

REPUBLIC OF BOTSWANA

---



## Summary Report of the National Forensic Audit Programme

30 April 2026

Contents

- 1 Introduction ..... 3**
  - 1.1 Introduction and instructions .....3
  - 1.2 Scope .....3
  - 1.3 Objectives .....5
  - 1.4 Limitations .....6
  - 1.5 Use of this Summary Report .....7
  - 1.6 Structure of this Summary Report .....7
- 2 Executive summary ..... 9**
  - 2.1 Overview .....9
  - 2.2 Scale and severity of findings.....9
  - 2.3 Nature of issues identified .....10
  - 2.4 Special investigation referrals .....11
  - 2.5 Systemic enablers of the findings .....12
  - 2.6 Structural reform response .....13
  - 2.7 Recommendations and implementation.....14
  - 2.8 What happens next.....15
  - 2.9 Overall conclusion.....16
- 3 Overview of the work performed .....17**
  - 3.1 Introduction .....17
  - 3.2 Project Governance.....17
  - 3.3 Phase 1 - Risk Assessment.....18
  - 3.4 Types of audit conducted.....20
  - 3.5 Phase 2 – Forensic Audits.....20
  - 3.6 Public consultation and whistleblower engagement .....22
  - 3.7 Outputs .....22
- 4 Principal entity-level findings and remediation .....24**
  - 4.1 Overview .....24
  - 4.2 Integrity and misconduct .....25
  - 4.3 Procurement .....27
  - 4.4 Governance.....29
  - 4.5 Operational .....31
  - 4.6 Financial management.....34



---

4.7 Systems and records ..... 35

4.8 Human capital ..... 37

4.9 Strategic / policy ..... 38

4.10 Entity-level remediation and implementation ..... 39

4.11 Conclusion..... 41

**5 Special investigation referrals.....43**

5.1 Overview ..... 43

5.2 Persons, role categories and counterparties of interest ..... 44

5.3 Evidential foundation..... 45

5.4 Purpose of the referral packs ..... 45

5.5 Conclusion..... 46

**6 Enablers of the issues identified.....47**

6.1 Introduction ..... 47

6.2 Weak oversight mechanisms ..... 47

6.3 Ineffective control institutions..... 49

6.4 Vulnerabilities in procurement processes..... 50

6.5 Weak financial management and discipline..... 52

6.6 Significant operational and delivery failures..... 53

6.7 Weak culture of accountability ..... 55

6.8 Conclusion..... 57

**7 Structural reforms .....58**

7.1 Introduction ..... 58

7.2 Reform delivery and independent implementation support ..... 59

7.3 Governance Reform ..... 60

7.4 Institutional Reform ..... 61

7.5 Procurement reform ..... 63

7.6 Financial Reform ..... 64

7.7 Operational Reform ..... 65

7.8 Cultural Reform..... 67

7.9 Conclusion..... 68



### 1 Introduction

#### 1.1 Introduction and instructions

1.1.1 Alvarez & Marsal Middle East Limited (“A&M”) was appointed by the Government of the Republic of Botswana (“GRB” or “Government”), represented by the Ministry for State President, Defence and Security, to provide forensic audit services. The engagement was initiated to assess the integrity and effectiveness of governance, procurement, financial management and oversight arrangements across public institutions, and to identify the extent to which systemic weaknesses may have enabled fraud, corruption, waste, misuse of public resources and operational failure.

1.1.2 This report (the “Summary Report”) presents summarised, consolidated findings and recommendations arising from the programme of 30 forensic audits undertaken across selected government ministries, departments, state-owned entities (“SOEs”), regulatory authorities and related public bodies. This Summary Report synthesises the results of the 30 forensic audits, identifying recurring patterns and systemic drivers that enabled the misconduct and failures identified, and sets out a framework for remediation, investigation and institutional reform.

1.1.3 This Summary Report does not replace or duplicate the underlying entity-specific forensic audit reports. Those reports contain entity-specific findings, detailed factual analysis, supporting evidence, and material relevant to potential investigative, recovery, disciplinary or legal action. To protect the integrity of potential future action, these entity-specific reports are not being published as part of this Summary Report. For that reason, this Summary Report does not identify by name any person or entity suspected of involvement in fraud, misappropriation, corruption, collusion or related misconduct.

#### 1.2 Scope

1.2.1 The forensic audit programme comprised 30 forensic audits covering entities identified through the Phase 1 risk assessment process. The entities reviewed spanned a range of public sector institutions, including ministries, departments, SOEs, regulators and other public bodies considered to present elevated governance, corruption, financial mismanagement or service delivery risks.

1.2.2 The table below sets out the 30 forensic audits performed with their key focus areas:

**Table 1.1 List of Forensic Audits conducted**

<b>Entity</b>	<b>Key focus areas</b>
Air Botswana	Procurement and operations
Botswana Agricultural Marketing Board	Procurement and operations
Botswana Housing Corporation	Governance and infrastructure projects
Botswana International University of Science and Technology	Governance and procurement
Botswana Meat Commission	Procurement and operations
Botswana Oil Limited	Development expenditure – governance, infrastructure projects and management of funds
Botswana Power Corporation	Development expenditure - governance and infrastructure projects
Botswana Public Officers Pension Fund	Governance and asset management
Botswana Railways	Procurement and operations
Botswana Unified Revenue Service	Customs and border management systems
Citizen Entrepreneurial Development Agency	Governance, distributions - lending and loan portfolios
Directorate on Corruption and Economic Crime / Ethics and Integrity Directorate	Governance and mandate effectiveness
Kweneng, Kgatleng & Tawana Land Boards	Governance, land allocation
Ministry for State President, Security and Defence (BDF)	Procurement, security-related expenditure, governance
Ministry for State President, Security and Defence (DIS)	Procurement, security-related expenditure, governance
Ministry of Finance (Accountant General)	Government Accounting and Budgeting System
Ministry of Finance (Special Funds)	Special funds and levies
Ministry of Health (Central Medical Stores)	Medical procurement and supply chain
Ministry of Health (DHSM)	Procurement and operations
Ministry of Lands and Agriculture (Department of Lands)	Land allocation
Ministry of Local Government and Traditional Affairs	Governance and procurement
Ministry of Minerals & Energy (Department of Energy Affairs)	Governance and infrastructure projects
Ministry of Minerals & Energy (HQ)	Governance and infrastructure projects
Ministry of Transport & Infrastructure	Development expenditure - roads and infrastructure projects
Ministry of Water & Human Settlement	Development expenditure - water and sanitation projects
National Development Bank	Governance, distributions - lending and loan portfolios
Office of the President	Directives
Public Procurement Regulatory Authority	Governance and mandate effectiveness
University of Botswana	Governance and procurement
Water Utilities Corporation	Development expenditure - infrastructure projects

- 1.2.3 The programme focused principally on the ten-year period from April 2014 to March 2024 (Government financial years). Where relevant matters, transactions, decisions or developments arose thereafter, these were also considered where necessary to understand the issues under review, assess continuing risk, or identify matters requiring further action.
- 1.2.4 The scope of work varied by audit, reflecting the risk profile, mandate and activities of each entity. Across the programme, the work examined governance arrangements, procurement activity, contract management, payroll, expenditure, revenue, budgeting, operational delivery, regulatory performance, fraud prevention frameworks, whistleblowing arrangements, and the effectiveness of internal and external assurance functions.
- 1.2.5 This is the first programme of its kind in Botswana, carried out on this scale, across this number of public bodies, and within this timeframe. The scale of the engagement reflects urgency on the part of GRB to identify serious weaknesses quickly, move beyond isolated reviews, and develop a broader picture of governance, procurement, financial control and corruption risks across the public sector.

### **1.3 Objectives**

- 1.3.1 The objectives of the forensic audit programme were to assess the integrity and effectiveness of governance, control and oversight arrangements across selected public sector institutions and to identify the extent to which weaknesses in those arrangements have enabled fraud, corruption, waste, abuse of public resources or operational failure. The programme objectives are summarised in the table below:

**Table 1.2 Programme objectives**

<b>Objective</b>	<b>What this involved</b>
Governance and decision-making	Assess governance structures, oversight arrangements and decision-making practices across selected public bodies
Fraud and corruption controls	Evaluate whether systems, policies and procedures were adequate to prevent, detect and respond to fraud, corruption and misconduct
Financial mismanagement and loss	Identify indicators of waste, mismanagement, fraud or corruption, and assess scale where possible
Responsible parties and referral	Identify responsible parties or areas of responsibility and develop an evidential basis for onward referral
Regulatory and oversight performance	Assess whether oversight, regulatory and assurance bodies were effectively discharging their mandates
Reform and remediation	Identify structural weaknesses and propose reforms to strengthen governance, controls and institutional resilience

1.3.2 The programme was therefore designed both to identify specific matters requiring follow-on action and to provide a system-level assessment of the conditions that allowed those issues to arise and persist.

**1.4 Limitations**

1.4.1 The programme was targeted and risk based. It did not constitute a statutory audit or a whole-of-government review of every public body, project, contract, transaction or allegation. The absence of a matter from this Summary Report should not be read as a conclusion that no issue exists. Rather, this Summary Report summarises the principal findings arising from the 30 audits undertaken within the approved scope.

1.4.2 We have relied on the completeness and accuracy of the information and documentation provided to us by the entities reviewed and other sources during the course of the programme. We have not independently verified all such information.

1.4.3 In certain entities, the work was affected by weak information management, poor record-keeping, and in some cases, apparent obstruction or avoidance. Records were, in some cases, incomplete, poorly maintained, disorganised or in substantial disarray, which affected the ability of those entities to provide requested documentation in a timely and complete manner within the audit timeframe.



1.4.4 Where information gaps arose, we sought to address them through triangulation using other available sources, including related records, transactional data, correspondence and interviews. Where those alternative sources enabled a sufficiently reliable view to be formed, findings were made on that basis. Where information was wholly unavailable, or the gaps could not be satisfactorily overcome, the relevant findings were qualified as appropriate.

### **1.5 Use of this Summary Report**

1.5.1 This Summary Report has been prepared for the GRB. A&M does not assume any responsibility or liability to any third parties in connection with the contents of this report or our services.

### **1.6 Structure of this Summary Report**

1.6.1 This Summary Report is structured as follows:

- i) Introduction (this section) – sets out the purpose, scope, objectives and limitations of the report, including the basis on which the forensic audit programme was conducted;
- ii) Executive Summary (Section 2) – provides a concise summary of the programme, the scale of the findings, the most significant issues identified and associated recommendations, and the key implications for investigation, recovery and reform;
- iii) Overview of the work performed (Section 3) – explains how the programme was designed and delivered, including the Phase 1 risk assessment, Phase 2 forensic audit approach, governance structure and outputs;
- iv) Principal entity-level findings and remediation (Section 4) – sets out the main findings arising from the programme on a thematic basis, including governance, procurement, financial management, operational delivery, systems and records, and integrity-related issues;

- v) Special investigation referrals (Section 5) – summarises the most serious matters identified, the scale and nature of the referral population, and the evidential basis for further investigation, recovery and potential enforcement action;
- vi) Enablers of the issues identified (Section 6) – analyses the underlying structural, institutional and cultural conditions that allowed the identified issues to arise and persist across multiple entities; and
- vii) Structural reforms (Section 7) – outlines the priority actions required to address both the specific matters identified and the wider systemic weaknesses, including investigation capability, institutional reform and control strengthening.

**2 Executive summary**

**2.1 Overview**

2.1.1 The GRB commissioned a programme of forensic audits to assess the integrity and effectiveness of governance, procurement, financial management and oversight across public institutions, and to identify the extent to which systemic weaknesses have enabled fraud, corruption, waste, abuse of public resources and operational failure.

2.1.2 The programme comprised:

- i) phase 1: risk assessment across 92 public sector entities; and
- ii) phase 2: programme of 30 forensic audits conducted between June 2025 and March 2026.

2.1.3 The audits covered selected ministries, departments, SOEs, regulatory bodies and related public institutions.

2.1.4 This Summary Report consolidates the results of those audits. It does not replace the underlying reports, which contain detailed evidence and have been reserved for follow-on action.

**2.2 Scale and severity of findings**

2.2.1 The programme identified over 800 findings across the 30 audits.

2.2.2 The severity profile is material and should be understood by reference to the nature of the risk involved. Findings were assessed across four severity levels:

**Table 2.1 Finding severity profile**

<b>Severity</b>	<b>Meaning</b>
Very High	Actual or strongly suspected fraud, corruption or serious misconduct, and/or a fundamental governance breakdown requiring urgent escalation or structural reform
High	High-risk control weakness, procedural gap or significant non-compliance materially increasing the likelihood of fraud, corruption, financial loss or operational failure
Medium	Control weakness, procedural gap or non-compliance creating moderate financial, operational or reputational risk
Low	Minor control deficiency, process inefficiency or governance improvement requiring correction in due course



2.2.3 The findings were concentrated at the upper end of that scale:

**Table 2.2 Number of findings by severity**

Severity	Findings	% of total
Very High	90	11%
High	495	61%
Medium	218	27%
Low	11	1%
<b>Total</b>	<b>814</b>	<b>100%</b>

2.2.4 Of the 814 findings, 585 (72%) were assessed as Very High or High severity. These concern either actual or strongly suspected fraud, corruption, serious misconduct or fundamental governance breakdown, or identified high-risk weaknesses materially increasing exposure to fraud, corruption, financial loss, operational failure or regulatory breach.

2.2.5 The severity profile is therefore significant. The programme identified serious and systemic control failures, suspected misconduct, or weaknesses requiring prompt corrective action, escalation or structural reform.

**2.3 Nature of issues identified**

2.3.1 The main findings were concentrated in the following areas:

**Table 2.3 Number of findings by area**

Area	Count	%
Procurement	238	29%
Governance	215	26%
Operational	126	15%
Financial Management	101	12%
Integrity and Misconduct	84	10%
Systems and Records	31	4%
Human Capital	10	1%
Strategic / Policy	9	1%
<b>Total</b>	<b>814</b>	<b>100%</b>

2.3.2 Procurement and Governance together accounted for 453 findings, representing approximately 56% of all findings. This concentration is important. It shows that the most significant weaknesses arose in the areas where public institutions decide what to buy, who to buy from, how public money is committed and who provides oversight.

2.3.3 The findings included repeated use of non-competitive procurement, weakly justified direct awards, emergency procurement, tender manipulation, unsupported payments, weak



contract management, ineffective or compromised board and ministry oversight, unreliable systems, poor record keeping, weak financial discipline and indicators of fraud, corruption, collusion, conflicts of interest and abuse of office.

2.3.4 The findings also included recurrent indicators of waste, including stalled or incomplete projects, assets acquired but not put into use, contracted services not delivered or utilised, and weaknesses in the administration, documentation or allocation of high-value public resources.

2.3.5 In multiple cases, the issue was not that controls were absent or weak but that they were not consistently applied, enforced or subject to effective challenge.

2.3.6 Similar patterns recurred across entities, sectors and time periods. The findings therefore point to systemic weaknesses in the public-sector control environment, rather than isolated failures within individual institutions.

## 2.4 Special investigation referrals

2.4.1 The programme identified 80 special investigation referrals arising from 26 of the 30 audits. These referrals:

- i) relate to contracts, payments and other expenditure with a **combined gross value of approximately P160 billion**; and
- ii) carry an indicative **preliminary estimate of P33 billion in potential loss** or damage.

2.4.2 The gross value of referral matters is a value-at-risk measure. It represents the total value of contracts, payments, assets or funds exposed to suspected serious irregularity. It does not mean that the full amount has been lost.

2.4.3 The P33 billion figure is a conservative, preliminary estimate of likely loss based on the matters reviewed. It includes, where relevant, estimated overpricing, unsupported payments, suspected diversion, non-delivery, waste or other financial exposure. It should be treated as a conservative floor, not a final loss figure.

2.4.4 The indicative loss figure does not capture the full public cost of the matters identified. In some cases, the wider cost may extend beyond the contract, payment or asset value reviewed, including disrupted public services, delayed infrastructure delivery, reduced reliability of supplies, additional costs of securing alternative supply and longer-term contractual or operational exposure.

2.4.5 The population referred for special investigation includes:

- i) **more than 80 current and former senior officeholders;** and
- ii) **more than 150 contractors, suppliers and counterparties,** including local and international entities.

2.4.6 This indicates that the most serious matters were not confined to junior personnel, isolated suppliers or one entity. They cut across a wide range of institutions, decision-making levels and public-sector counterparties.

2.4.7 The referral matters are supported by a structured evidential base and are intended to enable:

- i) formal investigation;
- ii) asset tracing and recovery assessment; and
- iii) potential criminal, civil, disciplinary or regulatory action.

## 2.5 Systemic enablers of the findings

2.5.1 The audits identified a consistent set of underlying conditions that enabled the issues observed. These were grouped into six themes:

**Table 2.4 Summary of systemic enablers**

<b>Enabler</b>	<b>What it means</b>
Weak oversight mechanisms	Weak governance, audit, regulatory and supervisory challenge
Ineffective control institutions	Weaknesses in anti-corruption, prosecution, ethics, disclosure and security oversight bodies
Vulnerabilities in procurement processes	Procurement distorted by discretion, weak controls, conflicts and manipulation
Weak financial management and discipline	Poor budgeting, virement control, fund discipline and recovery
Significant operational and delivery failures	Weak project delivery, systems, records, stock control and business models
Weak culture of accountability	Weak consequence management, poor ethics and unsafe reporting environments

2.5.2 These enablers reinforced each other. Weak, bypassed or compromised oversight allowed poor decisions to be taken, endorsed or continue without sufficient challenge. Ineffective control institutions meant warning signs were not converted into investigation, prosecution, recovery or sanction. Vulnerabilities in procurement and weak financial management created opportunity for loss and abuse. Operational delivery failures and poor records reduced visibility. A weak culture of accountability discouraged challenge and reduced the likelihood of consequence.

2.5.3 This is the central systemic finding: the programme identified an environment in which similar failures could recur unless the underlying conditions are changed.

**2.6 Structural reform response**

2.6.1 The recurrence of similar issues across multiple entities shows that structural reform is required. The proposed structural reforms are grouped into six pillars:



**Table 2.5 Proposed structural reforms**

<b>Reform pillar</b>	<b>Core objective</b>
Governance reform	Restore effective oversight, board accountability, audit strength and regulatory challenge
Institutional reform	Strengthen anti-corruption, prosecution, disclosure, ethics and enforcement institutions
Procurement reform	Reduce discretion, improve competition, strengthen contract enforcement and professionalise procurement
Financial reform	Restore budget discipline, protect public funds and improve loan and recovery enforcement
Operational reform	Improve project delivery, SOE turnaround, digitisation, records, systems and operating models
Cultural reform	Strengthen consequence management, whistleblower protection, ethics and public-sector accountability

2.6.2 These reforms are mutually reinforcing. Procurement reform will not succeed if oversight remains weak. Financial reform will not succeed if virements and special funds remain poorly controlled. Institutional reform will not succeed if prosecution capability and disclosure enforcement remain ineffective. Cultural reform will not succeed unless misconduct carries visible consequence.

2.6.3 The purpose of structural reform is not to add another layer of process. It is to change the conditions that allowed public resources to be exposed to waste, abuse and suspected corruption.

**2.7 Recommendations and implementation**

- 2.7.1 The programme generated 686 recommendations, including:
- i) 90 Very High priority actions (including special investigation referrals and structural reforms); and
  - ii) 590 High and Medium priority actions requiring entity-level implementation.

2.7.2 The primary risk is not the absence of recommendations but that they are not implemented consistently across a large and diverse portfolio of public institutions or are treated as a compliance exercise rather than substantive reform. Without a structured implementation approach:



- i) stronger entities may progress, while weaker entities fall behind;
- ii) known issues may persist; and
- iii) the overall impact of the programme will be diluted.

2.7.3 A centrally coordinated, evidence-based implementation model is therefore required. This should include:

**Table 2.6 Structured implementation**

Implementation requirement	Purpose
Formal referral to entities	Ensure each entity acknowledges and responds to findings
Corrective action plans	Set actions, owners, deadlines, resources and evidence required
Central tracking	Maintain one programme-wide view of implementation
Evidence-based verification	Test whether actions are completed in substance
Capacity support	Assist weaker entities that lack skills, systems or resources
Rolling assurance	Test whether reforms remain effective over time
Consequence management	Escalate non-response, delay or superficial implementation

**2.8 What happens next**

2.8.1 The programme provides a structured basis for action. The next steps are:

**Table 2.7 Structured next steps required**

Step	Purpose
Progress special investigation referrals	Investigate serious matters, preserve evidence and assess recovery
Issue and implement entity recommendations	Address control weaknesses and reduce immediate risk
Establish central implementation tracking	Monitor delivery, escalate delays and enforce accountability
Deliver structural reforms	Address recurring systemic weaknesses across Government
Provide controlled progress reporting	Maintain public accountability while protecting investigations
Conduct further forensic audits	Extend coverage to additional high-risk entities, sectors and themes not yet covered

2.8.2 The effectiveness of the programme will depend on visible follow-through. The findings will not correct themselves. Serious referral matters must be investigated, recovery options



must be pursued, entity-level recommendations must be implemented and verified, and structural reforms must be delivered. Without that combined response, the same patterns are likely to continue.

### **2.9 Overall conclusion**

2.9.1 The forensic audit programme identified substantial and systemic weaknesses in governance, procurement, financial management and oversight across the public sector.

2.9.2 These weaknesses created conditions in which irregularity, waste and suspected misconduct could arise and persist, in some cases over extended periods.

2.9.3 The programme has established:

- i) the scale of the issues;
- ii) the areas of highest risk; and
- iii) a clear pathway for investigation, remediation and reform.

2.9.4 The remaining issue is execution. The programme has identified the issues, isolated the most serious matters for referral, and set out the reforms required. If implementation is weak, delayed or treated as a compliance exercise, the same patterns are likely to recur. The programme provides a credible opportunity to strengthen accountability, recover public funds where possible, improve controls over public resources and restore confidence in public administration.

### 3 Overview of the work performed

#### 3.1 Introduction

3.1.1 This section summarises how the forensic audit programme was planned and executed, including explanations of:

- i) establishment of the Project Governance structure;
- ii) the Phase 1 risk assessment and the development of the Priority Audit List;
- iii) how the Phase 2 audit fieldwork was planned and performed; and
- iv) the outputs produced, including special investigation referrals, enablers and structural reform and entity-level findings.

#### 3.2 Project Governance

3.2.1 A formal governance structure was established at the outset of the programme to provide oversight, maintain appropriate independence in the forensic audit work, and support timely decision-making.

3.2.2 The governance model was designed to ensure:

- i) clear segregation of responsibilities between oversight, coordination and delivery functions;
- ii) structured escalation and resolution of issues;
- iii) transparency of progress, risks and key decisions; and
- iv) consistent alignment between programme delivery and Government objectives.

3.2.3 This structure comprised defined committees and working groups, supported by a documented decision-making framework and reporting arrangements. The programme operated through four principal governance bodies:

**Table 3.1 Forensic audit project governance bodies**

<b>Body</b>	<b>Core role</b>	<b>Key responsibilities</b>
Project Steering Committee (“PSC”)	Strategic oversight and control	Set direction, review progress, consider key risks, make high-level decisions
Technical Working Group (“TWG”)	Technical oversight and coordination	Provide guidance on scope, methodology and prioritisation, review reports, resolve technical issues
Project Management Office	Day-to-day programme management	Plan, coordinate resources, monitor risks, track progress, report to governance bodies
Project Administration Team	Administrative and operational support	Support logistics, document management, coordination and programme records

### 3.3 Phase 1 - Risk Assessment

3.3.1 Phase 1 of the forensic audit programme was a risk assessment exercise. This first phase involved a risk profiling process across 92 public sector entities including ministries, SOEs, parastatals and oversight agencies. That work was then used to identify the 30 audits taken forward into the forensic audit programme, which was the detailed forensic audit of those selected entities.

3.3.2 In conducting the Phase 1 risk assessment, seven risk factors were assessed for each entity under review and summarised in the table below:

**Table 3.2 Phase 1 risk factors**

<b>Risk factor</b>	<b>What was assessed</b>
Revenue	Scale, complexity and control of revenue, fees, levies and other income streams
Operational and capital expenditure	Value, volume and complexity of recurrent expenditure, development expenditure and major projects
Financial performance	Liquidity, losses, arrears, creditor balances, Government support, budget overruns and reporting delays
Historical findings	Prior internal audit, Auditor General, forensic, oversight, litigation, media or other recorded concerns
Governance strength	Boards, committees, reporting lines, internal audit, risk functions, conflicts and accountability mechanisms
Procurement controls	Procurement planning, direct awards, emergency procurement, tendering, approvals, supplier concentration and variations

Legal framework	Mandate, powers, reporting obligations, oversight arrangements, discretion and accountability gaps
-----------------	--

3.3.3 The following steps were performed to carry out the risk assessment:

**Table 3.3 Risk assessment methodology**

Work performed	What this involved
Entity population review	Considered a broad population of 92 public sector entities, including ministries, departments, SOEs, parastatals and oversight agencies
Risk factor assessment	Assessed each entity against seven risk factors: revenue, expenditure, financial performance, historical findings, governance strength, procurement controls and legal framework
Interviews	Conducted more than 50 interviews with representatives of ministries, public bodies, oversight functions and internal audit to identify known concerns, perceived risks and areas requiring focus
Internal audit and assurance review	Reviewed internal audit plans, audit reports and related assurance material to identify recurring findings, known weaknesses and areas of management inaction
Financial information review	Reviewed available financial information, including Government Accounting and Budgeting System data, to assess expenditure, revenue, arrears, financial stress and budget performance
Entity documents and data review	Reviewed governance records, procurement information, organisational structures, policies, reports, expenditure data and operational material obtained from public bodies
Public reporting and open-source review	Considered press coverage, social media and other open-source information as risk indicators, without treating them as evidence of wrongdoing
TWG and PSC engagement	Discussed emerging risk scores and prioritisation with the TWG and PSC to test whether known concerns had been captured and to refine the risk picture
Scoring and prioritisation	Scored entities against the risk factors, calculated weighted risk scores and categorised entities as relatively low, medium or high risk
Final audit selection	Used the risk assessment, programme timetable and TWG/PSC input to select the 30 audits taken forward into Phase 2

3.3.4 The final output of Phase 1 was a prioritised list of 30 audits to be undertaken. This ensured that the detailed forensic audit work was directed towards entities and subject areas assessed as presenting the greatest apparent risk within the programme timetable. The prioritisation process also informed the expected depth and duration of fieldwork for each audit, depending on anticipated risk, complexity and likely fieldwork requirements. Based



on the outcome of that process, and taking account of the approved timetable, a long list of possible audits was narrowed and refined into the 30 forensic audits.

**3.4 Types of audit conducted**

3.4.1 The programme in aggregate examined a broad cross-section of public sector governance and expenditure. This included recurrent and development expenditure, procurement systems, payroll environments, land administration, financing decisions, operational effectiveness against the mandate, regulatory and oversight effectiveness, and the governance of higher-risk institutions and SOEs.

3.4.2 The 30 forensic audits undertaken as part of the programme fell broadly into six categories:

**Table 3.4 Types of audits undertaken**

<b>Audit category</b>	<b>Focus</b>
Infrastructure and development expenditure	Planning, procurement, budgeting, governance and delivery of capital projects
Oversight agencies	Mandate effectiveness, regulatory performance, enforcement and accountability
Governance and procurement	Board structures, delegated authority, tendering, contract award and contract management
Higher-risk agencies	Payroll, procurement, development expenditure, governance, oversight and controls
Land allocation	Allocation decisions, transparency, governance, controls and irregularity risk
Lending institutions	Approval criteria, lending controls, monitoring, recovery and policy compliance

**3.5 Phase 2 – Forensic Audits**

3.5.1 The forensic audits were carried out during the period June 2025 to March 2026, using a structured, risk-based approach as set out below:



**Table 3.5 Approach to forensic audits**

<b>Work performed</b>	<b>What this involved</b>
Audit planning and mobilisation	Defined the audit scope, confirmed practical arrangements with each entity, identified liaison personnel and planned fieldwork based on Phase 1 risk priorities
Information requests	Issued tailored document and data requests covering financial records, procurement files, contracts, governance records, payroll, operational information and other relevant materials
Fact-finding interviews	Conducted interviews and meetings with current personnel, former personnel and other relevant persons to understand processes, decisions, risks, allegations and areas requiring further testing
Document and records review	Reviewed procurement files, contracts, approvals, payment records, Board and committee minutes, policies, internal audit reports, litigation material and other relevant documents
Transaction and payment testing	Tested selected transactions, payments, contracts, variations, advances, payroll items and other higher-risk activity using a targeted, risk-based sampling approach
Financial and value-at-risk analysis	Analysed expenditure, funding flows, contract values, payments, arrears, loans, recoveries and potential financial exposure where relevant
Site visits and physical inspection	Inspected selected projects, facilities, assets, warehouses, stock and operational sites to compare physical observations with reported records
Whistleblower and public-submission follow-up	Assessed relevant information received from whistleblowers or public submissions and, where appropriate, used it to guide further enquiry and testing
Findings development	Triangulated interviews, documents, financial data and other records to develop findings, identify limitations and assess severity
Reporting and recommendations	Prepared standalone forensic audit reports setting out scope, work performed, findings, limitations and recommendations for corrective action
Referral assessment	Identified the most serious matters requiring specialist investigation, asset tracing, recovery assessment or potential enforcement action

3.5.2 The fieldwork period for each audit reflected the level of risk and complexity identified during the Phase 1 assessment. On that basis, audits were allocated indicative fieldwork programmes of two, four or six weeks, allowing audit effort and resources to be applied on a proportionate basis, with more complex and higher-risk audits receiving more extensive forensic work.

**3.6 Public consultation and whistleblower engagement**

- 3.6.1 A public engagement platform was launched to allow members of the public to submit information, documents and leads relevant to the forensic audit programme on a confidential basis.
- 3.6.2 Public submissions were reviewed by members of the wider project team and, where relevant to the audit programme, used as leads to guide further enquiry. Where appropriate, they helped identify transactions, contracts, individuals, counterparties or programmes requiring closer examination.
- 3.6.3 The programme also received information from whistleblowers and other persons during fieldwork. The information received was assessed carefully and, where possible, tested against contemporaneous records and other sources.
- 3.6.4 Public submissions and whistleblower engagement strengthened the programme by helping identify higher-risk areas, refine audit scope as work progressed, and provide information from outside the formal structures of the audited entities.

**3.7 Outputs**

3.7.1 The forensic audits produced three principal categories of output:

**Table 3.6 Categories of output**

<b>Output</b>	<b>Purpose</b>	<b>Use</b>
Forensic audit reports	Record the work performed, findings identified and recommendations made for each audit	Basis for entity-level remediation and follow-up
Special investigation referrals	Capture the most serious matters requiring further investigation, tracing, recovery assessment or enforcement action	Basis for formal investigation, asset tracing, recovery and potential civil, criminal, disciplinary or regulatory action
Enablers and structural reform analysis	Identify recurring conditions that allowed issues to arise and persist	Basis for wider public-sector reform and prevention of recurrence

Forensic audit reports

3.7.2 A separate forensic audit report was produced for each individual audit undertaken. Each report set out the scope of the review, the work performed, the principal limitations



affecting the audit, findings and recommendations. This ensured that the facts, issues and conclusions relevant to each entity or subject area were documented on a standalone basis.

- 3.7.3 The recommendations were directed at the relevant entity and were intended to support corrective action, strengthen accountability, improve systems and processes, reduce the risk of recurrence, and provide a basis for follow-up by the relevant entities.

### Special investigation referrals

- 3.7.4 Where the work identified matters involving suspected fraud, corruption or other serious misconduct requiring further specialist investigation, a separate special investigation referral pack was prepared.

- 3.7.5 The referral packs are designed to support formal escalation by bringing together the evidential material required for further specialist investigation, asset tracing, recovery assessment and potential enforcement action. These packs summarise the relevant background, our findings, the key persons and entities of interest, and the supporting evidence identified. They were not prepared on the basis of unparticularised suspicion or allegation alone. Rather, they brought together the material obtained through the forensic audit, including, where relevant, documentary, financial and transactional indicators with whistleblower accounts pointing to misconduct.

### Enablers and Structural Reform analysis

- 3.7.6 The enablers analysis was developed by synthesising findings across the full population of audits. Rather than treating each issue in isolation, the programme examined where similar weaknesses appeared repeatedly. The result is a consolidated view of the principal structural, institutional and cultural factors that created an environment in which irregularity, waste and suspected misconduct could occur and, in some cases, continue without timely detection or correction. The enablers analysis therefore provides a more complete explanation of the issues identified than a simple catalogue of findings.

- 3.7.7 The structural reform component translates the identified enablers into a focused set of priority reform areas, aimed at strengthening the overall control environment rather than addressing issues on a piecemeal basis.

## 4 Principal entity-level findings and remediation

### 4.1 Overview

4.1.1 This section summarises the principal findings arising from the forensic audit programme. It draws together the most significant issues identified across the individual audits and presents them by theme. Its purpose is not to repeat the detail of each underlying report, but to explain at a high level, the most important weaknesses, irregularities and areas of concern that emerged from the work.

4.1.2 The programme identified 814 findings across the 30 forensic audits, which are summarised by their respective area and severity ranking in the table below:

**Table 4.1 Summary of principal findings**

Area	Very High	High	Medium	Low	Total	%
Procurement	44	162	31	1	238	29%
Governance	17	116	76	6	215	26%
Operational	5	75	44	2	126	15%
Financial Management	4	66	31	-	101	12%
Integrity and Misconduct	20	47	16	1	84	10%
Systems and Records	-	19	11	1	31	4%
Human Capital	-	4	6	-	10	1%
Strategic / Policy	-	6	3	-	9	1%
<b>Total</b>	<b>90</b>	<b>495</b>	<b>218</b>	<b>11</b>	<b>814</b>	<b>100%</b>

4.1.3 Of the 814 findings, 585 or approximately 72%, were assessed as Very High or High severity. This means that nearly three quarters of the findings either involved:

- i) actual or strongly suspected serious misconduct or fundamental governance breakdown (Very High Severity); or
- ii) high-risk weaknesses materially increasing exposure to fraud, corruption, financial loss, operational failure or regulatory breach.

4.1.4 Procurement and governance together accounted for 453 findings, representing approximately 56% of all findings. This concentration demonstrates that the principal weaknesses related to the core mechanisms by which public bodies make decisions, award contracts, manage public funds, exercise oversight and account for public resources.



4.1.5 The findings fall into eight thematic areas and are summarised in the table below.

**Table 4.2 Principal finding themes**

Theme	Count	Summary
Integrity and misconduct	84	Suspected fraud, corruption, collusion, abuse of office, conflicts of interest, improper influence, retaliation or other serious misconduct
Governance	215	Weaknesses in boards, oversight structures, decision-making, accountability, challenge, declarations, escalation and consequence management
Procurement	238	Issues in tendering, direct awards, emergency procurement, evaluations, supplier selection, contract award, variations, fronting, collusion and procurement integrity
Financial management	101	Weaknesses in budgeting, expenditure control, cash management, virements, statutory funds, lending, recoveries, payments and financial reporting
Operational	126	Failures in project delivery, contract management, stock control, asset management, service delivery, operational resilience and performance
Systems and records	31	Unreliable systems, poor data quality, weak audit trails, missing records, fragmented documentation, manual workarounds and poor archiving
Human capital	10	Staffing, payroll, recruitment, acting appointments, performance management, disciplinary processes, capacity gaps and workforce controls
Strategic / policy	9	Policy design, mandate clarity, institutional strategy, ownership rationale, reform implementation and long-term planning

4.1.6 These themes overlap. In many cases, a procurement failure was also a governance failure. A financial management weakness was often also an operational weakness. A systems or records failure frequently made misconduct harder to detect, quantify or prove.

**4.2 Integrity and misconduct**

4.2.1 The programme identified 84 integrity and misconduct findings, including 20 Very High Severity and 47 High Severity findings. This was one of the most serious thematic areas because it concerned not only weak controls but indicators of intentional or improper conduct.



**Table 4.3 Integrity and misconduct findings**

Severity	Count
Very High	20
High	47
Medium	16
Low	1
<b>Total</b>	<b>84</b>

- 4.2.2 The findings included suspected fraud, corruption, collusion, abuse of office, conflicts of interest, improper influence and other irregular conduct. Recurring patterns included collusion indicators, conflict-linked decision-making, payroll irregularities, preferential treatment, and potential improper influence over procurement, lending, allocation or spending decisions.
  
- 4.2.3 The findings also included repeated use of exceptional mechanisms, such as variations, virements, “emergencies”, waivers and special approvals, in ways that reduced scrutiny or bypassed ordinary controls. In several matters, the issue was not simply that a policy was weak or a process was poorly followed. The material indicated possible intentional bypass or override of controls.

**Table 4.4 Key integrity and misconduct findings**

Area	Issues identified
Supplier integrity and competition	Indicators of collusion and non-genuine competition
Conflicts of interest	Undisclosed or poorly managed conflicts influencing procurement, lending or allocation decisions
Abuse of authority	Use of position or discretion to influence decisions outside formal processes or criteria
Use of exceptional mechanisms	Repeated reliance on variations, emergencies, waivers and virements to bypass standard controls
Preferential treatment	Favouring of specific suppliers, individuals or counterparties without objective justification
Payroll and employment irregularities	Indicators of irregular payments, weak establishment control or manipulation of payroll arrangements
Influence and networks	Decision-making influenced by informal relationships, political connections or personal associations
Whistleblower retaliation	Adverse treatment of individuals raising concerns, including intimidation, isolation or professional consequences



- 4.2.4 The involvement of individuals was not confined to one level of organisation. Across the underlying work, integrity and misconduct-related concerns involved operational staff, management, oversight functions, senior officeholders and external counterparties. The findings also pointed to broader patterns of abuse of office, including indicators consistent with nepotism, cronyism, undisclosed conflicts of interest and preferential treatment.
- 4.2.5 There were also instances in which individuals who raised concerns faced adverse consequences. That is significant because misconduct risk increases where those responsible for wrongdoing perceive limited consequence, while those who challenge improper conduct face personal or professional risk.
- 4.2.6 The most serious instances of misconduct identified were referred to special investigation, as covered in Section 5 below.

**4.3 Procurement**

4.3.1 Procurement was the largest thematic area, with 238 findings, including 44 Very High Severity and 162 High Severity findings. This made procurement both the most common and one of the most severe areas of concern across the programme.

**Table 4.5 Procurement Findings**

<b>Severity</b>	<b>Count</b>
Very High	44
High	162
Medium	31
Low	1
<b>Total</b>	<b>238</b>

4.3.2 Procurement findings were not confined to minor process defects. In several infrastructure-intensive sectors, procurement was the principal route through which financial exposure, poor value for money and suspected corruption arose.



**Table 4.6 Key procurement findings**

<b>Area</b>	<b>Issues identified</b>
Non-competitive procurement	Overuse of direct awards, emergency procurement and restricted methods
Threshold avoidance	Splitting procurement or using quotation processes beyond intended limits
Tender manipulation	Changes to scope, criteria or evaluation outcomes after process initiation
Supplier integrity	Indicators of fronting, collusion, repeated supplier use and linked bidders
Conflicts and influence	Recurring involvement of the same officials or networks in high-risk procurement
Post-award control	Unsupported prepayments, unsigned contracts, poorly justified variations and poor delivery evidence
Structural design	Excessive concentration of authority in the Accounting Officer

- 4.3.3 A consistent pattern was the repeated use of non-competitive or weakly controlled procurement methods. Across multiple entities, there was overuse of direct appointments, reliance on emergency procurement without a clear basis, use of quotation processes beyond appropriate thresholds, and repeated departures from open and competitive tendering.
- 4.3.4 The findings also showed repeated weakening of procurement processes after initiation. This included changes to scope without retendering, relaxation of technical criteria, override of evaluation outcomes, reinstatement of unsuccessful bidders, and awards to entities that had not been properly evaluated. Documentation was frequently incomplete and approval pathways were unclear.
- 4.3.5 In a limited number of settings, the justification of “security”, “confidential” or “operational sensitivity” had the effect of reducing scrutiny over procurement, expenditure or decision-making. While such classifications may be legitimate in principle, the findings indicate that, where not subject to adequate oversight, they can create conditions in which normal controls are weakened or bypassed.



- 4.3.6 There were also indicators of fronting<sup>1</sup>, collusion and conflict-linked procurement risk. Patterns included repeated use of the same suppliers, apparent links between competing bidders, and recurring involvement of the same officials across high-risk procurement. These patterns pointed to procurement environments in which formal controls could be bypassed or undermined.
- 4.3.7 Across multiple audits, issues were identified in contract execution, including unsupported prepayments, absence of signed contracts, poorly controlled variations, retrospective approvals, inadequate milestone verification, and payment without sufficient evidence of delivery. In some cases, these issues occurred alongside recurring relationships that reduced independence of challenge and increased execution risk.
- 4.3.8 The programme also identified instances consistent with potential payment for goods or services not delivered, unsupported invoicing, or certification of work without adequate verification. In certain instances, sign-off processes were insufficiently independent or not supported by adequate underlying evidence. These patterns were not universal, but they were sufficiently recurrent to represent a material risk.
- 4.3.9 A central structural issue was the concentration of procurement authority in the Accounting Officer, which in most instances was the Permanent Secretary, Chief Executive Officer (or equivalent) or the Commanding Officer. While intended to improve efficiency, this appears in practice to have reduced independent challenge and increased exposure to pressure and influence, particularly in complex or high-value procurement.

#### **4.4 Governance**

- 4.4.1 Governance was the second largest thematic area, with 215 findings, including 17 Very High Severity and 116 High Severity findings. Governance weaknesses were identified in some form in every entity audited.

---

<sup>1</sup> “Fronting” refers to an arrangement where a company appears on paper to meet ownership, citizenship, or independence requirements, but the real control, benefit or delivery sits with another person or entity.

**Table 4.7 Governance findings**

<b>Severity</b>	<b>Count</b>
Very High	17
High	116
Medium	76
Low	6
<b>Total</b>	<b>215</b>

4.4.2 Governance weaknesses were not limited to technical breaches or matters of administrative form. They affected the ability of institutions to oversee management, scrutinise significant decisions, respond to control weaknesses and protect public resources.

**Table 4.8 Key governance findings**

<b>Area</b>	<b>Issues identified</b>
Board oversight	Absent, non-quorate, under-skilled or ineffective boards and committees
Internal assurance	Internal audit, risk and integrity functions under-resourced, ignored or not acted upon
Parent ministry / shareholder oversight	Oversight informal, delayed, fragmented or insufficiently documented
Conflict management	Weak declaration processes and inadequate management of conflicts
Consequence management	Prior findings and warning signs not consistently acted upon
Organisational culture	Weak challenge, poor escalation, inadequate whistleblower protection

4.4.3 A recurring issue was weak, disrupted or ineffective board oversight, particularly in SOEs and statutory bodies. Some entities operated for extended periods without a properly constituted or quorate board. In others, committees did not meet with sufficient regularity, there were too few members to function effectively, or appointments did not provide the skills, independence or experience required for proper oversight.

4.4.4 Weak governance was also reflected in deficiencies in internal control and assurance mechanisms. In several entities, internal audit was under-resourced, sidelined, ignored or its recommendations were not acted upon, with no consequences for such inaction. Risk functions were too limited in capacity or authority to influence decision-making. Anti-corruption or integrity arrangements were absent, fragmented or insufficiently embedded to provide a credible line of defence.



- 4.4.5 A further theme was weak oversight by parent ministries, shareholder bodies and sector regulators. In a number of entities, oversight was informal, delayed, fragmented or insufficiently documented. In other matters, the concern was that senior oversight or approval functions were involved in, endorsed or failed to challenge decisions that created significant financial or operational exposure. Decisions of major financial or operational significance were therefore taken, endorsed or allowed to continue, without clear evidence of effective challenge, escalation, written reporting, follow-up or consequence management.
- 4.4.6 The governance findings therefore show that the public-sector control environment was weakened at multiple levels: boards, management, parent ministries, regulators, assurance functions and internal controls. The nature, timing and recurrence of certain governance failures raised a concern that oversight structures may have been deliberately weakened, bypassed or rendered ineffective. In some matters, these weaknesses affected decisions with long-term contractual, operational or service-delivery consequences. This materially increased the risk that poor decisions, irregular procurement, financial stress and suspected misconduct could persist without timely intervention.
- 4.4.7 The governance findings also showed that weak formal structures were often accompanied by weak organisational culture. In several audits, staff described environments in which senior management decisions were not effectively challenged, whistleblowers were not protected (and in some cases were harassed or threatened), internal critics were isolated, and obvious problems were allowed to continue. This combination of weak structure and weak culture created a permissive environment in which poor decisions, irregular procurement, financial stress and suspected misconduct persisted.
- 4.5 Operational**
- 4.5.1 Operational findings accounted for 126 findings, including 5 Very High Severity and 75 High Severity findings. These findings demonstrated that weaknesses were not confined to

governance, procurement or finance. In several entities, they affected the basic ability to deliver mandates, safeguard assets and protect public value.

**Table 4.9 Operational findings**

Severity	Count
Very High	5
High	75
Medium	44
Low	2
<b>Total</b>	<b>126</b>

4.5.2 The findings included poor project delivery and contract management, weak asset management, weaknesses in documenting and controlling high-value public resources and recurrent indicators of waste.

**Table 4.10 Key operational findings**

Area	Issues identified
Project delivery	Weak planning, feasibility, scope definition, budgeting and supervision
Contract management	Poor contract administration, unmanaged variations and weak enforcement
Stock and inventory	Poor stock accounting, weak receiving and dispatch controls, unexplained variances
Asset management	Weak records, poor chain-of-custody and limited visibility over assets
Operational resilience	Outdated systems, weak disaster recovery and poor continuity arrangements
Workforce management	Payroll anomalies, inefficient structures and under-resourced control functions

4.5.3 A major part of this concerned project and programme delivery. Across infrastructure and development-related work, the audits identified weaknesses in planning, feasibility, scope definition, budgeting, supervision and contractor oversight. In some matters, certification, variation approval and quality assurance processes were inadequately evidenced, or not subject to effective technical challenge, increasing the risk that unsupported costs, poor delivery or irregular payments could be approved.

4.5.4 In some cases, problems were apparent before procurement began, where design, cost estimates or funding assumptions were insufficiently developed. In others, weaknesses



- became visible after award, through poor contract administration, unmanaged variations, delayed decisions and weak enforcement of performance rights.
- 4.5.5 Across a number of audits, these weaknesses translated into forms of waste. This included projects that remained incomplete or non-operational despite significant expenditure, assets that were procured but not deployed or maintained, and contractual arrangements that did not result in effective service delivery. In such cases, public funds were committed without corresponding public benefit, increasing both financial exposure and operational inefficiency.
- 4.5.6 Stock, warehouse and asset control were also recurring operational weaknesses. In several sectors, poor stock accounting, weak receiving and dispatch controls, incomplete systems coverage, poor chain-of-custody arrangements and unexplained variances made it difficult to confirm whether goods had been ordered, received, stored, issued or used for their intended purpose.
- 4.5.7 The consequences of these weaknesses were not limited to cost escalation or contractual non-compliance. In some matters, poor project delivery, weak technical oversight, inadequate contract control, stock mismanagement and/or weak asset controls affected the availability, reliability or quality of public services, supplies and infrastructure. The resulting public cost may therefore extend beyond direct financial loss and include service disruption, delayed delivery, reduced asset utility, replacement costs, alternative supply arrangements and additional future expenditure.
- 4.5.8 Operational resilience was also a concern. The programme identified weaknesses in disaster recovery, access controls, outdated systems, continuity arrangements and resourcing of key control functions. Where these weaknesses affected entities responsible for strategic supplies, utilities, transport, payments or other important public functions, the risk extended beyond internal inefficiency and into wider service-delivery concerns.
- 4.5.9 The operational findings show that poor control was often closely connected to poor delivery. Where an institution cannot reliably manage projects, stock, assets, staff or continuity arrangements, public money is more exposed, accountability becomes weaker and public services are reduced.

**4.6 Financial management**

4.6.1 Financial management accounted for 101 findings, including 4 Very High Severity and 66 High Severity findings. The findings were particularly pronounced in SOEs, public funds, ministries with significant expenditure responsibilities and lending institutions.

**Table 4.11 Financial management findings**

<b>Severity</b>	<b>Count</b>
Very High	4
High	66
Medium	31
Low	-
<b>Total</b>	<b>101</b>

4.6.2 The findings included weak cash control, poor budget discipline, unsupported disbursements, delayed reporting, weak working-capital management and poor linkage between budgets, procurement and expenditure.

**Table 4.12 Key financial management findings**

<b>Area</b>	<b>Issues identified</b>
Budget discipline	Poor planning, weak commitment control and reactive spending
Cash and liquidity	Liquidity pressure, mounting liabilities and reliance on Government support
Statutory / special-purpose funds	Weak approvals, weak oversight and use outside intended purpose
Virements and reallocations	Movement of funds without sufficient scrutiny or clear alignment to approved purpose
Lending and recoveries	Non-performing loans, weak recovery discipline and non-standard borrower treatment
Payments and reporting	Unsupported payments, retrospective approvals and weak reconciliation

4.6.3 In a number of entities, financial pressure was itself a control risk. Reliance on Government support, persistent losses, mounting liabilities, liquidity constraints and delayed statutory obligations contributed to short-term decision-making and weakened financial discipline.

4.6.4 Weaknesses were also identified in the management of statutory, earmarked and special-purpose funds. These included approvals lacking sufficient documentation or justification, weak oversight over the use of funds, and disbursements that did not clearly align with the intended purpose of the relevant fund.



4.6.5 In lending and development finance activities, the findings included high levels of non-performing loans, departures from lending policy, weak recovery processes and preferential or non-standard treatment of borrowers, including cases involving politically exposed persons or otherwise connected parties. These weaknesses placed public capital at risk and reduced confidence that lending decisions were being made and enforced on a consistent basis.

4.6.6 Across the programme, financial management weaknesses also affected procurement and project delivery. Unsupported payments, retrospective approvals, weak reconciliation and poor linkage between budget approval, procurement initiation and payment made it harder to determine whether public money had been properly authorised, spent and controlled.

**4.7 Systems and records**

4.7.1 Systems and records accounted for 31 findings, including 19 High Severity findings. Although this category was smaller in number than procurement or governance, its significance was wider because poor systems and records affected accountability across multiple other themes.

**Table 4.13 Systems and records findings**

<b>Severity</b>	<b>Count</b>
Very High	-
High	19
Medium	11
Low	1
<b>Total</b>	<b>31</b>

4.7.2 Weak systems and poor record-keeping were a recurring and serious finding across the programme. In several entities, poor systems, fragmented records and unreliable data reflected a basic failure of administration and weakened the ability of officeholders to control public resources, evidence decisions and account for the use of public money.



**Table 4.14 Key systems and records findings**

<b>Area</b>	<b>Issues identified</b>
Record completeness	Missing procurement files, approvals, contracts and supporting documents
Archiving	Weak retention, fragmented repositories and localised document storage
System reliability	Poor configuration, inconsistent use and incomplete implementation
Integration	Finance, procurement, inventory and operational systems not properly linked
Audit trails	Weak user controls, poor traceability and limited review of system activity
Manual workarounds	Reliance on spreadsheets, handwritten records and offline processes
Possible interference	Indicators that records may have been removed, concealed or reconstructed

- 4.7.3 The audits repeatedly encountered incomplete or fragmented records, missing procurement documentation, weak archiving, inconsistent data environments, local rather than centralised document storage and unreliable audit trails. In some entities, key records could not be produced. In others, records were held across different systems, locations or teams in a way that made it difficult for the institution itself to maintain a reliable account of its decisions, obligations, assets and expenditure.
- 4.7.4 These weaknesses were particularly significant where records supported decisions over high-value public resources, assets, contracts or entitlements. Where the underlying record was incomplete or unreliable, it became harder to verify whether decisions were properly authorised, fairly made, accurately recorded or capable of later challenge.
- 4.7.5 Systems weaknesses compounded those record failures. Core operational and financial systems were, in some cases, only partially implemented, poorly configured, inconsistently used or not properly integrated. Manual registers, spreadsheets and offline workarounds continued to operate alongside formal systems. This weakened management information, reduced transparency and made it easier for activity to avoid effective scrutiny.
- 4.7.6 The audits also identified indicators that records may have been removed, concealed, reconstructed or otherwise interfered with after the event. Where supported by the



underlying evidence, this raised a more serious concern that weaknesses in records and systems may have been used to frustrate scrutiny and obscure responsibility.

4.7.7 Reliable systems and records are part of the basic control framework of public administration. Where they are absent, incomplete or unreliable, fraud, misconduct, waste and maladministration become easier to commit and harder to detect.

4.7.8 The overall finding is that systems and records are core accountability infrastructure, and in a number of entities that infrastructure had failed. This failure reduced the ability of institutions to manage resources, enforce accountability, detect irregularity, quantify loss and hold individuals or counterparties to account. This was a material control failure by the institutions and officeholders responsible for maintaining proper public records and reliable systems.

**4.8 Human capital**

4.8.1 Human capital accounted for 10 findings, including 4 High Severity and 6 Medium Severity findings. Although smaller in number than other categories, these findings were significant because staffing, payroll, capability and discipline issues affected the ability of institutions to operate and control risk.

**Table 4.15 Human capital findings**

<b>Severity</b>	<b>Count</b>
Very High	
High	4
Medium	6
Low	-
<b>Total</b>	<b>10</b>



**Table 4.16 Key human capital findings**

<b>Area</b>	<b>Issues identified</b>
Staffing structures	Inefficient or poorly aligned staffing arrangements
Payroll controls	Weak verification and monitoring of payroll-related matters
Acting appointments	Weak control over acting roles and temporary arrangements
Performance management	Poor linkage between performance, accountability and consequence
Disciplinary processes	Weak or delayed follow-through on conduct and control failures
Capacity gaps	Under-resourced specialist functions and limited technical capability

4.8.2 The findings included weaknesses in staffing structures, payroll controls, recruitment, acting appointments, performance management, disciplinary processes, capacity gaps and resourcing of specialist functions. In some entities, staffing arrangements were inefficient or poorly aligned to operational need. In others, key control functions were under-resourced while broader staffing costs remained high.

4.8.3 Payroll and workforce-management issues also created integrity and financial control risks. Weak establishment control, poor verification of roles, inadequate monitoring of acting appointments, and weak disciplinary follow-through can create opportunities for irregular payments, abuse of allowances, payroll manipulation and ineffective consequence management.

4.8.4 The human capital findings also linked to wider governance and operational concerns. Institutions cannot implement reform, strengthen controls or deliver services effectively where they lack the required skills, technical capacity, leadership discipline or performance-management systems.

**4.9 Strategic / policy**

4.9.1 The findings included weaknesses in policy design, mandate clarity, institutional strategy, public-interest objectives, reform implementation and long-term planning. In some cases, entities lacked a clear strategic direction or were operating under business models that were not financially or operationally sustainable.



**Table 4.17 Strategic / policy findings**

Severity	Count
Very High	
High	6
Medium	3
Low	-
<b>Total</b>	<b>9</b>

**Table 4.18 Key strategic policy findings**

Area	Issues identified
Mandate clarity	Unclear, outdated or poorly implemented mandates
Policy design	Policy frameworks creating unintended integrity or delivery risks
Institutional strategy	Weak long-term direction or poor strategic planning
Ownership rationale	Unclear rationale for state ownership or continued intervention
Reform implementation	Weak delivery of prior reforms or institutional restructuring
Sustainability	Business models or funding arrangements not fit for purpose

4.9.2 Strategic and policy weaknesses also affected state ownership, public-sector delivery models and reform implementation. Where the rationale for ownership, funding or intervention is unclear, it becomes more difficult to assess performance, hold leadership accountable or decide whether an entity should be restructured, strengthened, merged, commercialised or otherwise reformed.

4.9.3 These findings were fewer in number but important in implication. They point to the need for Government not only to correct failures within existing structures, but to consider whether certain mandates, policy instruments, funding models and institutional arrangements remain fit for purpose.

**4.10 Entity-level remediation and implementation**

4.10.1 The findings generated more than 680 recommendations across the 30 audits. These recommendations range from immediate corrective actions within individual entities to broader reforms requiring central coordination, policy change or legislative action.



**Table 4.19 Summary of entity-level recommendations**

<b>Findings Theme</b>	<b>Very High<sup>2</sup></b>	<b>High</b>	<b>Medium</b>	<b>Low</b>	<b>Total</b>	<b>%</b>
Governance	-	78	54	4	136	20%
Procurement	-	98	31	-	129	19%
Operational	-	75	54	-	129	19%
Integrity and Misconduct	80	30	11	-	121	18%
Financial Management	-	53	21	1	75	11%
Systems and Records	-	22	14	-	36	5%
Strategic / Policy	10	14	3	-	27	4%
Human Capital	-	12	9	-	21	3%
Other / Unallocated	-	11	-	1	12	2%
<b>Total</b>	<b>90</b>	<b>393</b>	<b>197</b>	<b>6</b>	<b>686</b>	<b>100%</b>

4.10.2 The recommendation profile broadly mirrors the finding profile. Governance, procurement and operational recommendations account for 394 recommendations, or approximately 57% of the total. Very High Priority and High Priority recommendations account for 483 recommendations, or approximately 70% of the total. This confirms that the response requires urgent investigation, entity-level corrective action and structural reform.

4.10.3 The scale and severity of the findings create a significant implementation challenge. The primary delivery risk is not the absence of recommendations, but the absence of a mechanism to implement them consistently across a large and diverse portfolio.

4.10.4 Without a structured approach, outcomes will be uneven. Stronger entities may progress, while weaker or more constrained entities may fall further behind. That would leave a persistent gap between identified risk and realised remediation. Effective implementation requires four conditions:

- i) clear ownership at entity-level, with accountable leadership for delivery;
- ii) strengthened central oversight, with authority and capability to track, challenge and escalate;
- iii) evidence-based follow-up, focused on demonstrable completion rather than reported progress; and

<sup>2</sup> Note that the Very High Priority Integrity and Misconduct recommendations relate to special investigations referrals (see Section 5) and Very High Priority Strategic / Policy recommendations relate to Structural Reform (see Section 7)



iv) visible consequences for non-compliance, delayed or superficial implementation.

4.10.5 Therefore, a structured, centrally coordinated implementation model is required to translate these recommendations into sustained and measurable improvement. The proposed model is set out below:

**Table 4.20 Proposed implementation model**

Step	Purpose
Formal referral and response	Issue findings and recommendations to each audited entity for acknowledgement, root-cause analysis and implementation planning
Corrective action plans	Require each entity to identify actions, owners, deadlines, resources, dependencies and evidence of completion
Central tracking and escalation	Maintain a single programme-wide view of progress, overdue actions, risks and dependencies
Evidence-based verification	Test whether actions have been implemented in substance, not merely reported as complete
Capacity strengthening	Provide targeted support to entities lacking the systems, skills or resources to implement recommendations
Rolling risk-based assurance	Review whether implemented controls are operating effectively and remain sustainable
Consequence management	Escalate non-response, delay or superficial implementation to responsible leadership and oversight bodies

4.10.6 The implementation model provides a practical framework to move from findings to measurable change. Its effectiveness will depend on consistent application across entities, disciplined central oversight, and a focus on evidence of delivery rather than reported progress. If applied as designed, it provides a credible route to reduce risk, strengthen accountability and ensure that the issues identified through the programme are addressed in substance.

**4.11 Conclusion**

4.11.1 The findings are substantial in both scale and severity. Of the 814 findings identified, 585 (72%) were assessed as Very High or High severity. These findings were concentrated in procurement and governance, the two critical areas where public resources are committed and overseen.



- 4.11.2 The findings reveal recurring patterns of weak controls, ineffective oversight and poor accountability. The issue was not only that controls were weak or oversight was ineffective, but that the material reviewed indicated that controls were repeatedly ignored, bypassed, overridden or deliberately weakened by certain individuals operating at different levels of organisation
- 4.11.3 These findings will not correct themselves. If the underlying weaknesses in governance, procurement, financial control, oversight, systems and consequence management are not addressed, similar patterns are likely to continue. The recommendations arising from the individual audits therefore need to be implemented through a disciplined, centrally coordinated and evidence-based process, while the most serious matters are escalated through the special investigation referrals described in the following section.

## 5 Special investigation referrals

### 5.1 Overview

5.1.1 The most serious matters identified during the audits were escalated through special investigation referrals. These were prepared where the material reviewed identified suspected bribery, corruption, fraud, embezzlement, collusion, unlawful enrichment or other acts of serious misconduct, requiring follow-on investigation, tracing, recovery assessment or enforcement action.

**Table 5.1 Summary of referral population**

Measure	Figure
Special investigation referrals prepared	80
Audits giving rise to referral matters	26
Gross value of referral matters <sup>3</sup>	c. P160 billion
Indicative estimated loss / damage <sup>4</sup>	c. P33 billion
Current and former senior officeholders in referral population	80+
Contractors, suppliers and counterparties	150+

5.1.2 In total, the programme produced 80 special investigation referrals. These referrals cut across the majority of audits and span both historic and more recent matters. They do not relate to one entity, one period or one type of misconduct alone. Rather, they reflect a broader pattern of serious concern across multiple institutions, sectors and time periods.

5.1.3 The 80 referral matters relate to contracts, payments and other spending with a total gross value of approximately P160 billion. On a preliminary basis, the programme estimates indicative loss or damage of approximately P33 billion. These figures are preliminary and may change as investigations, tracing, recovery analysis and legal review proceed. They should be understood as programme-level estimates, not final quantified loss figures.

5.1.4 The indicative estimated loss does not capture the full public cost of the matters identified. In certain cases, the wider cost to the nation may extend beyond the contract, payment or asset value reviewed. This may include disrupted public services, delayed infrastructure

<sup>3</sup> Gross value of referral matters means the total value of contracts, payments, assets or funds identified within the special investigation referral matters. It is a value-at-risk figure. It does not mean that the full amount has been lost, but that the amount was exposed to suspected corruption, fraud, misappropriation, waste or other serious irregularity.

<sup>4</sup> Indicative estimated loss / damage means a preliminary estimate of likely financial harm based on the nature of the suspected misconduct and the value exposed. It is not a final loss figure and may change following investigation, asset tracing, valuation and legal review. It should be treated as a conservative floor, not the full possible extent of loss or recovery exposure.



delivery, reduced reliability of supplies, additional costs of securing alternative supply, future contractual exposure, and the broader economic and social cost of poor delivery. Those wider consequences are not capable of precise quantification at this stage and are therefore not fully reflected in the indicative loss estimate.

5.1.5 These matters were not confined to legacy issues. Some concerned historic conduct, while others related to more recent or potentially continuing activity. The referral population therefore reflects both longstanding weaknesses and matters that appear to have remained active, unresolved or insufficiently addressed into the present period.

5.1.6 The figures above should be understood as a floor, not a ceiling. They relate only to matters reviewed within the forensic audit programme and do not quantify all possible loss or exposure across Government, SOEs and other public bodies. The work was targeted rather than a full review of every project, contract or transaction. Some counterparties in the referral population have wider public-sector relationships beyond the matters tested. The figures therefore represent identified exposure to date, not the outer limit of potential loss or risk.

## **5.2 Persons, role categories and counterparties of interest**

5.2.1 The referral matters involved more than 80 senior officeholders or senior decision-makers. These included, among others, ministers, deputy ministers, permanent secretaries, chief executives (and equivalents) and board members.

5.2.2 The matters also involved more than 150 contractors and suppliers engaged by Government, SOEs and other public bodies, including local, regional and international counterparties.

5.2.3 A significant feature of the referral population was the recurrence of certain individuals, counterparties, relationships and patterns across multiple matters, entities and time periods, as well as, similarities in decision-making patterns across different departments, ministries and entities. In some cases, those patterns were consistent with indicators of corrupt or improper conduct. That does not, of itself, determine liability. It does, however, strengthen the basis for structured follow-on investigation, including analysis of networks, beneficial ownership, related-party links, repeat contracting patterns and potential asset flows.

### **5.3 Evidential foundation**

- 5.3.1 The referral matters are supported by a substantial body of underlying material. That material includes, where relevant, financial and transaction records, signed procurement documentation, signed contracts and amendments, approval records, correspondence, internal memoranda, Board and committee records, accounting data, payroll records, stock and inventory records, company and ownership information, site-related material, and witness or first-hand accounts from current and former personnel and other relevant persons. The evidential position does not rest on a single source.
- 5.3.2 The referral matters were developed through a combination of documentary review, transaction testing, interviews, cross-checking against other records, and comparison across entities and time periods. In some matters, the material reviewed included financial, transactional, documentary or testimonial indicators consistent with suspected bribery, kickbacks, improper influence, collusion, diversion of funds or concealment of proceeds. This provides a developed and structured basis for further investigation, tracing, testing and, where appropriate, civil, criminal, disciplinary or regulatory action.
- 5.3.3 The referral packs are designed to support the next stage of formal investigation, including the use of statutory powers, asset tracing, witness evidence, legal assessment and determination of criminal and/or civil liability.

### **5.4 Purpose of the referral packs**

- 5.4.1 The purpose of the referral packs is to assist the authorities to move quickly from forensic audit findings to targeted action. The packs are intended to support prioritisation, preservation of evidence, asset-tracing assessment, recovery analysis, further investigation and, where appropriate, criminal, civil, disciplinary or regulatory proceedings.
- 5.4.2 The referral packs are therefore the principal mechanism through which the most serious matters identified by the programme are escalated. The public report summarises the scale and nature of the referral population, but the detailed evidential and operational material has been reserved for confidential handling by the relevant authorities.

**5.5 Conclusion**

5.5.1 The referral matters show where the most serious issues require follow-on action. However, the audits also demonstrated that those matters did not arise in a vacuum. Across the reviewed population, serious misconduct risk was repeatedly associated with wider institutional weaknesses. The next section therefore considers the principal enablers that allowed these issues to arise, persist or remain insufficiently challenged.

## 6 Enablers of the issues identified

### 6.1 Introduction

6.1.1 The forensic audits identified not only individual instances of misconduct, irregularity and control failure, but also a broader pattern of enabling conditions that allowed those issues to arise, persist and remain unchallenged. Across the reviewed population, we identified 24 principal enablers contributing to chronic corruption risk and a weakened control environment. These have been grouped into six broad themes:

**Table 6.1 Principal enabler themes**

<b>Enabler theme</b>	<b>What it means</b>	<b>Why it mattered</b>
Weak oversight mechanisms	Weak governance, audit, regulatory and supervisory challenge	Poor decisions continued without timely intervention
Ineffective control institutions	Weaknesses in anti-corruption, prosecution, ethics, disclosure and security oversight bodies	Serious matters were not consistently converted into action
Vulnerabilities in procurement processes	Procurement distorted by discretion, weak controls, conflicts and manipulation	Public funds were exposed to inflated pricing, favouritism and suspected corruption
Weak financial management and discipline	Poor budgeting, virement control, fund discipline and recovery	Funds could be redirected, dissipated or used outside approved purposes
Significant operational and delivery failures	Weak project delivery, systems, records, stock and business models	Poor delivery and weak visibility created opportunity for loss and abuse
Weak culture of accountability	Weak consequence management, poor ethics and unsafe reporting environments	Misconduct risk was normalised and challenge was discouraged

6.1.2 Not every enabler was present in every entity. However, similar weaknesses recurred across multiple audits, sectors and time periods.

### 6.2 Weak oversight mechanisms

6.2.1 A major enabling condition was the weakening, bypassing or compromise of oversight structures that should have provided challenge, scrutiny and accountability. Across the audits, oversight was often present in form but ineffective in practice. This reduced the ability of institutions to prevent poor decisions, detect irregularity, challenge management or act on warning signs. The principal features included:



**Table 6.2 Weak oversight mechanisms – principal features**

<b>Feature</b>	<b>Effect</b>
Weak audit functions	Warning signs were identified but not consistently escalated or remediated
Regulatory failure	Oversight bodies did not consistently monitor, intervene or use available sanction powers
Poor SOE governance	Boards were absent, non-quorate, under-skilled or unable to challenge management
Ineffective or compromised ministry / directorate oversight	Major decisions were taken, endorsed or allowed to continue without effective scrutiny, documentation or follow-up
Weakened procurement oversight	Procurement decisions became more exposed to discretion, pressure and weak challenge

- 6.2.2 One of the clearest enabling factors was weak challenge from audit, assurance and regulatory bodies. Across at least 12 audits, internal audit, external oversight, regulatory monitoring or other assurance functions were found to be under-resourced, ineffective, bypassed or ignored.
- 6.2.3 This weakness took several forms across the reviewed population. In some entities, risk management or internal assurance functions were too weak to influence decision-making meaningfully. In others, internal audit capacity was plainly insufficient for the scale of financial, operational or governance risk being carried. There were also cases in which prior internal audit findings, prior forensic reviews or other warning reports had already identified serious weaknesses, yet the same issues continued to recur.
- 6.2.4 Some regulatory bodies were themselves behind on core oversight activity, had not fully implemented the changes required by newer operating frameworks, or were not exercising available sanction or monitoring powers with sufficient consistency or force.
- 6.2.5 Particularly concerning were instances in which the problem was not the absence of warning signs, but the failure of warning signs to lead to timely and decisive action. In some cases, audit and assurance findings were repeated over a number of years without effective remediation. In others, case handling, evidence assessment, record systems, monitoring processes or referral pathways were themselves weak or unreliable. That meant that control concerns could be identified but still fail to trigger a credible institutional response.



6.2.6 Weak audit, assurance and regulatory challenge allowed known weaknesses to persist for too long, reduced deterrence, and increased the likelihood that financial loss, abuse of discretion and suspected corruption would continue undetected, uncorrected or insufficiently escalated.

**6.3 Ineffective control institutions**

6.3.1 A second group of enablers concerned the weakness of directorates and institutions responsible for investigation, prosecution, disclosure, intelligence, anti-corruption enforcement and control. This included, in particular, weaknesses identified in relation to EID, DCEC and DIS. These bodies should have acted as safeguards against abuse. In several areas, however, the findings indicated weaknesses in effectiveness, resourcing (in the case of DCEC and EID), leadership, independence or mandate discipline. The principal features included:

**Table 6.3 Ineffective control institutions – principal features**

Feature	Effect
Weak anti-corruption leadership and case progression	Serious matters were not consistently converted into investigation, prosecution or recovery action
Low prosecution conversion	Referrals and allegations did not reliably produce enforceable outcomes
Weak disclosure enforcement	Conflicts of interest, unexplained wealth risk and abuse of office were not adequately detected or acted upon
Mandate drift in sensitive functions	Expenditure and operational activity became vulnerable to secrecy-based justification and weak accountability
Fragmented institutional responsibilities	No single function consistently owned intake, triage, escalation and follow-through

6.3.2 The overall anti-corruption response was fragmented and often ineffective. At least 10 audits identified weak or missing anti-corruption structures, compromised whistleblowing arrangements, poor follow-up on allegations, or a broader failure to respond coherently to suspected misconduct. In some entities, there was no dedicated anti-corruption function. In others, responsibility was spread across HR, internal audit, risk, legal or management, with no single function clearly accountable for intake, triage, escalation and investigation.

6.3.3 The findings also raised concerns regarding national control institutions. In particular, weaknesses were identified in case handling, evidence assessment, case-management



systems, triage and escalation. This led to a lack of matters converted into enforceable outcomes and prosecution. This in turn reduced deterrence and reinforced the perception that serious misconduct carries limited practical consequence.

6.3.4 The asset declaration regime under the EID was not monitored, digitised, tested or enforced, which did little to prevent conflicts of interest, unexplained wealth risk or abuse of office.

6.3.5 The audit of DIS identified matters indicating mandate drift and insufficient external accountability. Where such bodies are not subject to appropriate oversight, expenditure and use of funds become particularly vulnerable to abuse, secrecy-based justification and weak challenge.

6.3.6 The overall effect was a weakened accountability chain, whereby allegations could be raised but not acted upon or progressed to prosecution. Declarations were made but not tested, monitored and followed up. Ineffective control institutions therefore weakened deterrence and allowed suspected misconduct to persist.

#### **6.4 Vulnerabilities in procurement processes**

6.4.1 The failure of procurement oversight and controls was one of the most widespread enabling conditions identified in the audits. It arose in every audit where procurement was assessed and, in some sectors, was the principal route through which suspected corruption, waste and poor value for money occurred. The principal features included:

**Table 6.4 Vulnerabilities in procurement processes – principal features**

<b>Feature</b>	<b>Effect</b>
Direct awards and emergency procurement	Reduced competition and scrutiny, particularly where the justification for non-competitive procurement was weak or undocumented
Threshold-splitting and misuse of quotation processes	Avoided higher approval requirements and allowed procurement to proceed through lower-control routes
Tender alteration and evaluation override	Undermined fairness, transparency and value for money by changing scope, criteria or outcomes after process initiation
Awards to non-participating or inadequately evaluated parties	Weakened the integrity of supplier selection and increased the risk of favouritism or improper influence
Unsigned contracts and premature advance payments	Exposed public funds before contractual protections, delivery obligations or recovery rights were properly secured
Repeated or threshold-managed variations	Allowed contract scope and value to expand after award, sometimes in ways that avoided formal approval thresholds
Concentrated Accounting Officer authority	Increased exposure to pressure, informal instruction and unilateral decision-making
Fronting, collusion and conflict-linked procurement	Created false competition and increased corruption risk
Weak contract and claims management	Enabled inflated claims, unsupported payments, poor delivery, retrospective approvals and weak enforcement of contractual rights

6.4.2 The findings also indicated that procurement irregularities were connected to favouritism, political or administrative interference, insider access, fronting or collusive behaviour. Recurrence of the same contractors or suppliers, repetition of the same officials across high-risk procurement, repeated threshold-splitting and habitual use of non-competitive routes all pointed to control environments in which formal compliance mechanisms could be manipulated and bypassed. In some entities, non-competitive procurement had become normalised rather than exceptional.

6.4.3 A central feature of this problem was the concentration of procurement decision-making in the Accounting Officer under the current procurement framework. In principle, the Public Procurement Act 2021 and the 2023 Regulations appear to have been intended to speed up procurement by moving final authority away from slower committee-based structures. In practice, however, this concentrated very significant decision-making power in a single

office-holder, often a Permanent Secretary or equivalent administrative head, who was not necessarily a specialist procurement professional.

6.4.4 That created two related risks. First, complex procurement judgements were being made by persons who may not have had the technical background required to interrogate them fully. Second, once so much authority sat with one individual, the process became more vulnerable to pressure, informal instruction, bribery and improper influence. The forensic audit findings repeatedly illustrated the risks inherent in this design: decisions were often made unilaterally, oversight was weaker and independent challenge was reduced to an advisory step.

6.4.5 Procurement is one of the main points at which public money is converted into commitments, contracts and payments. Where procurement controls are weak in design, easy to bypass, and poorly monitored after the event, the system becomes highly vulnerable to collusion, favouritism, inflated pricing, non-delivery and kickback arrangements. That is one of the reasons the forensic audits identified such a substantial population of matters requiring further investigation.

**6.5 Weak financial management and discipline**

6.5.1 Weak financial management was chronic and appeared in some form across all of the audits, both in entities experiencing financial distress and in others where budgetary control, fund discipline and expenditure management were weak. The principal features included:

**Table 6.5 Weak financial management and discipline – principal features**

Feature	Effect
Poor budget controls	Funds could be committed or spent without adequate planning, authority or discipline
Weak control over virements	Funds could be moved away from approved purposes or used to regularise poor planning
Diversion of statutory or special-purpose funds	Ring-fenced public money could be used outside its intended legal or policy purpose
No meaningful impact assessment of funds	Public money could be disbursed without evidence that intended public value was achieved
PEP or connected lending with weak recovery	Public capital remained exposed without effective enforcement or recovery
Liquidity pressure and bailouts	Short-term survival displaced financial discipline and control



- 6.5.2 In government ministries and departments, weak budgeting and budgetary control created opportunities for funds to be redirected away from their intended purposes. Poor planning, unrealistic allocations, delayed funding, weak commitment control and inadequate forecasting contributed to reactive spending decisions. This weakened the ability of institutions to manage public funds in a disciplined and transparent way.
- 6.5.3 A particular enabler was the use, abuse or weak control of virements. Virements are intended to provide controlled flexibility within the budget process. However, where poorly governed, they can be used to move funds away from approved purposes, regularise poor planning, obscure the true nature of expenditure, or support decisions that had not been properly scrutinised through the original budget process.
- 6.5.4 The audits also identified concerns regarding statutory, special-purpose and managed funds. Such funds are ordinarily created or allocated for defined purposes and should not be treated as general reserves to meet unrelated financial pressures. In some cases, funds were diverted, repurposed, dissipated or used without clear evidence of proper authority. There was also weak evidence of impact assessment, meaning that substantial public funds could be disbursed without adequate review of whether the intended policy or public value had been achieved.
- 6.5.5 In lending institutions reviewed, high non-performing loans, politically exposed or connected borrowers, weak recovery discipline and departures from policy placed public capital at risk.
- 6.5.6 Weak financial management reduced institutional resilience and created opportunities for funds to be diverted, regularised after the event, or used inconsistently with their approved purpose. It also allowed poor decisions to be masked by liquidity pressure, emergency funding, bailouts or delayed recognition of loss.
- 6.6 Significant operational and delivery failures**
- 6.6.1 This refers to the failure of institutions to effectively manage projects, contracts, business models, assets, stock, systems and records in a way that protected public value. These

weaknesses were not confined to poor delivery and they created opportunities for waste, exploitation and suspected misconduct. The principal features included:

**Table 6.6 Significant operational and delivery failures – principal features**

Feature	Effect
Insolvent or near-insolvent SOEs	Management focus shifted to survival rather than control, service quality or long-term value
Unviable business models	Public bodies continued operating without a realistic financial or operational basis
Weak project planning and supervision	Projects became exposed to delay, cost escalation, poor quality and contractor exploitation
Manual processes and poor digital adoption	Transactions and approvals became harder to trace, reconcile and control
Fragmented systems and records	Institutions could not reliably evidence decisions, assets, stock or expenditure
Lack of standardised policies and procedures	Controls depended on local practice, individual discretion or informal workarounds
Weak administration of high-value public resources	Reduced transparency over allocation, use or control of public assets and increased exposure to dispute, misallocation or abuse

6.6.2 In the SOEs audited, operational weakness was linked to business models that were not financially sustainable or operationally coherent. Persistent losses, dependence on Government support, weak cash-flow management and lack of credible turnaround planning meant that these institutions were not operating on a viable footing. In that environment, management attention was drawn to immediate survival rather than disciplined control, service improvement or long-term value.

6.6.3 Project and contract delivery also showed repeated weakness. Across all audits where large infrastructure projects and programmes were reviewed, project and contract delivery was affected by poor project management, weak contract administration, errors in bills of quantities, unreliable supporting documentation, weak control over project managers, fragmented records and poor technical challenge. These weaknesses contributed to additional cost, delay and weak accountability. Weak oversight after award allowed contractors, project managers and other counterparties to exploit gaps in Ministry or entity supervision.



6.6.4 Manual processes and poor digital adoption compounded operational failure. In over half of the audits conducted, core control processes were undermined by poorly configured, underused or non-integrated systems, combined with weak record-keeping and fragmented document management. Some entities continued to rely on manual registers, spreadsheets, handwritten records or local files for essential control processes. Others operated systems that were only partly implemented, poorly configured, inconsistently used or not properly integrated.

6.6.5 A lack of standardised policies and procedures also weakened operations. Where processes depended on local practice, individual memory or informal workarounds, controls became inconsistent and accountability weakened. This was particularly serious in areas involving stock, procurement, payroll, contract management and operational stores.

6.6.6 Weak administration of high-value public resources, including land resources, was also an enabling factor. In certain areas, records supporting allocation, ownership, use or transfer of assets were incomplete, fragmented or not reliably maintained. Decision-making processes were not always fully documented, and audit trails were limited. Where this occurs, it becomes more difficult to verify whether allocations or use of public resources were properly authorised, consistently applied and aligned with policy or legal requirements.

6.6.7 These operational weaknesses reduced visibility over assets, projects, stock, expenditure and delivery. They made irregular easier to make and harder to challenge, as poor systems and records obscured events after the fact and allowed weak process discipline, irregularity and suspected misconduct to persist with a lower risk of timely detection.

### **6.7 Weak culture of accountability**

6.7.1 The final group of enablers concerned organisational culture: the behaviours, expectations and incentives that allowed weak controls, irregularity and suspected misconduct to become normalised. Culture determined whether staff challenged poor decisions, whether warnings were acted upon, whether conflicts were declared, and whether misconduct carried consequences. The principal features included:

**Table 6.7 Weak culture of accountability – principal features**

<b>Feature</b>	<b>Effect</b>
No effective consequence management	Breaches of law, policy or control did not reliably result in sanction or correction
Intimidation or isolation of whistleblowers	Staff were discouraged from raising concerns or challenging misconduct
Limited whistleblower protection	Reporting serious concerns carried personal or professional risk
Decline in ethical standards	Public duties were subordinated to personal, political, familial or commercial interests
Undeclared conflicts of interest	Decisions could be influenced by interests not visible to the institution
Normalisation of non-compliance	Exceptional or irregular practices became routine rather than challenged

- 6.7.2 The most important feature was weak consequence management. Across the reviewed population, serious failures were often identified but not consistently followed by disciplinary action, procurement sanctions, management accountability or structural correction. Where breaches of policy, law or control do not lead to consequences, the control environment loses credibility.
- 6.7.3 In several audits, staff described environments in which senior management decisions were not effectively challenged, internal critics were isolated, whistleblowers were not protected, and obvious problems were allowed to continue. In some cases, individuals who raised concerns faced retaliation or other adverse consequences. That created a chilling effect: staff learned that speaking up could carry personal risk, while wrongdoing might carry little practical consequence.
- 6.7.4 The findings also pointed to a broader decline in ethical standards. In some matters, public duties appeared to have been subordinated to personal, political, familial or commercial interests. Conflicts of interest were not declared or managed and personal networks influenced decisions.
- 6.7.5 A related integrity risk arose from public servants being permitted to hold or participate in private business interests without adequate safeguards. While such arrangements may have been intended to support broader economic participation, they created obvious conflict-of-interest risks where public officers, their relatives, associates or related companies operated



in sectors that contract with Government or public bodies. The audits identified instances in which such interests or relationships gave rise to actual or apparent conflicts, but were not declared, adequately assessed or managed through effective recusal and oversight.

6.7.6 The result was a culture in which misconduct risk was recognised but not consistently confronted. That weakened deterrence, reduced trust in institutions, and created a perception that breaches of policy, law or control might not lead to sanction. Unless consequence management, ethical leadership and whistleblower protection are strengthened, technical reforms alone are unlikely to produce lasting improvement.

### **6.8 Conclusion**

6.8.1 The enablers identified across the audits demonstrate a recurring pattern: oversight was weak, control institutions were ineffective, procurement was vulnerable to manipulation, financial discipline was poor, operations were not reliably controlled and organisational culture did not consistently support accountability. While the precise combination of enablers differed across the entities reviewed, the overall picture was one of systemic vulnerability rather than incidental breakdown.

6.8.2 These factors did not operate independently and they reinforced one another. Weak oversight reduced challenge; failing control institutions reduced enforcement; vulnerabilities in procurement and weak financial management created opportunity; operational breakdown reduced visibility; and cultural conditions reduced the likelihood that issues would be raised or acted upon. In combination, this created an environment in which irregularity, waste and suspected misconduct could arise and persist.

6.8.3 The significance of these enablers is therefore forward-looking as well as retrospective. Unless they are addressed, similar patterns of corruption, irregularity, weak accountability and loss will continue to recur across other institutions and sectors beyond those directly reviewed in the programme. The reform section therefore focuses on the institutional changes required to reduce future exposure, strengthen accountability and ensure that the issues identified through the programme are not repeated.

## 7 Structural reforms

### 7.1 Introduction

7.1.1 This section addresses the structural reforms arising from the forensic audit programme. The purpose of this section is to identify the wider institutional reforms required to address the recurring conditions that allowed the issues identified through the programme to arise and persist. The reforms are grouped into six areas:

**Table 7.1 Summary of structural reforms**

<b>Reform pillar</b>	<b>Core objective</b>	<b>Main areas of action</b>
Governance reform	Restore effective oversight and challenge	SOE governance, audit functions, regulatory powers, procurement oversight
Institutional reform	Strengthen enforcement and integrity institutions	Anti-corruption strategy, prosecution capability, disclosure enforcement, DIS mandate review
Procurement reform	Reduce discretion and make abuse harder	Procurement model, citizen preference, contract enforcement, professionalisation
Financial reform	Restore discipline over public funds	Budget controls, special funds, managed funds, loan enforcement
Operational reform	Improve delivery and control capability	SOE turnaround, project review, digitisation, policies and procedures, PEEPA mandate
Cultural reform	Rebuild accountability and ethical standards	Consequence management, whistleblower protection, public-sector ethics, KPIs

7.1.2 These reform areas are mutually reinforcing. Governance reform will be weakened if institutions responsible for enforcement remain ineffective. Procurement reform will not succeed without financial discipline and consequence management. Operational reform will not be sustainable without reliable systems, records and leadership accountability. The objective is therefore not a set of isolated reforms but a coordinated structural response to the systemic weaknesses identified through the programme.

7.1.3 Given the breadth of reform required, implementation should be supported by a dedicated reform delivery mechanism with sufficient independence, technical capability and authority to advise Government, co-ordinate delivery, monitor progress and escalate non-implementation.



### 7.2 Reform delivery and independent implementation support

7.2.1 The scale of the reforms required creates a significant delivery risk. The programme identified weaknesses across governance, procurement, financial management, operational delivery, systems, records, ethics and enforcement. Delivering reform across these areas will require specialist capability. It will also require sustained coordination across ministries, SOEs, regulators and oversight bodies.

7.2.2 Government should therefore establish a dedicated reform delivery mechanism to advise and support implementation of the structural reforms arising from the forensic audit programme. It should provide independent technical support, delivery discipline and implementation oversight so that reform does not become fragmented, delayed or absorbed into existing weak control environments.

7.2.3 The reform delivery mechanism should be capable of:

- i) translating the audit findings and recommendations into a prioritised implementation plan;
- ii) advising Government on legislative, policy, institutional and operational reforms;
- iii) coordinating implementation across ministries, SOEs, regulators and oversight bodies, including mobilising specialist support where required;
- iv) monitoring implementation against agreed milestones and evidence of completion;
- v) escalating non-delivery, delay or resistance to the appropriate authority; and
- vi) advising on private-sector implications, including contractor conduct, beneficial ownership, foreign state-owned counterparties, market competition, contract enforcement and recovery options.

7.2.4 The mechanism should have sufficient independence to provide objective advice and challenge. This is important because some reforms will affect existing interests, procurement relationships, counterparties and institutional practices. Without independent

support and scrutiny, there is a risk that reforms may be diluted, delayed or implemented superficially.

7.2.5 The mechanism should be time-bound, delivery-focused and transparent in its operating model. It should report periodically on implementation progress, while protecting confidential investigation, recovery and legal work. Its purpose should be to help Government move from findings and recommendations to measurable reform, while reducing the risk that implementation is left to the same systems and actors that the audits found to be weak.

7.2.6 The recurrence of similar findings across multiple audits indicates that the issues identified are unlikely to be confined to the entities reviewed. There is therefore a case for a further phase of targeted forensic audits, appropriately timed, to extend coverage to additional high-risk entities, sectors and themes not yet reviewed.

### **7.3 Governance Reform**

7.3.1 Governance reform should address the weakened oversight arrangements identified across the audits. The objective should be to restore effective challenge, clarify accountability and ensure that boards, regulators, audit functions and oversight bodies are capable of acting before control failures become entrenched. The reform priorities are:

- i) reform legislation and institutional arrangements to enhance independence and effective oversight;
- ii) adopt recognised SOE governance principles, including the OECD Guidelines on Corporate Governance of State-Owned Enterprises;
- iii) strengthen audit, assurance and regulatory functions; and
- iv) enhance procurement oversight and restore meaningful independent challenge.

7.3.2 Governance reform should include a review of the legislative and institutional arrangements governing key oversight, audit, regulatory and public-sector control bodies. The objective should be to ensure that those bodies have sufficient independence, authority, funding security and protection from improper interference to discharge their mandates effectively.

This should include clearer reporting lines, stronger escalation mechanisms, and safeguards to ensure that findings, warnings and regulatory concerns cannot be ignored without consequence.

7.3.3 For SOEs and statutory bodies, the starting point should be a clearer state ownership framework. Government should periodically review why each SOE is owned, what public purpose it serves, what performance is expected, and whether the current ownership model remains justified. Boards should have the authority, competence and independence to oversee strategy, risk, financial performance, internal controls and management conduct. Skills, independence, integrity and sector knowledge should be central to board appointments.

7.3.4 Audit and regulatory functions also require strengthening. Internal audit should be sufficiently resourced, independent and empowered to escalate unresolved findings. External auditors should be appointed on a timely basis, statutory and external audits should be completed within required timeframes, and audit recommendations should be tracked through to implementation. Regulatory bodies should be supported to exercise monitoring, audit, suspension, delisting and sanction powers consistently. Findings should not be allowed to recur over multiple years without consequence.

7.3.5 Procurement oversight should also be strengthened as part of governance reform. The concentration of decision-making authority should be balanced by stronger technical, legal, financial and procurement challenge, particularly for high-value or high-risk procurement.

## **7.4 Institutional Reform**

7.4.1 Institutional reform should focus on the bodies responsible for anti-corruption enforcement, investigation, prosecution, ethics, disclosure and intelligence oversight. The findings show that serious matters were identified but failed to convert into prosecution, recovery, sanction or institutional change as a result of the weakness of these bodies. The reform priorities are:

- i) develop a practical National Anti-Corruption Strategy;

- ii) improve prosecution capability for complex corruption, fraud and commercial crime matters, including consideration of dedicated specialist arrangements or a specialist tribunal mechanism where appropriate;
- iii) strengthen ethics and disclosure enforcement, including accountability for failure to disclose; and
- iv) review the mandate of DIS, leadership, controls and operational scope.

7.4.2 The National Anti-Corruption Strategy should be practical rather than aspirational. It should address the nature and extent of corruption risks, institutional capability, legislative gaps, prosecutorial capacity, whistleblower protection, high-risk sectors such as infrastructure procurement, and how enforcement performance will be measured.

7.4.3 The capacity to investigate and prosecute complex corruption, fraud and financial crime matters should be strengthened. This requires earlier prosecutorial involvement in serious investigations, specialist case teams, stronger evidence collection and assessment, improved case preparation and closer coordination between prosecutors, investigators, forensic specialists and asset-recovery practitioners. Without that capability, serious matters may be identified and referred but fail to convert into viable prosecutions or recovery outcomes that can withstand appeal.

7.4.4 Ethics and disclosure enforcement should also be strengthened. Disclosure regimes are ineffective if declarations are not digitised, monitored, updated, tested and acted upon. Failure to disclose relevant interests should carry consequence, and disclosure data should be capable of supporting conflict checks, unexplained wealth analysis and referral decisions.

7.4.5 DIS-related reforms should focus on mandate discipline, leadership, accountability and scale. Sensitive functions require appropriate secrecy, but secrecy should not become a substitute for oversight. Where security or intelligence functions undertake procurement, payroll, operational expenditure or use of public funds, they require strong controls, defined mandates and appropriate independent scrutiny.

## 7.5 Procurement reform

7.5.1 Procurement reform should reduce discretion, restore challenge and make abuse harder. Procurement was one of the clearest areas requiring reform and, in all audits where procurement was reviewed, this was the principal route through which financial exposure, poor value for money and suspected corruption arose. The reform priorities are:

- i) redesign the procurement model to reduce excessive concentration of authority, allow for segregation of duties and create mechanisms for oversight;
- ii) reform citizen empowerment and preference rules, tighten controls over direct awards, emergency procurement, variations and advance payments to ensure fair competition;
- iii) strengthen contract enforcement and clawback mechanisms; and
- iv) professionalise procurement capability.

7.5.2 The concentration of authority in the Accounting Officer should be reconsidered. Efficiency is important, but complex or high-value procurement should not depend primarily on one office-holder. Independent technical, legal, financial and procurement challenge should be built into the process before commitments are made.

7.5.3 Immediate guidance should be issued while legislative or regulatory amendments for procurement are considered. That guidance should address direct awards, emergency procurement, variations, conflict declarations, beneficial ownership disclosure, advance payments and post-award changes. PPRA should also be supported to strengthen procurement audit activity, suspension and delisting mechanisms, contract reporting and monitoring of exemptions.

7.5.4 Citizen-preference, reservation, Economic Diversification Drive (“EDD”) and SPEDU-linked procurement measures have legitimate policy objectives. The issue is not the objective, but the weakness of verification. Reform should require substantive testing of ownership, control, financing, subcontracting, delivery capability and related-party links. Where genuine citizen capability does not exist in a particular market, mandatory reservation should be reconsidered or calibrated to avoid fronting, pass-through arrangements and poor delivery.

7.5.5 Contract enforcement must also be strengthened. Government should be more willing to enforce contractual rights, recover overpayments, claim against performance security, impose liquidated damages where applicable, terminate non-performing contracts where justified, and pursue clawback where public money has been paid without proper basis.

7.5.6 Alongside this, a structured cross-government review of recent, ongoing and planned projects should be undertaken. This should assess contractual position, cost exposure, delivery risk and value for money across major projects. It should identify projects requiring renegotiation, enforcement of contractual rights, suspension, termination, recovery of overpayments or strengthened oversight.

7.5.7 Procurement should be strengthened as a specialist public-sector function. High-value and high-risk procurement should be handled or reviewed by trained procurement professionals with clear ethical obligations, technical competence and accountability for compliance. This should include stronger certification or accreditation requirements, clearer role separation, improved technical review, and career pathways that reduce over-reliance on non-specialist accounting officers or ad hoc procurement committees.

## **7.6 Financial Reform**

7.6.1 Financial reform should restore budget discipline, protect public funds and improve the management of cash, commitments, lending and recoveries. The audits identified weaknesses in this area across all entities reviewed. The reform priorities are:

- i) strengthen budgeting, forecasting and commitment control;
- ii) protect statutory, earmarked, special-purpose and managed funds;
- iii) strengthen monitoring of managed funds and public investment vehicles; and
- iv) enforce loans and recoveries, including against politically exposed or connected borrowers.

7.6.2 Financial reform should improve the way public bodies plan expenditure, forecast funding requirements, approve commitments and monitor budget execution. Public bodies should not enter into commitments without proper authority (and with appropriate sanctions when

this occurs), available funding and clear alignment to approved budgets. Stronger commitment control would reduce the risk of arrears, unauthorised expenditure, reactive virements, diversion of funds and later attempts to regularise decisions after the event.

7.6.3 Virements and reallocations should be subject to tighter approval, documentation and reporting. They should not be used to move funds away from approved purposes, regularise poor planning, or obscure the true nature of expenditure. Statutory, earmarked and special-purpose funds should not be treated as general cash reserves. Their permitted uses, approval processes, reporting obligations and performance measures should be clarified and enforced.

7.6.4 Special funds, grants, levies and subsidies should be subject to impact assessment. Public money should not be disbursed without a clear assessment of whether the intended public value was achieved. Where funds are managed by third parties, SOEs or specialist institutions, Government should require stronger reporting, reconciliation, performance review and recovery mechanisms.

7.6.5 Lending institutions should strengthen credit approval, politically exposed person controls, collateral enforcement, recovery discipline and write-off governance. Public capital should not be allowed to remain exposed indefinitely where borrowers are connected, politically exposed or non-performing without clear recovery action.

## **7.7 Operational Reform**

7.7.1 Operational reform should address the project, delivery, systems and business-model failures identified through the audits. The issue is not only corruption risk; it is the ability of public bodies to deliver their mandates, safeguard assets and protect public value. The reform priorities are:

- i) deliver SOE turnaround plans where entities are insolvent, cash-constrained or structurally loss-making, including assessment of whether existing SOE business models remain feasible;
- ii) select priority digitisation programmes and improve existing systems before building new ones;

- iii) introduce national standards for policies, procedures and records;
- iv) assess and revitalise PEEPA's privatisation, rationalisation and ownership mandate; and
- v) strengthen the governance, control and administration of high-value public resources, including land and other strategic assets.

7.7.2 SOE turnaround should be treated as a core reform priority. Where entities are structurally loss-making, dependent on repeated Government support or unable to manage cash flow, reform should not be limited to short-term funding. Turnaround plans should address mandate, operating model, cost base, revenue model, governance, management capability and whether continued state ownership remains justified.

7.7.3 Digitisation should be targeted and disciplined. The priority should not be simply to buy new systems. Government should first ensure that existing systems are properly configured, integrated, used and controlled. High-risk processes such as procurement, payroll, inventory, finance, case management and records should have reliable audit trails, access controls and reporting capability.

7.7.4 National minimum standards should be established for core policies and procedures. Public bodies should not rely on inconsistent practices for high-risk areas such as procurement, contract management, payroll, stock, records, conflicts of interest and disciplinary processes.

7.7.5 PEEPA's mandate should also be assessed and revitalised. Where SOEs are no longer viable, no longer serve a clear public purpose, or operate in markets where private-sector delivery may be more appropriate, Government should have a credible mechanism for restructuring, rationalisation, privatisation or alternative ownership arrangements.

7.7.6 Management of high-value public resources should be strengthened through clearer allocation frameworks. This should include reliable record-keeping, transparent decision-making processes and audit trails with centralised records where appropriate. Periodic independent review of resource allocation and use should also be carried out.

## 7.8 Cultural Reform

7.8.1 Cultural reform is necessary because many of the findings were not caused by the absence of rules. In several areas, rules existed but were ignored, bypassed or applied selectively. Technical reform will fail if misconduct carries no consequence and challenge is discouraged. The reform priorities are:

- i) embed ethical governance in public-sector training and ensure consequence management;
- ii) enhance whistleblower protection, including addressing retaliation and isolation of those who raise concerns;
- iii) establish a unified anti-corruption communication and behavioural campaign; and
- iv) introduce compliance and governance-related KPIs.

7.8.2 Consequence management is central. Where serious findings are identified, there must be visible follow-through. That includes disciplinary action, referrals to competent authorities, recovery action, procurement sanctions, board accountability and management consequences where appropriate. Without consequence, new rules will be absorbed into the same weak control environment.

7.8.3 Ethical governance should also be embedded through training and leadership expectations. Public servants, board members and senior officeholders should receive clear expectations on conflicts of interest, procurement integrity, recordkeeping, whistleblower protection and accountability for public resources. These expectations should be reflected in performance management, disciplinary systems and the conduct of leadership.

7.8.4 Whistleblower protection requires urgent strengthening. The audits identified that speaking up was not always safe or effective. A credible integrity system requires confidential reporting channels, protection from retaliation, independent triage, investigation capacity and visible consequences where retaliation occurs.

7.8.5 A unified anti-corruption campaign should support this reform. It should not be superficial messaging. It should communicate expected behaviours, reporting routes, consequences for misconduct and protections for those who raise concerns.

7.8.6 Compliance and governance-related key-performance-indicators should also be introduced for senior public officials, boards and executives. These should include implementation of audit recommendations, timely closure of findings, quality of records, procurement compliance, conflict declarations, disciplinary follow-through and responsiveness to whistleblower concerns.

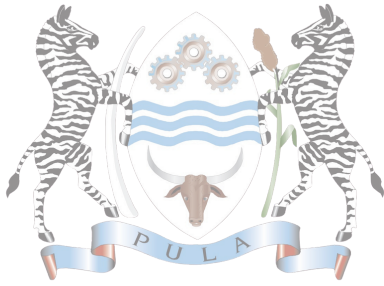
**7.9 Conclusion**

7.9.1 The structural reform response must be sustained, practical and independently supported. Lasting improvement will require coordinated reform across the public-sector control environment, supported by a delivery mechanism capable of providing technical advice, monitoring implementation and escalating non-delivery. The Government has an opportunity to use the findings of the programme not only to respond to past misconduct, but to strengthen the integrity and performance of public administration going forward.

**For and on behalf of Alvarez & Marsal Middle East Limited**

30 April 2026



REPUBLIC OF BOTSWANA

---

