

The Role of Public Sector Audit and Financial Control Systems in Safeguarding Public Funds in Sudan

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Abstract. Public sector audit and financial control systems have an important role in ensuring the accountability for the use of public fund, and safeguarding the limited public resources against corruption and other misuse and unlawful practices. The study aims to identify and provide a description, assessment and analysis of financial corruption committed in the Sudanese public sector entities at the federal, state, and local levels, and; the role of public audit and financial control in safeguarding the limited public resources and minimizing financial corruption in the Sudan.

The objective of this study is to address the contexts that perverse incentives for financial corruption to exist, and try to provide practical solutions. The factors that can facilitate financial corruption in the Sudan include weak and ineffective internal control systems, deficiencies in the accounting systems, the penalties are not harsh enough, very low salary levels, backlog of external auditing, and nepotism. The study revealed that the administrative financial corruption in the Sudan is deeply rooted and is institutionalized.

The study will serve to underscore and guide the Sudanese administrative reformers who are intending to combat financial corruption and introducing practical reforms for the corrupt systems. It is argued that combating corruption and other economic crimes can help in better distribution of national wealth, and ensure sustainable economic development in the Sudan.

Keywords: Public audit, financial control, accounting system, financial corruption, Sudan.

I. Introduction

It is generally recognized that most developing countries have ineffective governmental financial control systems. The serious deficiency in the financial control systems in most developing countries is generally recognized as the major factor which facilitate the misuse of public resources and financial corruption in these countries. Little attention has been given to sound accounting and auditing practice, and training programmes for auditing and accounting staff in public sector organizations (Balkaran, 1993)[7]. The deficiencies in the auditing and accounting systems in most African countries include ineffective internal control and internal check, unqualified auditing and accounting staff, and unreliable and untimely accounting information systems (Giorgis, 1998; Wyk, *et al.* 1998).[17, 55] This provides inadequate safeguards against fraud, corruption, and malpractices (Gwilliam and El-Nafabi, 2002) [20].

Moussa (2004) [31] stated that the supreme audit institutions are either quite recent in many African countries or they do not exist. In practice, government auditors are generally not independent from the executive branch. Auditors' recommendations are rarely implemented. Generally in Africa, only financial audits, not performance or management audits, are carried out. He also added that audit and external control are the weakest links of the African public expenditure management system, and when they exist, the public audit offices are ill-equipped and lack an adequate number of skilled staff members. On the accounting and reporting side, besides the delays in producing consolidated treasury balances, the reliability of fiscal data is often questionable.

An effective public sector audit activity strengthens governance by materially increasing citizens' ability to hold their government accountable. Auditors perform an especially important function in those aspects of governance that are crucial in the public sector for promoting credibility, equity, and appropriate behavior of government officials, while reducing the risk of public corruption (IIA, 2006).

According to Baltci and Yilmaz (2006) [8], the effort to reform a fiscal system should include internal control and audit due to crucial role they play in enhancing accountability and effectiveness.

Khan (2006) [27] identified the useful role which the internal audit could play in the investigation process, and made the following suggestions: "internal auditors can play a vital role assisting the agencies responsible for investigation of alleged cases of corruption in public sector organizations".

Asare (2008) [5] stated that internal auditing as a control measure does not only minimize the opportunities for corruption through the verification of procurement process, but also ensures effective physical monitoring of capital items procured and actual utilization to avoid fraud and abuse.

Financial corruption has been brought throughout the last decade to an important position in the development and political economy debate and literature. It has been seen as the most serious economic crime endangering the national security economic growth and public safety of any country (Asis, 2000; Fantaye, 2004; O'Shea, 2004; Kaufmann and Vicente, 2005) [6,15,34,35]. It can be loosely defined as the abuse of public office for private gain. All over the world, countries that should be rich with minerals such as oil and gold remain poor, because money that could be used to reduce poverty and jump-start economic growth is stolen instead (Soros 2003) [41].

Corruption harms Third World countries where poverty is prevalent and the economy is poor and supported by foreign aid and loans. Peter Eigen (2005) [38], the former Chairman of Transparency International (TI), said that corruption is a major cause of poverty as well as a barrier to overcoming it. The same was also stated by Wolfowitz (2006) [54], the President of the World Bank, who stated that the fight against corruption is a part of the fight against poverty, not just because corruption is wrong and bad but because it really retards economic development. To show how corruption destroyed economy of countries, it is estimated that the annual corruption industry worldwide is close to US \$1 trillion (Kaufmann, 2005; Svensson, 2005) [24,45].

Gonzales (2000) [18] stated that corruption distorts the allocation of local resources and the performance of local governments. The praxis consequences of corruption are poor public services, increased social polarization, inefficiency in public services, low investment in the municipality and decreased economic growth.

Dittenhofer (1995) [12] mentioned two strong forces for committing fraud, internal forces which are the sum of experiences and values built into a person over a lifetime with respect to the family, home, peers, and community, and; the external forces such as financial stress, anger, and the need to fight perceived inequities.

Peter Eigen (2004) [37] stated that corruption in large-scale public projects is a daunting obstacle to sustainable development, and results in a major loss of public funds needed for education, healthcare and poverty alleviation, both in developed and developing countries. The Transparency International Corruption Perceptions Index 2004 estimates that the amount lost due to bribery in government procurement is at least US \$400 billion per year worldwide. On the other hand, the TI Corruption Perceptions Index 2008 (CPI) shows that 127 out of

180 countries (70%) scored less than 5 against a clean score of 10. This is clearly indicating the seriousness of corruption in the majority of the countries worldwide.

Stevenson (2003) [42] said that, the UN's top anti-crime official, Antonio Costa, estimates that Zaire and Nigeria, two of Africa's hardest-hit states, have lost some \$5 billion each in the last few years to graft, most of it spirited out of those countries. He added that, in some developing countries, an estimated 30 percent of the price of all public works projects goes to kickbacks and bribes, while in others corruption eats up a whopping 50 percent of foreign investment. He also mentioned what the USA Attorney General John Ashcroft stated that corruption represents a tax on the poor, it steals from the needy to enrich the wealthy, and that is especially true in Africa and Asia where embezzled money is usually sent abroad to a rich banking capital.

A recent joint report by the Africa Commission explicitly stated that accountability, good governance, and controlling corruption are really fundamental for economic growth, development, and security. In contrast to this report, governance performance in most sub-Saharan Africa is on average quite weak. Fully 38 out of 46 countries in the region are both poorer than the world average, and also exhibit worse governance than the world average (Kaufmann, 2005) [24]. In the recently released paper "Governance Matters IV" (Kaufmann *et al.*, 2005) [26] regarding significant changes in six-year period 1998-2004 a number of African countries including Sudan were significantly worsened regarding control of corruption.

Financial Corruption in the Sudan

Despite the production of oil since 2000, in addition to other sources of wealth, Sudan is classified, by many international institutions, amongst the very poor countries in the world. According to these international institutions, Sudan's economy is hindered by instability, poor infrastructure, economic mismanagement, and corruption. The TI Corruption Perceptions Index shows that Sudan slips in rating from 122 in 2004 (with score of 2.2 out of a clean score of 10), to 144 place in 2005 (with score of 2.1), to 156 place in 2006 (with score of 2), to 174 place in 2007 (with score of 1.8), and to 173 place in 2008 (with score of 1.6). This clearly indicates that the Sudan is moving fast to become the most corrupt nation. The *Index of Economic Freedom* 2008 reveals that Khartoum's government is rife with corruption, and the country is one of the world's twenty most corrupt nations. The *Economic Freedom Index* 2008 also states that Sudan's economy is hindered by instability, poor infrastructure, economic mismanagement, and corruption. Most of the Sudan's economic freedom cannot be graded in 2008. The last time the Sudan was wholly graded was in 2000. The *Index of Economic Freedom* 2008[47] also revealed that relatives of high government officials often own companies that do business with the government and usually receive kickbacks for government business. In addition, bribery of police is also widely observed. In the *Economic Freedom Index* 2007 [46], four countries (Sudan, the Democratic Republic of Congo, Iraq, and Serbia and Montenegro) were suspended from grading that year. Sudan and the Democratic Republic of Congo were suspended from grading in 2007 because in each case, civil unrest or anarchy indicated that official government policies did not apply to large portions of the country. The higher the corruption - the worse the freedom score because that is affecting the ability of the country to perform well.

Before twenty three years ago, Kameir and Kursany (1985) [23] stated that "corruption in the Sudanese context can hardly be avoided. It touches upon the life of every citizen. It has become a major source of income generation . . . In addition to wages, rent, profits and interests, corruption could be considered as a fifth factor in determining the distribution of the national product and perhaps is the most important among them in a Sudanese context".

Koul (2007) [28] stated that besides the almighty corruption and institutionalized nepotism, one of the most widely acknowledged barriers to services delivery and infrastructural development in post-war Southern Sudan is the lack of human resources capacity in different units of the government of Southern Sudan.

Like in most Arab and African countries, tribalism is strong and deeply rooted in the Sudanese community. Wakoson (2007) [53], the Sudanese Minister of State for International Cooperation in the Sudan Government of National Unity, stated that in Southern Sudan, the contradictions and conflicts between cultural tribalism and public duties are the fundamental reasons for rampant corruption, inefficiency, nepotism, and what appears to be general irresponsible conduct in public institutions. Wakoson (2007) [53] added that "we hear of departments full of same family members, or people appointing family members to multiple positions. What do we have here –the ugly face of nepotism. Work ethics diminishes because the top officials cannot punish their relatives for corruption or something inappropriate. Such a situation is not restricted to the Southern Sudan, but it is prevalent in all the Sudanese community.

Although of privatization of some public sector organizations, the public sector remains to overwhelm the economic life in Sudan. According to the General Audit Chamber (GAC) Act of 1999, the GAC is responsible for auditing all the accounts of federal and state government organizations, the National Assembly, the Judicial Authority, public companies and corporations in which the government has a share of not less than 20% of their capital, the Bank of Sudan and other government-owned banks or those the government has a share of not less than 20% of their capital. There are 26 commercial banks in Sudan, including 19 that are completely or majority privately owned, and seven that are state-owned.

Given the hidden nature of financial corruption and that it is typically operates in the dark and the perpetrators of corruption are anxious to conceal the true nature of their activities, it is virtually impossible to obtain even a rough estimate of the size of the corruption industry in the Sudan. Accordingly, the number and amounts of corruption that come to light in the Sudan every year is much less than the actual number and amounts of offences that occurred and the official estimates unreliable. The only source of data and information about corruption committed by the public sector employees in the Sudan are the annual audit reports of the GAC. The GAC faces many difficulties that resulted in many public sector organizations not to be examined for many years. Thus, the external audit uncovers more than a fraction of the underlying extent of corruption. The difficulties of the GAC will be discussed later. Nevertheless, Table (1) illustrates the rising trend in the detected financial corruption in the Sudanese government organizations and public companies and corporations during the period 2000/2001-2006/2007.

Table (1). Amounts of Public Funds Looted in the Sudanese Central Government Organizations and Public Corporations. During the Period 2000/2001-2006/2007 (SUD and US\$ Millions)

Fiscal Year	Amounts of Funds Looted in SUD	Amounts of Funds Looted in US\$	% Increase or Decrease	Amounts and % in Central Government Organizations in Khartoum	Amounts and % in Central Government Organizations in States	Amounts and % in Public Companies	Amounts and % Looted from Zakat
2000 - 2001(1)	278.7	1.1	-	54 1933%	16 6%	199 71%	10 4%
2001 - 2002(2)	267.9	1.07	(3.9%)	113.8 43%	19.7 7%	103.9 39%	30.5 11%
2002 - 2003(3)	168.2	0.67	(37.2%)	21.1 13%	21.7 13%	125.4 74%	-
2003 - 2004(4)	396	1.58	135.4%	60.9 15%	62.8 16%	273 69%	-
2004 - 2005(5)	542.5	2.17	36.9%	63.5 12%	124.8 23%	354.2 65%	-
2005 - 2006(6)	904.3	3.6	66.7%	69.3 8%	164.1 18%	670.9 74%	-
2006 - 2007(7)	561.2	2.2	(37.9%)	280.6 50%	*	*	-

Notes:

SUD: Sudanese Dinnar

US1\$ = SUD 250

* No information available.

Source:

1. The GAC (Sudan), the Annual Audit Report of looting the Public Funds, for the Period 1.9.2001- 31.8.2002, p. 7
2. The GAC (Sudan), the Annual Audit Report for the Period 1.9.2001- 31.8.2002, p. 24
3. The GAC (Sudan), the Annual Audit Report of looting the Public Funds, for the Period 1.9.2002- 31.8.2003, p. 6
4. The GAC (Sudan), the Annual Audit Report 2003/2004.
5. The GAC (Sudan), the Annual Audit Report 2004/2005, pp. 21-22
6. The GAC (Sudan), the Annual Audit Report 2005/2006, pp. 23-24
7. External Information Council, Sudan, January 12, 2008.

The figures in the above table shows that although the amounts looted from the public funds detected and reported by the GAC decrease from SUD 278.7 in 2000/2001 to SUD 267.9 in 2001/2002 and to SUD 168.2 in 2002/2003, it began to rose in the following years until reached SUD 904.3 in 2005/2006. The table revealed that the least sector in corruption is the central government organizations located in Khartoum. The reason is that most of these organizations are central ministries and institutions, and thus, able to recruit well qualified accountants who able to close their accounts and then being audited and examined every year. The table also shows that, during the mentioned period, the big portion of detected and reported corruption was occurred in the

public companies and corporations which amounted to an average percentage about 70%. This may be mainly attributed, amongst other reasons which will be discussed later, to the fact that not more than 35% of public companies and corporations that able to close their accounts every year. Thus, more than 65% not be examined and audited by the GAC for many years. This evidence revealed in the GAC's reports for the periods 2000/2001-2006/2007. This made the employees of these public companies and corporations feel secure for their corruption not to be discovered for many years. This corruption was not including that detected in state-owned banks.

In addition to above mentioned financial corruption, Alsaafa Newspaper (No. 5232, 2008) revealed that the internal auditor of Al-Obiad refinery in Western Sudan, a branch of the Sudanese Petroleum Corporation, discovered an amount of SUD 400 million (US\$ 1.6 million) looted by the employees in that refinery. The case is still at the court. This amount was not mentioned in the GAC's report.

Table (2) illustrates the accounting classification of public funds looted in the Sudanese central government organizations and public corporations during the period 2000/2001-2006/2007.

Table (2). Accounting Classification of Public Funds Looted in the Sudanese Central Government Organizations and Public Corporations During the Period 2001/2002-2006/2007 (SUD Millions)

Fiscal Year	Looting in Revenues	Looting in Expenditure	Looting in Warehouses (Materials)	Looting in Treasures and Cash Movements	Other Looting
2001-2002 (1)	64.7 24%	161 60%	19.5 7%	19.8 8%	3 1%
2002-2003 (2)	129.8 77%	16.5 10%	2.7 1.5%	18.3 11%	0.86 0.5%
2004-2005 (3)	82.5 15.2%	65 12%	381 70.3%	12.5 2.3%	10.9 0.2%
2005-2006 (4)	217 24%	72.3 8%	551.6 61%	63.4 7%	-
2006-2007 (5)	275 49%	151.5 27%	106.6 19%	28.1 5%	-

Note: No information available for the fiscal year 2003/2004.

Source:

1. The GAC (Sudan), the Annual Audit Report of looting the Public Funds, for the Period 1.9.2001- 31.8.2002, p. 8
2. The GAC (Sudan), the Annual Audit Report of looting the Public Funds, for the Period 1.9.2002- 31.8.2003, p. 7
3. The GAC (Sudan), the Annual Audit Report 2004/2005, p. 22
4. The GAC (Sudan), the Annual Audit Report 2005/2006, p. 24
5. External Information Council, Sudan, January 12, 2008.

The accounting classification of public funds looted show that, during the mentioned period, the big portion was looted from revenues. Stealing of materials from warehouses is ranked as second; and, amounts looted from expenditure are ranked as the third. This clearly indicates that the system of collecting public revenues is weak and needs to be more effective.

Table (3) Shows the amounts recovered from the public funds looted during the period 2001/2002 to 2006/2007.

Table (3). Amounts Recovered from the Public Funds Looted in the Sudanese Central Government Organizations and Public Corporations During the Period 2001/2002-2006/2007 (SUD Millions)

Fiscal Year	Amounts of Public Funds Looted	Amounts Recovered	Percentage
2001-2002	267.9	19.9	7%
2002-2003	168.2	12.7	8%
2004-2005	542.5	104	19%
2005-2006	904.3	34.6	4%
2006-2007	561.2	25.1	4%

Source: The GAC (Sudan), the Annual Audit Reports for the Periods 2001/2002-2006/2007, (No information available regarding the fiscal year 2003/2004).

The above table shows that it is only an average of 8% of the looted public funds in central government organizations that had been recovered every year. Indeed, this will encourage others employees to steal public funds, as 92% of looted public funds not to recovered.

In the states, the situation was not better than in central government units and public corporations. In the GAC's report of 2005/2006, the amounts looted in Northern states were SUD 187.3 million, from these amounts only 9% was recovered. In its last report (2006/2007), the GAC stated that the amounts looted were SUD 364.9 million, from these amounts only 6.6% was recovered. The states in Southern Sudan should be examined and audited by the separate Auditor General Chamber of the Government of Southern Sudan, which established after the peace agreement of January 2005 mentioned above. No date and information regarding administrative corruption in Southern states.

Regarding government-owned banks or those the government has a share of not less than 20% of their capital, the GAC's report of 2006/2007 revealed that the amounts looted from these banks were SUD 40 million (US\$ 160000).

It is worth to mention here that the Auditor General in its speech in front of the National Assembly in January 2008 regarding the audit report of 2006/2007 mentioned that some government units in the Ministry of Internal Affairs and in Nahr Alneel State prevented the GAC's auditing teams to examine and audit their accounts.

Types of financial Corruption in the Sudanese Public Sector Organizations

Different annual audit reports of the GAC revealed many examples of how public funds have been looted in central and state government organizations, and public companies and corporations. These examples include: (a) collecting revenues in different types by many government units, especially in the states, without prior permission from the ministry of finance; (b) collecting and receiving public revenues in cash without receipts and not paying them to the treasury of the organization; (c) payment for items not proposed in the budget of government unit; (d) distortion of prices or quality of goods or services purchased to a government organization; (e) paying in cash the bills of personal mobile phones in some government units, sometimes without certain limits or demanding the bills for evidence; (f) the proposed budgets in many government units, especially in the states, are not rationale and prepared without scientific standards, and; (g) adding names of non-existent employees to the salary forms or giving unlawful allowances.

The Auditor General's report for 2002 on State Accounts highlights the weak capacity that exists in many states. Some of the issues highlighted are the large discrepancies between amounts reported by the national government as having been transferred and what is reported by the states as having been received, unrealistic receipt and expenditure estimates in the budget, large extra-budgetary funds, outdated management principles, poor investment planning and poor accounting practices.

Possible Factors that Facilitate Financial Corruption in the Public Sector

In addition to some related documents and interviews with the accounts manager of the main refinery of the Sudanese Petroleum Corporation located near Khartoum and the senior internal auditor of Nahr Alneel state, the GAC highlighted, in its different audit reports, many factors and reasons which contribute to and facilitate corruption in the Sudanese public sector. These factors could be summarized as follows:

1. Internal control systems and internal check in most public sector units are weak and ineffective. These are mainly due to: (a) a shortage of qualified and trained accountants which, especially in state government units, concentrates all the financial activities of the organization in the hand of one or two employees. Many government units have only one accountant who undertakes all the financial procedures of payment, receiving revenues and recording them, and; (b) absence of internal auditing, an essential part of internal control system, in most government units, and which when it does exist, it is very weak and ineffective. Brierley *et al.* (2001) [9] stated that many government units in different states in the Sudan, especially the local councils, have no internal audit departments despite the fact that these councils are responsible for collecting the regional taxes which comprise a significant portion of the revenue of the state.

2. Deficiencies in the accounting systems of most public sector organizations. These include inadequate, unreliable, and untimely information systems; improper recording and classification of different financial transactions, and; incompleteness of records and supporting documents. Thus, financial statements and reports which are expected to be the main indicators of financial conditions and present the different financial activities of organizations fail to disclose material information that can facilitate accountability. This provides inadequate safeguards against fraud, corruption, and other malpractices. JAM Sudan (2005) [35] reported that there are some challenges facing the public financial management system in the Sudan include (1) the entire accounting system is manual, at both the national level and the states; (2) approximately 50 percent of the staff has had no

formal training in accounting; (3) there is no commitment control system; (4) the public financial management system in southern Sudan needs to be built from the ground.

3. The penalties imposed for fraud and corruption offences are not harsh enough and are not proportionate to the amounts defrauded. While the Auditor General said in 1994 that "I do not feel that penalties for fraud and corruption are severe enough to deter fraudulent and corrupt employees", the Attorney General stated that "I do not see that the harshness of the laws is the solution to the problem, but there are many other factors which need to be considered, the most important of which is to strengthen the regulations governing transactions in public funds" (Al-Moltagah, 1994) [1].

4. Failure to check the treasuries and warehouses by the accounts managers and internal auditors either on a scheduled or on a surprise basis encouraged fraud and corruption.

5. Backlog of examining and auditing the accounts of many public sector organizations, by the GAC's audit teams, for three years, or even more. The absence of an external audit for many years, together with ineffective internal control systems, makes the fraudulent and corrupt employees aware that their chances of detection are very small.

6. The GAC's audit recommendations are rarely implemented. Many audit recommendations are repeated in the GAC's audit reports every year.

7. The system of collecting different charges and fees imposed by different councils and states does not facilitate accountability of collectors, especially the itinerant collectors, but rather, it encourages fraud and corruption.

8. Some public sector employees prefer to keep silent regarding discovered fraud or misuse of government properties by politicians or senior staff, because they fear to lose their jobs or to face other unpleasant consequence such as transfer to remote areas. Other employees do not know how and to whom they report discovered financial offences independently of their own line management, and real problems exist when the suspect is the line manager.

9. Very low public sector salaries among middle and low level civil servants creates a desperate need for additional sources, many find this in stealing public funds. Some Sudanese economists revealed that the present minimum monthly salary level of public sector employees is hardly cover 33% of the necessary costs of living for the medium size family. In Southern Sudan, Koul (2007) [28] stated that unfortunately, for the skilled majority employed or not, it has been a plunge to the poverty. For example, those who used to make about US \$3000 per month in the countries of their exile have come down to only US \$200. Goudie and Stasavage (1997) [19] stated that "for lower-level officials if, in absolute terms, a public sector wage is too low for an official to support himself and his dependents above the poverty level, then the incentives for corruption will be considered greater. Many authors have suggested that the erosion of real wages in the public sector in African countries since the early 1980s has been responsible for increased corruption".

10. An excessive bureaucratization of public administration and a lack of streamlining and computerization, renders civil service work extremely slow and raise incentives for clients to use bribes to push their own formality along.

11. Petty corruption was part of the administrative operating system of the Ottoman administration of much of the Sudan and insinuated itself into the culture of the civil service.

12. A weak sense of civic commitment and strong sub-national family, tribal, or confessional identities tie civil servants more closely to their kinship or identity groups than to a civic polity and render them more likely to use their post to curry favors for their particular group than to serve a larger national community.

13. There are no laws providing for public access to government information, and the government does not provide such access, even to the GAC's audit reports (Index of Economic Freedom 2008). [47] This may participate to reducing the effective role of the civil society, the media, and non-governmental organizations in monitoring the public funds.

Summary and Recommendations

The research shows the presence of systemic financial corrupt practices in many areas of the Sudanese public sector organizations. It also revealed that the serious deficiency in public audit and financial control systems in the Sudanese public sector organizations is generally recognized as the major factor which facilitate the misuse of public resources and financial corruption in the country. The deficiencies in public auditing and accounting systems include ineffective internal control and internal check, unqualified auditing and accounting staff, and unreliable and untimely accounting information systems.

The tribes and the nucleus family is powerful social force in the Sudan, and these explain the spread of nepotism and also cover each others in committing financial corruption. In addition, cultural tribalism, which is negative tribalism, is the most disruptive factor to good governance in the Sudanese public sector. Poverty, low salary levels and job insecurity are amongst other factors that encourage and facilitate financial corruption, fraud and other malpractices in the Sudanese public sector.

Fighting corruption is by the creation of more anti-corruption commissions and ethics agencies, and the incessant drafting of new laws, decrees, and codes of conduct. Public financial transparency of central and local budgets helps improve governance and reduce financial corruption. Effective combating of financial corruption requires the uprooting and tackling of its causes and underlying factors.

In June 2006, the Southern Sudan Anti-Corruption Commission (SSACC) was established by a presidential decree to spearhead the Government of Southern Sudan fight against corruption throughout Southern Sudan. In addition, the President of the Government of Southern Sudan's, Salva Kiir, has directed in the decree No.1 for 2007 that the SSACC and the Southern Sudan Audit Chamber in collaboration with the Ministry of Legal Affairs and Constitutional Development review all major procurements and contracts entered into by the Government of Southern Sudan in 2005 and 2006. It will be very helpful in fighting corruption and strengthen transparency and accountability throughout the whole Sudan if the national government in Khartoum take the same step in establishing national anti-corruption commission and an independent committee to review how the government is using the public funds, and also review the government contracts.

To combat corruption and abuse of public sector assets Ellinor (2005) [14] stated that the technology can assist public sector officials to easily access information about approved supply sources; create transparency within the contracting and tendering process, and monitor performance of goods and services. This can play a major role in ensuring internal control systems and minimizing the potential for abuse.

Carpenter (2006) [10] stated that we need to have a frank and common understanding that an important measure of success in fighting corruption is enforcing anti-corruption laws and regulations.

The study has highlighted a number of recommendations which might help in reducing the numbers and amounts of financial corruption in the Sudan. These include the following:

1. It is important that any form of economic crime should be identified and punished severely by appropriate fine or prison terms according to the seriousness of the offence.
2. Promote strong coordination among the central and state governments and the civil society to increase efficiency and sustainability in anti-corruption and good governance efforts.
3. The existing South Sudan anti-corruption commission should be supported by top government officials. Additional anti-corruption commission should be established in Khartoum.
4. Internal and external auditing mechanisms can reduce the incentives for high government officials to abuse of their position and mismanage resources.
5. The accounting and financial procedures need to be modernized. Southern Sudan needs to build a new public financial management system. This necessary to ensure accountability for the use of public funds.
6. Auditors and accountants need to have formal training in accounting and auditing.
7. Recruiting better qualified civil servants with wage satisfaction can create an environment where abuses are easier detected.
8. Legislative reform is necessary for any lasting anti-corruption effort. Old laws and regulations need to be reviewed and revised and new legal provisions must be made to enhance transparency and accountability.
9. Strengthening and activating the role of the Office of the Auditor General and other control agencies is an important tool in fighting corruption and increase transparency in the country.
10. For the civil society, the media, and non-governmental organizations to play their effective role in monitoring the public funds, the government have to enable greater public access to information about budgets, revenue, expenditure, and other governmental data and information.
11. Dtribalizing the public sector institutions is a very important element to reduce, if not eliminate, corruption and nepotism. In addition, this will support the work and findings of the anti-corruption committees.

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دور المراجعة وأنظمة الضبط المالي في المحافظة على المال العام في السودان

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ملخص البحث. مراجعة القطاع العام وأنظمة الضبط المالي تلعب دوراً هاماً في مراقبة استخدام المال العام والمحافظة على الموارد العامة المحدودة للدولة ضد الفساد وسوء الاستخدام والتصرفات الأخرى غير القانونية. يهدف هذا البحث إلى توصيف ودراسة وتحليل الفساد المالي والاختلاسات التي تحدث في وحدات القطاع العام السوداني على المستوى الاتحادي والولائي والمحلي, ودور المراجعة وأنظمة الضبط المالي في المحافظة على المال العام وتقليل الفساد المالي في السودان .

يهدف هذا البحث إلى دراسة العوامل التي ساعدت على انتشار الفساد المالي في السودان واقتراح الحلول العملية لمعالجتها. أهم هذه العوامل هي ضعف وعدم فعالية أنظمة الضبط الداخلي والرقابة المالية, ضعف الأنظمة المحاسبية, عدم تناسب العقوبات مع الجرائم المالية, تدني المرتبات والأجور, تأخر المراجعة الخارجية, ومحابة الأقارب في التوظيف والتعصب للقبيلة.

خلصت هذه الدراسة إلى أن الفساد المالي في السودان ضارب بجذوره في جميع المستويات الإدارية, كما أنه يعتبر من أهم المشاكل الاقتصادية التي تؤدي إلى إهدار المال العام وإعاقة النمو الاقتصادي. وفي المقابل نجد أن الحد من الفساد المالي والجرائم الاقتصادية الأخرى يمكن أن تساعد في نمو اقتصادي مستمر وتوزيع أمثل للثروة الوطنية. هذه الدراسة يمكن أن تساعد القيادات الإدارية في السودان التي ترغب في الإصلاح واحتواء الفساد المالي بتقديم حلول عملية لمعالجة الأسباب التي تؤدي إلى ذلك الفساد المالي.