

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER 1012

DATE OF PUBLICATION: 28 AUGUST 2009

Mr M Swart (DA) to ask the Minister of Finance:

- (1) Whether any customs officials were involved in corrupt activities in the 2008-09 financial year; if so, (a) how many, (b) what are the relevant details and (c) what actions were taken against each official;
- (2) whether any cases of corruption are currently being investigated in the customs department; if so, (a) how many and (b) what are the further relevant details?

NW1237E

REPLY:

Thirty-two (32) customs officials were investigated for alleged involvement in corruption during the last financial year. Five (5) of these cases were withdrawn after the charges were established to be unfounded. One (1) not guilty verdict was issued. The majority of these people were investigated on bribery related charges. Other charges included the issuing of false permits, theft from state warehouses, theft of detained goods, and unauthorised release of detained goods. Eight (8) people were dismissed and two (2)

resigned as a result of internal investigations. A further three (3) officials were arrested by the SAPS. Thirteen (13) of these cases are still being investigated with six (6) at the prosecution stage and seven (7) officials currently suspended.

Year Ending 31 March 2009

	No of cases	Theft	Bribery	Corruption
Ongoing Investigations	13	3	6	4
Dismissed	8	3	3	2
Criminal Case Opened	3	3	0	0
Resigned	2	1	1	0
Withdrawn/Unfounded	5	0	3	2
Not guilty verdict	1	0	0	1

Current Year from 1 March 2009 to date

	No of cases	Theft	Bribery	Corruption
Ongoing Investigations	20 including 6 Misconduct cases	5	4	5
Dismissed	0	0	0	0
Criminal Case opened	0	0	0	1
Resigned	0	0	0	0

For the current financial year twenty cases are under investigation. Six of these are for misconduct.

Involvement by customs officials in corruption continues to challenge countries all over the world. Emerging democracies are targeted by international crime syndicates who view the borders of such countries as vulnerable. Apart from the clear criminal activities to smuggle illicit goods, customs officials must also deal with daily efforts by the trading community to bypass or reduce their excise and duty obligations. Such efforts inevitably require collusion by customs officials and bribery therefore is the leading crime for which customs officials find themselves under investigation.

SARS's anti-corruption strategy is multi-pronged. It includes ongoing surveillance via the latest technology; working with key partners such as the border police; the protection of whistleblowers and the prohibition of the acceptance of gifts by officials. Other measures include lifestyle analysis and intelligence sharing with international counterparts. The establishment of an anti-corruption and security arm with a dedicated hotline and team of internal investigators has yielded good results. Preventative steps include extensive vetting and pre-employment

screening, regular joint operations and a visible anti-corruption presence in 'hot spots'. The establishment of the Border Control Co-ordinating Committee to improve co-ordination and intelligence exchange and the launch of a Customs Border Control Unit (CBCU) with detector dogs has proven powerful tools in the fight against illicit trade.

The rules, and consequences for breaking them, are regularly communicated to employees. The 'naming and shaming' of those found guilty is also important. SARS strives to instil a sense of higher purpose among staff and constantly reminds them of their patriotic responsibilities.

Employees are reminded to be alert and to report anything and anyone they believe may bring the integrity of the public service into question. This has proven very successful with employees willing to act as witnesses.

Completing investigations and being able to dismiss convicted employees speedily remains a challenge. Such employees tend to try to delay proceedings so as to keep their job and salary as long as possible. These individuals often resign once an outcome is pending.

The effectiveness of anti-corruption efforts and achieving sustained results depends on broader efforts in the country to address crime and the perceived decline in morals and ethics. White collar crime has less of a stigma than violent crime. Consumers of fake goods, fuel the trade in smuggled counterfeit. Shipping companies and clearing agents involved in crime see only the immediate cash benefits for themselves with no concern for the broader societal costs.

The battle to minimise corruption is a long term one which aims to shift behavioural norms in favour of ethical conduct.