated to supporting judicial and non-judicial justice initiatives to protect basic human rights. It is also involved in social movements, serving the public interest, improving the quality of lives and supporting new generations of activists.

Claude Leon Foundation

The Claude Leon Foundation is a charitable trust established in 1963 and works in the fields of education and human rights. The foundation supports nongovernmental organisations that are at the forefront of defending democracy and better education in South Africa, and promoting good governance and effective service delivery.

HCI Foundation and Seardel

The HCI Foundation is an independent trust, controlled by its trustees, drawn from people across the spectra of social development and financial experience.

Hivos

The Humanist Institute for Cooperation with Developing Countries (Hivos) is an international development organisation guided by humanist values. Together with local civil society organisations in developing countries, Hivos wants to contribute to a free, fair and sustainable world.

J&J Group Development Trust

The J&J Group Development Trust is the social development arm of the J&J Group. It supports entrepreneurial models of development to improve the quality of life and social growth of communities. It works with communities, non-governmental organisations and the government.

Media

Caxton Auto Dealer Community Newspaper

The Caxton Auto Dealer Community Newspaper is a weekly motoring supplement. It is distributed in Gauteng, KwaZulu-Natal, Mpumalanga and North West.

Kagiso Media

Kagiso Media is a black-owned and managed investment holding company with interests in substantial media assets. It operates East Coast Radio in KwaZulu-Natal, and Jacaranda FM, which broadcasts into Gauteng, Limpopo, North West and Mpumalanga.

Lead SA

Lead SA is a Primedia Broadcasting initiative, supported by Independent Newspapers. Lead SA recognises that there are millions of ordinary South Africans who continually seek to do the right thing for themselves, for their families and for their country.

Magi

The Multi-Agency Grants Initiative (Magi) is a collaborative venture between Hivos; the Atlantic Philanthropies; Uthando, a South African non-profit organisation; and the Ford Foundation. Set up in 2006, its purpose is to provide small grant funding to organisations at community level.

Millennium Trust

Millennium Trust is a private and independent trust. It supports innovative answers contributing to sustained economic growth, high quality education, informed public debate, independent democratic institutions and efficient service delivery in South Africa.

Open Society Foundation SA

The Open Society Foundation for South Africa is part of the international Soros foundations network. It is a grant-making foundation which encourages new approaches to an open society in South Africa and supports activities mainly in the fields of human rights, media, criminal justice and governance.

Openheimer Memorial Trust

The Oppenheimer Memorial Trust mainly provides study grants to deserving South African postgraduate students and academics. The trust made an extraordinary grant to support the establishment of Corruption Watch.

Raith Foundation

The Raith Foundation aims to further a just and fair society in which the state and the private sector are held accountable for their actions.

Sigrid Rausing Trust

The Sigrid Rausing Trust is a grant-making foundation founded in 1995 by Sigrid Rausing to support human rights globally. Since then, the trust has given away approximately R2.7-billion to human rights organisations all over the world

Naspers

Naspers is a leading multinational media group, incorporated in 1915 as a public limited liability company, and listed on the Johannesburg Stock Exchange in September 1994. The company also has an ADR listing on the London Stock Exchange. Naspers has assisted us in the building of our website and in the printing and distribution of this report.

Primedia

Primedia comprises corporate communications and investment road show specialists, providing personalised communications solutions to growth companies. Its team is customer service- and results-oriented to meet clients' visual and verbal communications needs.

Media that supported us on special projects:

YFM Jacaranda Radio Radio 702 Caxton Auto Dealer Community Newspaper Sunday Times Business Report City Press



Report # 15: "Nurses at the state hospital in East Rand solicit bribes in exchange for healthcare."

HOW YOU CAN HELP US ...



Many corruption cases reported to us by the public can't be taken further because they have too little detail. Follow this diagram to find out exactly what we're looking for:

| TOTAL STREET | |
|--------------|---|
| | - |
| | |
| | |
| | |
| 1 | |

WHY WE NEED TO KNOW THIS

HERE IS AN EXAMPLE

WHEN DID THE CORRUPTION HAPPEN?

This helps us get background information to the circumstances at the time. We generally don't deal with corruption that happened before 2010, as investigating and finding evidence of corruption that happened that long ago is very difficult. "In October 2012, corruption relating to...

WHAT TYPE OF CORRUPTION HAPPENED?

This helps us group your case with similar reports so we can investigate further or analyse trends.

Types of corruption include:

- Payment of a bribe and request for a bribe (in order to secure access to a public resource like a government tender, or to avoid a kind of sanction, like getting a fine for skipping a red
- Abuse of power or abuse of resources by a public official
- Abuse of government resources by an private person or private company
- person or private company

 Corruption related to a tender or procurement procedure
- Abuse of Lotto resources or Lotto money or charity funds donated by the public
- · Abuse of union funds
- Corruption related to a recruitment, appointment or promotion process in the public sector
- Ghost workers or fake employees on the payroll receiving salaries in the public sector
 Fraud in an election process
- Victimisation of, or threats against individual/s who reported corruption

"... a tender process for the purchasing of a new IT system for..."

IN WHICH INSTITUTION DID THE CORRUPTION HAPPEN?

To analyse, mobilise around or investigate a report received, we need to know where the public power or resources were housed

"... in the Chris Hani District Municipality ..."

IN WHICH DEPARTMENT DID THE CORRUPTION HAPPEN?

This helps us group reports that relate to similar sectors where public power and resources are abused, such as health, education and transport

"... Department for Local Economic Development ..."

WHAT EXACTLY HAPPENED?

We need a detailed description of the corruption that occurred so we can work out what action needs to be taken

"Tender number XX/YYYY was issued by the department to procure a small enterprise development management system in July 2012. Four bidders submitted tenders. Bidding company 3, whose CEO is married to the principal of the local private primary school, offered 2 members of the bid evaluation committee free tuition for their children. They were awarded the tender even though its bid price was the 2nd most expensive, and the technology that they offered was not the best available."

IN WHICH PROVINCE DID THE CORRUPTION HAPPEN?

To analyse, mobilise around or investigate a report received, we need to know the geographic location where the corruption occurred.

"... in Nelspruit in Mpumalanga."

WHAT EVIDENCE DO YOU HAVE THAT THIS CORRUPTION ACTUALLY OCCURRED?

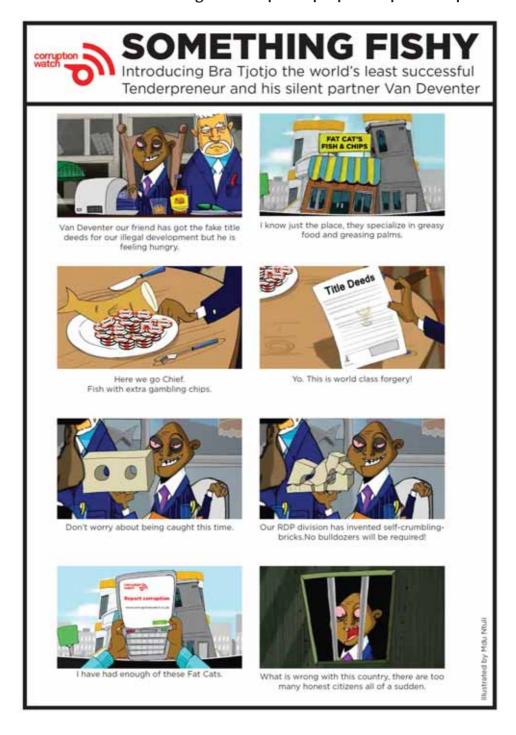
While reporters may believe that some corruption has happened, without some evidence or insider knowledge, it is difficult for Corruption Watch to ascertain whether the corruption actually did happen.

"I have a friend that also sits on the bid evaluation committee who told me that Mr Doe and Mrs Smith pressurised the rest of the committee into accepting bidder company 3. He kept minutes of that meeting which he is willing to share with Corruption Watch. If Corruption Watch can assist him in protecting himself, he is willing to come forward and blow the whistle."

WHO EXACTLY WAS INVOLVED?

To take the report further, Corruption Watch needs a lot of detail about the perpetrators of the corruption

"Bid committee members involved were Mr John Doe and Mrs Jane Smith. Bidding company 3 is called, "IT Service Provider (Pty) Ltd and the CEO's name is Mr Jack Jones. Mr Jones' wife, the principal at Nelspruit Private Primary school is Mrs June Jones." Popular animator and satirist Mdu Ntuli has developed a character called Bra Tjotjo. He will be the face of our 2013 public awareness campaign across different media designed to empower people to report corruption.



REPORT CORRUPTION:

Website: www.corruptionwatch.org.za SMS: the word BRIBE to 45142 Phone: 011 447 1472 Email: info@corruptionwatch.org.za