



Building a capable and ethical state

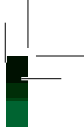
# Your voice counts



agriculture, land reform  
& rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA





# Foreword by the Chief Risk Officer

South Africa's commitment in the fight against fraud and corruption is well communicated and known. The government has put in place several mechanisms and oversight bodies that specialise in combating corruption offences.

These oversight bodies are:

- Anti-Corruption Task Team (ACTT),
- Directorate of Priority Crime Investigation (DPCI),
- National Prosecuting Authority (NPA),
- Specialised Commercial Crimes Unit (SCCU),
- Special Investigation Unit (SIU),
- National Anti-Corruption Forum (NACF)
- The Public Protector (PP)

In addition to the abovementioned oversight bodies, South Africa has a stringent regulatory environment in the form of policies and Acts. Furthermore, each public sector organisation has internal structures dedicated to preventing and combating fraud and corruption. The legislation promotes the application of punitive measures in the form of fines, penalties, and imprisonments, depending on the offence.

The Transparency International (TI) uses a corruption perceptions index (CPI) to score and rank countries based on how corrupt a country's public sector is perceived to be by experts and business executives. In the 2019 CPI, South Africa scored 44/100 and was ranked number 70/198. The low score shows that country's performance in dealing with fraud and corruption is poor. The CPI report shows South Africa has not improved in the past four years as it scored 43/100 (2018), 43/100 (2017) and 45/100 (2016).

South Africa has constantly shown a poor standing on the scoring and ranking of TI. The TI is one of many organisations that provide indicators of fraud and corruption, yet none of these put South Africa in a good light. It is for this reason that the government, in its 2019-2024 Medium Term Strategic Framework (MTSF), made emphasis on strengthening, through frequent awareness and holding people accountable for their fraudulent and corrupt actions.

In addition to this, the government has set its own seven priorities, including being 'a capable, ethical and developmental state'. This shows that the government is, again, condemning and standing up against fraud and corruption. The department has put in place plans to fight fraud and unethical behaviour through making awareness and other preventative measures. It is, however, important to note that awareness programmes alone will never be adequately effective to eradicate fraud and corruption. The government needs to implement more deterrence measures through enforcing the existing laws.

Nevertheless, employees are required to blow the whistle on fraud and corruption. Each person's NO counts. We need to continue to say 'NO TO CORRUPTION' and crush its ugly head wherever it surfaces. This booklet aims to provide guidance on ethical issues that employees need to comply with to ensure that they uphold the law, as public servants should be at the forefront in fighting this fraud and corruption pandemic.

# INTRODUCTION

## Opposing corruption in government is the highest obligation of patriotism

In the 2019-2024 MTSF, more emphasis is made with an aim to reduce fraud and corruption in the country. The MTSF is a translation of the government's priorities outlined by the president in the 2019 State of the Nation Address (SONA). The first MTSF's priority is 'A CAPABLE, ETHICAL AND DEVELOPMENT STATE'.

The Constitution of the Republic of South Africa, 1996, Chapter 10, requires that the public service, amongst others, to maintain and promote a high standard of professional ethics, promote efficient, economic and effective use of resources, and is accountable for its actions. Furthermore, the Constitution of the Republic of South Africa, the Public Service Code of Conduct and the Service Charter are the guiding documents for how the public servants are expected to behave themselves when doing their work.

It is in this context that we issue this guide to ensure that employees of the Department of Agriculture, Land Reform and Rural Development (DALRRD) understand what is expected of them, to ensure that they promote the values and create an ethical environment. The discussion paper of the National Anti-Corruption Strategy proposes a vision of a South Africa that has:

- an ethical and accountable state, business and civil society sectors in which those in positions of power and authority act with integrity;
- citizens who respect the rule of law and are empowered to hold those in power to account; and
- zero tolerance of corruption in any sphere of activity and substantially reduced levels of corruption.

Policy proposals for reducing corruption and improving accountability and transparency of the public and private sectors are articulated in the National Development Plan (NDP). The NDP contains proposals for building a resilient anti-corruption system through strengthening the protection of whistle-blowers; developing greater central oversight over the awarding of large tenders or tenders with long duration; It also outlines proposals for strengthening the accountability and responsibility of public servants as well as judicial governance and the rule of law.

Notwithstanding these efforts, Transparency International's latest global Public sector Corruption Perception Index demonstrates that South Africa has a serious corruption problem. Corruption undermines the values of the Republic's constitution and progress towards greater social and economic transformation as well as democratic processes. It does not only result in the loss of state revenue for economic and social development and service delivery, but also erodes the capacity and legitimacy of the State.

There is a growing recognition that it is not possible to legislate honesty, thus the need to focus on ethical leadership and building an ethical organisational culture as outlined in the latest King IV report on corporate governance. As a department, we endeavour to improve employees' awareness of their rights and responsibilities relevant to the fight against corruption.

Corruption is the enemy of good and is detrimental to effective, accountable and transparent governance, which affects the service delivery of DALRRD. The management of DALRRD continues to develop initiatives to combat fraud

and corruption with a strong focus on a whistle blowing that is encourages staff to come forward and report every kind of damaging fraudulent and corrupt behaviour.

We want our department to be the flagship in promoting anti-corruption and fraud, supporting the DALRRD's policy of zero tolerance towards fraud, corruption, maladministration and all other acts of dishonesty.

This can only work if more of us in our department 'blow the whistle' on fraud and corrupt behaviour whenever we witness it in the workplace.

### **A show of strength by government against corruption**

Fraud and corruption in society will continue to be of national importance. The NDP highlights that the combatting and eradication of corruption is a priority for South Africa, specifically as a focus area within its 2030 vision. The NDP envisions an ethical and accountable state, business and civil society sectors in which those in positions of power and authority act with integrity and citizens that respect the rule of law.

The NDP vision provides the point of departure for the development of a National Anti-Corruption Strategy and calls for a "whole government and society approach.

We must continue to raise awareness about the positive anti-corruption initiatives of government and its partners in the fight against corruption and promote good governance and ethical conduct in the workplace.

Let us show our intolerance towards fraud and corruption and report them.

### **Corruption is everywhere, but then so are whistle-blowers, therefore, fighting corruption becomes everyone's duty.**

Fraud and corruption continue to taint government departments and that includes the DALRRD. According to the labour relations office, some employees have been operating in syndicates to fraudulently benefit relatives or



**BLOW THE WHISTLE & REPORT CORRUPTION**

**“Government will not tolerate any act of corruption and of the illegal diversion of state resources meant for the vulnerable and destitute.”**

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themselves in several land reform, land restitution and agricultural development projects. Contrary to popular belief, no one form of corruption is more serious than another. Corruption is corruption and all forms of it is punishable and career debilitating. In some cases, the penalty for fraud and corrupt practices is imprisonment.

At the DALRRD, we are making every effort to bring these criminals to book regardless of the position they hold at the department. We shall continue to encourage staff to blow the whistle on those responsible for corrupt and fraudulent behaviour, some of which are listed below:

- Making misrepresentations and fabrication in the designated memorandums.
- Naming people as beneficiaries that have not applied to be beneficiaries.
- Using copies of identity documents without the owners' permissions to acquire farms.
- Illegally inflating prices of farms and its properties.
- Duplication of beneficiaries -one person being a beneficiary in more than one farm.
- Forging names/signatures of evaluators and forging signatures of farm workers.
- Diverting the sale of farms to private companies to benefit already rich individuals.
- Running of private businesses by officials without the department's permission.
- Collusion between conveyancers and employees.
- Generating fraudulent Deeds documents, resulting in illegal transfer of land.
- Fraudulent subsistence and travel (S&T) claims.
- Offering/ accepting gifts in order for another person to act dishonestly or illegally.

### Other widespread forms of corruption whistle blowers should report:

- **Bribery:** Offering a benefit that improperly influences the actions or decisions of the recipient.
- **Cover Quoting:** It involves actions to ensure that a pre-determined service provider wins the bid by colluding between the procumbent officer and the service providers.
- **Kickbacks:** This refers to a part of income paid to a person having influence over the size or payment of the income/awarding of a tender by illegal arrangement.
- **Abuse of Power:** This is a situation in which the head of office expresses the tender contract is awarded to a specific service provider, before the actual selection of a successful contractor.
- **Nepotism:** This is a situation where the head of office in a particular province ensures that only persons from the same ethnic group are employed in that office or they are awarded the tenders.
- **Conflict of interest:** An official awards tender to a company, which his/ her partner is a director.
- **Favouritism:** A public servant shows unfair favour towards relatives and friends.
- **Embezzlement:** It involves theft of resources by a person entrusted with authority.

### Seeking a department free of fraud and corruption through honesty and integrity.

The only significant way to combat fraud and corruption is to nip it in the bud, by reporting illegal actions witnessed as soon as you become aware of them. Section 34 (1) of the Prevention and Combating of Corrupt Activities Act (PACC) requires: Any person who holds a position of authority and who knows or ought reasonably to have known or suspected that any other person has committed offences as mentioned. Any person who witnesses or suspects an offence of theft, fraud, forgery, extortion uttering of forged documentation involving R100 000 or more must report such knowledge or suspicion. It is also the duty of all employees to live by a personal code of conduct and to do the right thing by reporting illegal and fraudulent behaviour. In pursuit of giving our department a clean and honest bill of health, let us work and keep its key values of honesty and integrity:

The Whistle Blowing Policy and Protected Disclosures Acts are in place to ensure you can safely blow the whistle on corrupt practices. You will be protected in that your work and job will not be affected as information received and investigated relating to fraud and corruption will be treated with strict confidentiality.

### **Blowing the whistle on fraud and corruption will encourage a ‘clean culture’**

Paragraph 4.4.10 of the Code of Conduct for the Public Service states that: “An employee, in the course of his or her official duties, shall report to the appropriate authorities, fraud, corruption, nepotism, maladministration and any other act, which constitutes an offence, or which is prejudicial to the public interest.”

Corruption is a key factor of social breakdown, where it can easily disrupt the social balance and, is extremely harmful to any community. The “get rich quick” ethos destroys trust and confidence, contributing towards administration losing its credibility and hence a climate for social instability and lawlessness is created. Corruption frustrates the economic system by prompting disincentive to investment by either foreign or local entrepreneurs. The impact of corruption also erodes the public trust and the confidence in our democracy.

By working together, we can beat fraud and corruption and prevent it from reaching epidemic proportions. It is the duty of all employees to report any illegal actions, dishonest behaviour or corrupt practices to the relevant authority listed at the back of this booklet.

### **Who is most likely to commit fraud and corruption?**

There are many hard working and honest people at DALRRD who believe in doing what is right for the department, for themselves and for their families. They can hold their heads up high with pride knowing that being honest at work is the best policy.

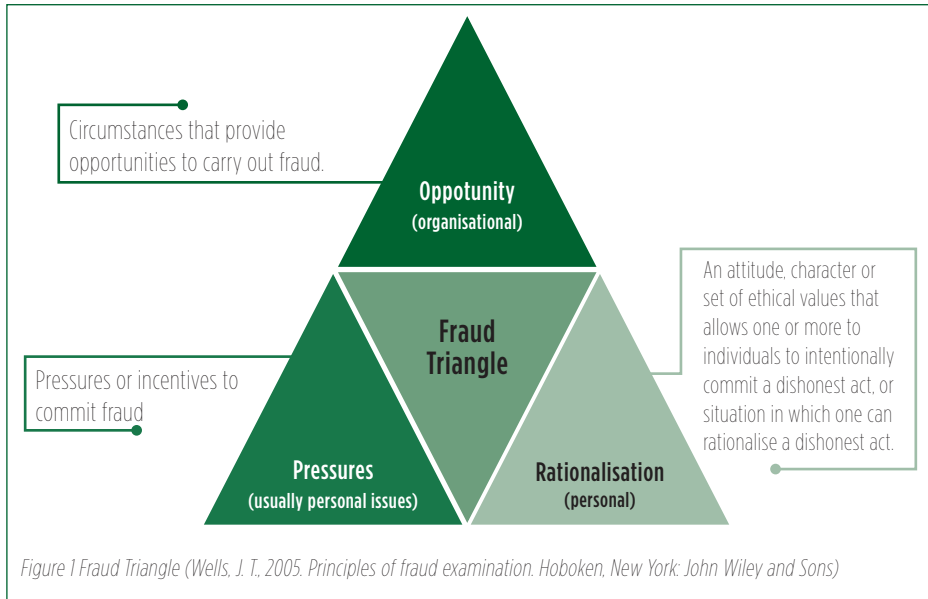
There is however, a minority who cross the legal line and commit acts of fraud and corruption just to make an easy buck. There is simply no excuse for people to break the law, yet a research by the Association of Certified Fraud



**BLOW THE WHISTLE & REPORT CORRUPTION**

**“Public Servants must report to the relevant authorities, fraud, corruption, nepotism and any other act which constitutes a contravention of any law.”**

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Examiners (ACFE) has shown the following as the most common behavioural Red flags displayed by perpetrators:

- Living beyond one's means (36% of cases)
- Unusually close association with service providers (19%)
- Control issues; unwillingness to share duties (18%)
- "Wheeler-dealer" attitude (15%)
- Irritability, Suspiciousness or defensiveness (13%)
- Addiction problems (8%)
- Refusal to take vacations (7%)

Reasons for committing fraud and corruption

- Experiencing financial difficulties (27% of cases)
- Greed fuelled by 'Bling Bling' culture
- Undue family of peer pressure
- Excessive gambling habits'
- A feeling of being underpaid and overworked
- Strong financial pressure on individuals;
- Attitude or rationalisation of fraud as being ok; and
- Perceived opportunity to commit and conceal fraud.

Regardless of an individual's personal financial circumstances, there is no reasonable excuse to resort to fraud and corruption. We all encounter difficulties from time to time, but it is our responsibility to work through them. The department has declared a zero tolerance stance towards fraud, corruption and maladministration, and any other act of dishonesty. If you break the law, you will pay for your actions. You will lose your job, your dignity and you may even lose your freedom.



## International Anti-Corruption Day 9 December

*'Stories behind bars'*

December 9 was declared the International Anti-Corruption Day, when the UN General Assembly adopted the UN Convention against Corruption (UNCAC) in 2003.

This has been assembled as a united worldwide front against corruption for development, peace and security. Every year \$1 trillion is paid in bribes while an estimated \$2.6 trillion are stolen annually through corruption. The International Ant-Corruption Day raises awareness of corruption undermining social and economic development in all societies and effective and constructive ways to combat the criminal waste of much-needed resources.

One of the key initiatives on International Anti-corruption Day in South Africa was a focus on the consequence of committing acts of fraud and corruption. 'Stories behind bars' was a special show that saw real-life women prisoners tell their stories up close and personal to an audience from the DALRRD. It was a powerful and revealing expose of why fraud and corruption does not pay and how it can easily ruin lives. The government will be introducing further initiatives in the near future to combat and deter fraud and corruption within the workplace.

### **A code of conduct we must follow for an honest story.**

The Constitution of the Republic of South Africa, 1996, section 195(1), requires that a 'high standard of professional ethics to be promoted and maintained'. The Code of Conduct for the Public Service is an important pillar in the establishment of good governance and ethical conduct of public servants. It also raises such issues as respect for human rights, the rule of law, accountability, transparency in government, personal conduct and private interests.

The department continues to be committed to the highest possible standard of openness, transparency, integrity, accountability, anti-bribery, professional ethics and fostering an ethical culture and behaviour as a norm and a way of life.



**BLOW THE WHISTLE & REPORT CORRUPTION**

**"Public Servants must not use or disclose any official information for personal gain or the gain of others."**

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## Fraud and corruption awareness training –

Since September 2012, the fraud awareness team has conducted more than 140 workshops throughout the department (nationally and provincially) and, over 3 500 officials and have attended.

## The right procedure to act against fraud and corruption

The DALRRD supports a culture of zero tolerance towards fraud and corruption and is committed to openness, transparency, integrity, accountability, anti-bribery and, professional ethics.

If as an employee you have a concern or suspicion about any act of misconduct or impropriety, you must raise the issue with your supervisor or alternatively with your senior manager, verbally or in writing.

If an official is unable to raise his/her concern or suspicion with his/her supervisor or senior manager, e.g. because the supervisor and/or manager is involved in the alleged act of misconduct or impropriety and does not take any action when the matter is reported to him/her, the official should raise it with the risk Management team.

# OUTSIDE REMUNERATIVE WORK

## Am I allowed to perform outside remunerative work?

Yes, officials are allowed to perform outside remunerative work however, it is important to take note of Section 30 of the Public Service Act (PSA).

### 30 Other remunerative work by employees

- (1) No employee shall perform or engage himself or herself to perform remunerative work outside his or her employment in the relevant department, except with the written permission of the executive authority of the department.
- (2) For the purposes of subsection (1) the executive authority shall at least take into account whether or not the outside work could reasonably be expected to interfere with or impede the effective or efficient performance of the employee's functions in the department or constitute a contravention of the code of conduct contemplated in section 41 (1) (b) (v).
- (3) (a) The executive authority shall decide whether or to grant permission, contemplated in subsection (1), within 30 days after the receipt of the request from the employee in question.  
(b) If the executive authority fails to make a decision within the 30 day period, it would be deemed that such permission was given.

Section 31 of the PSA further outlines the consequences for official who engage in unauthorised outside remunerative work without prior written approval. Officials should refer to Circular no 70 of 2017: Requests to Perform Other Remunerative Work Outside the Public Service

## What is the process of applying to perform outside remunerative work?

The process to apply for outside remunerative work is set out below:

- a. The official completes the application form (sections A, B, C and D) and submits the duly completed form to his/her immediate supervisor (Annexure B)

- b. The supervisor will complete section E of the prescribed form. In making recommendations to support or not support the application, the supervisor will consider if the outside remunerative work could reasonably be expected to interfere with or impede the effective or efficient performance of the official's functions or constitute a contravention of the Code of Conduct for Public Servants.
- c. The completed form must be submitted to the Directorate: Fraud Prevention and Ethics Management to Mr Phuti Teffo @ phuti.teffo@drdlr.gov.za or Ms Priscilla Msiza @ priscilla.msiza@drdlr.gov.za. 012 312 9654.
- d. The application including the comments of the supervisor will be assessed to identify any possible, perceived or potential conflict of interest that may arise as a result of the official undertaking outside remunerative work.
- e. The Directorate: Fraud Prevention and Ethics Management are empowered to request any relevant information from the officials' component relating to the performance of the official to assist them in determining the likelihood of the outside remunerative work interfering with or impeding the effective or efficient performance of the official or possibly constituting a contravention of the Code of Conduct for Public Servants.
- f. The Ethics Officer will upon completion of the assessment make a recommendation to the delegated authority (see table below) for a decision taking into consideration all contributing and influencing factors.
- g. The decision of the delegated authority will be communicated to the applicant in writing. If the request is approved such will be valid for a twelve months only. Officials are required to re-apply before the expiry of the twelve months if it is the intention of the official to continue conducting other remunerative work.

### When will I receive a response about my application to conduct outside remunerative work?

Section 20(30) (a) and (b) of the PSA state that: "The executive authority shall decide whether or not to grant permission, contemplated in subsection (1), within 30 days after the receipt of the request from the employee in question. (b), if the executive authority fails to make a decision within the 30-day period, it would be deemed that such permission was given."



#### **BLOW THE WHISTLE & REPORT CORRUPTION**

**"Public Servants must refrain from favouring relatives and friends and not abuse their authority or influence another employee, nor be influenced to abuse their authority."**

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## Am I allowed to conduct business with any organ of the state?

Regulation 13 (c) – Ethical conduct: An employee shall— not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state, unless such employee is in an official capacity a director of a company listed in schedule 2 and 3 of the Public Finance Management Act.

## DISCLOSURE OF FINANCIAL INTERESTS

### Who should disclose their financial interest?

Public Service Regulations – indicate that

- (1) SMS members, except for a head of department shall, not later than 30 April of each year, disclose to the relevant head of department, in a form prescribed for this purpose by the minister, particulars of all his or her interests in respect of the period 1 April of the previous year to 31 March of the year in question.
- (2) A head of department shall, not later than 30 April of each year, disclose to the relevant executive authority, in the form prescribed for this purpose by the minister, particulars of all his or her interests in respect of the period 1 April of the previous year to 31 March of the year in question.
- (3) Any other designated employee not contemplated in sub regulations (1) and (2) shall submit to the relevant head of department, on a date and form directed by the minister, particulars of all his or her interests for the period as may be directed by the minister.
- (4) Any person who assumes duty as a designated employee on or after 1 April in a year shall make such disclosure within 30 days after assumption of duty in respect of the period from 1 April to date of disclosure.
- (5) The head of department or executive authority, as the case may be, shall ensure that the disclosure of interests by designated employees is submitted electronically to the Commission or the relevant authority as may be directed by the minister, in terms of sub regulation (3), unless otherwise determined by the minister.

### Who are designated employees and when is their due date for disclosure?

Below is a list of designated employees as per the DPSA eDisclosure Resource Centre,

Category	Due date of disclosure
SMS members	30 April
OSD / personal notches (level 13 & above)	30 June
Level 12 (including OSD/personal notches)	30 June
Ethics Officers / PSC officials	30 June
Level 11 (including OSD / personal notches)	31 July
Employees below level 11 in Supply Chain & Finance Units	31 July
New employees in all categories	30 days after assumption

# ACCEPTANCE OF GIFTS

## Am I allowed to accept Gifts?

Section 13h of the Public Service Regulations, 2016, stipulates that an employee shall not receive or accept any gift from any person in the course and scope of his or her employment, other than from a family member, to the cumulative value of R350 per year, unless prior approval is obtained from the relevant executive authority; The DALRRD code of conduct also stipulates that "an employee does not use his/her official position to obtain private gifts/benefits during the performance of duties nor may he/she accept any gifts/benefits when offered, as these may be construed as bribe". However,

- If the refusal of a gift may offend or prejudice the business interest of the department, the employee may accept this unsolicited gift/s. Accepting such gifts or benefits is essentially a matter of judgement for the individual concerned. In such instance, employees must be satisfied that their position will not in any way be compromised by acceptance. The gift policy applies in this regards.
- The employee is required to disclose details with regards to gifts and hospitalities with a value in excess of R350 and must request prior permission from the Accounting Officer to accept the gift. If the permission is granted, the employee may retain the gift and the employee must disclose particulars thereof for recoding in the gifts register

## Who is the custodian of the gift register?

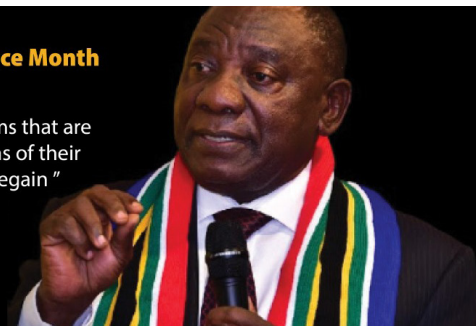
Each branch has a gift register where gifts are recorded. Every quarter, the Office of the Chief Financial Officer consolidates the gift register. For further information, please refer to Circular no 69 of 2017: Acceptance of Gifts by Employees in the Department of Rural Development and Land Reform.

We therefore appeal to you to join us in assisting the department in breaking the chain of corruption and contribute in building an ethical culture. Remember, opposing corruption in government is the highest form of patriotism.

### Government Integrated Public Service Month

"Our people look to us to solve the problems that are most important to them. We are custodians of their trust, and trust, once eroded, is hard to regain "

~ President Cyril Ramaphosa



**Call the Anti-Corruption  
Hotline toll free  
0800 701 701**

**For assistance and further information should you have ethical dilemmas, contact:**

**Ms Makhosazana Jakavula**, email: makhosazana.jakavula@DALRRD.gov.za | **012 312-8218**

**Mr Phuti Teffo**, email: phuti.teffo@DALRRD.gov.za | **012 312-9660**

**Mr Frans Hlaluku**, email: frans.hlaluku@DALRRD.gov.za | **012 312-9519**

**Mr Kasaval Naidoo**, email: kasaval.naidoo@DALRRD.gov.za | **012 312-9511**

**Ms Denga Rambuda**, email: denga.rambuda@DALRRD.gov.za | **012 312-9522**

**Ms Priscilla Msiza**, email: priscilla.msiza@DALRRD.gov.za | **012 312-9654**

Alternatively, any acts of suspected fraud / corruption could be reported anonymously to the National Anti-Corruption Hotline (NACH) on 0800 701 701, SMS 39772, Fax 0800 204 965.

If the above does not satisfy you, you can also report the matter to the Auditor-General on Tel: (012) 426 8000, Fax: (012) 426 8257 or to the Public Protector on Tel: (012) 366 7000 / 0800 112 040, Fax: (012) 362 3473 / 086 575 3292

## **DISCIPLINE MANAGEMENT**

**“A total number of 446 precautionary suspensions have been initiated with 140 cases thus far finalised.”**

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