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KEYNOTE ADDRESS BY

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**Chairman ICPC at the**

**2ND NATIONAL SUMMIT ON DIMINISHING CORRUPTION**

**THEME: TOGETHER AGAINST CORRUPTION**

and Launch of the

**NATIONAL ETHICS AND INTEGRITY POLICY**

**28th September 2020**

**Protocols**

Your Excellency sir, let me start by congratulating you and the heads of the three arms and levels of government for being in office at Nigeria’s Diamond Jubilee. Despite the challenges of the times, your leadership and those of your predecessors have reasons to be proud of modest undeniable achievements.

The Corrupt Practices and Other Related Offences Act was passed and came into force in June 2000 as the first anti-corruption agency of Nigeria’s 4th Republic. The Commission has had four governing boards and chairmen with the fourth Chairman and Board currently in office. Your Excellency I recognize posthumously the pioneer Chairman Late Hon. Justice Mustapha Akanbi, the second Chairman, Hon. Justice Emmanuel Ayoola *CON* retired Justice of the Supreme Court and the third Chairman, Mr Ekpo Nta. The fourth Board is building on the foundations laid by these distinguished Nigerians.

ICPC was established to investigate and where necessary prosecute corruption and related offences, prevent corruption by examining the systems and processes of public bodies that predispose to corruption and direct or supervise a review of such, and to educate and enlist the support of the public against corruption. Within this three-fold mandate, the Commission has in 20 years recorded a number of milestones. It has treated over 20, 000 petitions, found over 5000 worthy of investigation, and prosecuted about 1,000 of such cases.

Within the same period we have conducted 47 full System Study Reviews, 582 reviews comprising personnel and capital budget utilization, review of open treasury portal entries and implementation of some of the recommendations from the report of the Auditor-General of the Federation on MDAs. We have conducted Corruption Risk Assessments on key sectors of the economy notably transport, education, health and the e-government system. We have established 445 ACTUs in MDAs, established ACAN as training arm of the Commission and in the past five years alone ACAN has trained about 14,000 public servants. We have opened 15 state offices across Nigeria with at least 2 offices in each geo-political zone. The ICPC made input to the introduction and design of BVN, IPPIS and GIFMIS to mention a few achievements

Sir, we developed the National Values Curriculum being taught through different subjects at primary and post primary levels in schools across Nigeria, and more recently we led the initiative for the preparation of the National Ethics and Integrity Policy that which Mr. President will launch today.

The current Board has focused on activities that strengthen government’s desire to eradicate corruption in the revenue and expenditure sides of governance and take development closer to the people by ensuring value for money in the implementation of publicly funded projects.

**Constituency and Executive Projects Tracking Initiative**

Mr. President will recall that the Commission introduced the Constituency Projects Tracking Initiative in 2019. This year we expanded its scope to include executive projects with special attention to Agriculture, Water Resources, Power, Education, Health and Water Resources. The second phase of tracking covered 722 (490 ZiP and 232 Executive) projects spread across 16 states. Due to Covid-19 and acute shortage of manpower, we used a threshold of N100m for project selection. This means that we left out projects below N100m value. This decision produced the unintended consequence of concentration on projects of distinguished Senators of the Federal Republic and very few projects from the lower chamber. I wish to put on record that we did not set out to target the Senate by this exercise.

As with Phase 1, projects were selected by the Steering Committee comprising Budget Office, Office of Accountant-General of the Federation, Office of Auditor-General of the Federation, BPP, Media, CSO and the Nigerian Institute of Quantity Surveyors.

The 2020 exercise reveals some improvement in project delivery although many challenges remain. Amongst other anomalies we found –

* Categorization of projects by civil servants as on-going in order to get Min of Finance and Budget and Planning to admit them. A number of projects described in the budget as on-going were found to be new projects that ought to have been excluded in order to enable government complete existing projects a planned;
* absence of needs assessment. Thus projects are recommended for communities that do not require them. Such projects are abandoned in spite of huge sums appropriated for them. Such include hospitals
* Projects sited in private houses on private land thus appropriating common asset to personal use and totally denying communities of the benefit;
* Absence of synergy between outgoing project sponsors and their successors. Uncompleted projects sponsored by legislators who do not return get abandoned to the loss of the community and the state
* Use of companies owned by sponsor’s friends or relatives or companies belonging to civil servants in implementing MDAs to execute projects which are abandoned or poorly performed
* Conspiracy between legislative aides of sponsors and implementing MDAs and contractors to undermine quality of project without knowledge of the sponsor;
* Vague project description that result in diversion of funds by implementing MDAs or project sponsor with collusion of contractors;
* Absence of community ownership of projects. Communities are not consulted and are largely ignorant of projects allocated to them.
* Etc.

Thus far, ICPC effort has forced 59 contractors handling projects worth N2.25b back to site. The list of affected projects is contained in the CEPTG Interim Report for 2020. We must also mention that we noted that some projects were very well done and met the value for money threshold. Such projects are also listed in the report. Furthermore, we have recovered and mostly returned to beneficiaries assets worth about N700m and cash of almost N200m.

In order to improve the delivery of executive and constituency projects we wish to recommend -

* Government should as a policy prevent MDAs from executing projects outside their core mandate;
* better synergy between project sponsor and as benefitting communities. Implementing agencies should liaise with communities where necessary for example where project sponsor refuses to designate project location;
* conversion of projects from appropriated one to another by sponsor or implementing MDA should be severely punished
* the Commission will in future prosecute false description of projects as on-going in accordance with extant rules;

**System Study Review**

The application of the Commission’s prevention powers is divided into four areas viz. review of transactions on the Open Treasury Portal; review of personnel and capital budget utilization of MDAs; collaboration with Auditor-General of the Federation to review activities of revenue generating MDAs and administration of the Ethics and Integrity Scorecard on MDAs as indication of corruption risk.

(a) **Open Treasury Portal Jan–Aug 15, 2020:** 268 MDAs were reviewed. 72 with cumulative observed suspected infractions of N90m and above selected as Phase 1. We focused on payments of N5m and above to individual accounts from January to 15th August 2020.

33 MDAs tendered explanations, out of which N4.1b transferred to sub-TSA and N4.2b paid to individuals was not satisfactorily explained. Investigations are still ongoing on these.

We observed that transfers to sub-TSA was to prevent disbursement from being monitored. Nevertheless we discovered payments to some federal colleges for school feeding in the sum of N2.67b during lockdown when the children are not in school, and some of the money ended up in personal accounts. We have commenced investigations into these finding.

1. **Revenue Generating Agencies:** Progress in our collaboration with the Office of the Auditor-General for the Federation with respect to Revenue Generating Agencies has been delayed by COVID-19 induced lockdown. We are presently focusing on Federal Inland Revenue Service and Nigeria Customs Service at this pilot stage.
2. **Review of Personnel and Capital budget utilization of MDAs**:

As with 2019 we are focusing on health and education sectors.

1. **Health Sector** Fifty two (52) institutions were reviewed and we found surplus of N4.6b on Personnel Cost which we have recommended to the Hon. Minister to be restrained from abuse except the agencies have any credible explanations. We discovered abuse of Personnel Cost by some officers on GIFMIS Platforms notably at the Usman Dan Fodio University Teaching Hospital where N227m was diverted by an individual from surplus personnel cost without knowledge of superiors.

We noticed some improvement compared to 2019 in utilization of funds and compliance with due process. Nevertheless, our recommendations on re-allocation of funds of health institutions are yet to be carried out by government. This will assist the institutions better meet fiscal and transparency standards and relieve them of some of the challenges responsible for default.

We strongly recommend visitation teams to tertiary institutions to conduct Performance and personnel audit in Health Sector to determine actual number of personnel required for optimum performance because this is being used as excuse for malfeasance. We also recommend that government should properly define IGR, and provide adequate overhead allocations and funding for outsourced services from the inevitable savings from personnel cost.

1. **Education Sector**:In view of the collaboration with the Auditor-General, review of infractions observed in Auditor-General’s 2017 report is ongoing. 78 education sector MDAs were reviewed and common cases of misuse of funds include:
* Payment of bulk sums to individuals/staff accounts, including project funds
* Non-deduction/remittance of taxes and IGR
* Payment of unapproved allowances
* Bulk payments to microfinance banks
* Payment of arrears of salary and other allowances of previous years from 2020 budget
* Payment of salary advance to staff
* Under-deduction of PAYE notably by Kaduna Poly)
* Payment of promotion arrears due to surplus in Personnel Cost
* Abuse and granting of cash advances above the approved threshold
* Irregular payment of allowances to principal officers

The unsatisfactorily issues from the 33 institutions reviewed so far total N9.2b; The review and investigations are ongoing.

1. **Ethics and Integrity Compliance Scorecard:**

Mr. President Sir, the Ethics and Integrity scorecard of MDAs is a tool designed to discover institutional weaknesses that promote corruption in public institutions. MDAs are assessed in three key areas viz. Management Culture and Structure, Financial Management Systems and Administrative Systems. Each of these areas is further sub-divided thus under Management Culture and Structure we look at organizational culture, Board Governance and the Executive Management; under Financial management systems we look at finance and account, audit and procurement system; under administrative system we look at policies, procedures and records, ethics and compliance education, anti-corruption transparency unit, complaints and whistleblowing mechanisms, and discipline, sanctions and reward system.

In spite of the pandemic and restrictions, the Commission deployed the Scorecard electronically to 352 MDAs nationwide in 2020. Findings form the basis of recommendations from ICPC to government and the MDAs on areas that require intervention and necessary improvement.

Findings reveal weakness and non-compliance by MDAs that tend to promote corruption vulnerabilities.

For Management Culture and Structure allotted 30% of total score, the average score of MDAs was 10.9%. Financial Management Systems is allotted 40% but the average score was 21.5% while Administrative Systems allotted 30% had an average score of 12.6%, From these findings we note that MDAs scored below 50% on management culture and structure and administrative system. The pass mark obtained under financial management systems is as a result of reform efforts of government in automating payment and transactions with GIFMIS, TSA, IPPIS, REMITA and other e-platforms that aid transparent and accountable systems which ultimately reduce corruption vulnerabilities within the organizations in doing government businesses.

It is clear that the major challenges are with Management Culture & Structure and Administrative systems through which abuse takes place. Government has strengthened Financial Management Systems without looking at the drivers of the reforms i.e. Management and Administrative Structures.

This is a major gap that government must close in earnest. Furthermore, the absence of boards in some agencies or the appointment of persons who become clogs in wheel of progress claiming to represent political rather than public interest undermines the capacity of MDAs to function optimally. Government must carefully appoint round pegs into round holes in order to ensure that the mandates of MDAs and the agenda of government is implemented.

This is not to suggest that the financial management systems are now fool proof. They are not as our findings under system study reviews show but the framework to reduce corruption through technology is up and going.

In summary, none of the MDAs attained full compliance while 27 MDAs attained substantial compliance, 77 MDAs attained partial compliance and 106 non-compliance. 126 MDAs are classified as non responsive and high corruption risks for not responding to the Ethics and Integrity Compliance Scorecard or submitting outside deadline. It is also instructive to note that 88 MDAs have in the past three years violated the PPA and 53 featured in FIRS tax defaulters list in the same period. The full report with ICPC recommendations are contained in the Ethics and Integrity Compliance Scorecard of MDAs 2020 contained in your packs.

The Commission is reviewing the report and will decide if an MDA deserves full system study or any anomaly discovered in the course of this prevention measure should be fully investigated thus moving from prevention to enforcement.

**Asset Recovery**

On asset recovery the Commission has in the process of various enforcement and investigative measures recovered various forms of assets. Early this year the Commission based on intelligence seized over N16b from the Federal Ministry of Agriculture because the money was moved under suspicious circumstances below the threshold that would put it within the purview of the Accountant-General of the Federation into an off line account in CBN where utilization would be outside the monitoring purview of GIFMIS. Furthermore, some of the money was paid into personal accounts and some used for non-official purposes. While investigation was ongoing albeit delayed due to Covid19, the bulk of the money restrained in CBN was released in the peak of the pandemic when the Ministry appealed to the Commission that it needed to make palliatives available to Nigerians upon Presidential directives. The Commission is tracking the prescribed use of the funds up till now.

On another note we also found payments to agric contractors for no job done or overpayments for jobs done and the appropriation of projects to private farms of senior civil servants of the ministry. One individual from the ministry now deceased appropriated over N2.5b to himself and cronies.

Other assets recovered include 18 buildings, 12 business premises and 25 plots of land. We have restrained or recovered by administrative or court interim and final orders assets above N3b, facilitated recovery of $173,000 by the Whistleblower unit of FMFB&P from an erring oil company, restrained **£160,000** in a UK bank in an on-going interim forfeiture. This figures exclude quantum of recoveries on return of contractors to site as a result of project tracking initiatives. It should however be noted that some of these assets are subject to on-going cases and where suspects prove their cases physical or liquid assets will be released in accordance with laid down laws, guidelines or court directives.

**Public Education and Enlightenment**

In enlisting public support for the fight against corruption as mandated by our enabling Act we have involved media, civil society and the Nigerian Institute of Quantity Surveyors in our constituency and executive projects tracking initiatives. Given the cost implication of valuing assets recovered across the country, we are in discussion with Nigerian Institute for Estate Surveyors and Valuers for a collaboration that will save humongous cost of valuation of seized assets.

Your Excellency will recall that in 2019 we pledged to involve communities and citizens involved in project monitoring. In fulfillment of that pledge we launched in December a nationwide a community enlightenment and advocacy initiative called “My Constituency, My Project” during which we sensitized and enlisted community ownership of constituency and executive projects located in their communities. We accompanied that initiative by a toll free line through which Nigerians call to find out projects allocated to their constituencies. We also uploaded this information on our website. This has helped to remove the opacity and secrecy that currently dog’s constituency and executive projects.

To boost community involvement for our 20th anniversary we launched in July 2020 the **N20m from ICPC @ 20** Project with two main competitions aimed at provoking youth creativity and support for the fight against corruption. These were the National Music Competition and the National Essay Competition for Junior and Senior Secondary Schools with Anti-Corruption or Integrity clubs. ICPC will give out N20m prize money with the kind support of MacArthur Foundation. I wish to use this opportunity to thank the MacArthur Foundation and its Country Director, Dr. Kole Ahmed Shettima for its invaluable and generous support to ICPC in particular and Nigeria in general. I will introduce the winners of the competitions in the course of this event.

**Infrastructure Improvement**

Your Excellency sir, the 4th Board has since inception has worked hard to improve the soft and hard infrastructure of the Commission to enable it fulfill its mandate. In the past 20 months we have up-scaled the forensic capacities of the commission with modern soft and hard ware including handwriting, polygraphing, biometric and access control facilities. We have certified five world-class forensic experts and are training more. In 2019 we commenced an EDMS project to digitize the operational component of the Commission’s work and its legacy documents from year 2000. These measures have suddenly become ideal and imperative for coping with the effects of Covid19 on governance and operations. A number of the infrastructure improvements and capacity building efforts of the Commission are being supported by a number of partners especially MacArthur Foundation and some its grantees like the CDD.

**Partnerships**

In pursuit of our objectives we initiated a number of strategic partnerships. We are collaborating with office of the Auditor-General of the Federation, Federal Inland Revenue Service (FIRs) National Social Investment Office, Federal Road Safety Commission, AMCON, NOA, NTA, PEBEC to mention a few. ICPC is also the secretariat for the inter-agency committee on IFFs in Nigeria through which measures to stem IFFs are frequently discussed. We have initiated a beneficial relationship with the Nigerian Institute of Quantity Surveyors for valuation of projects being tracked or investigated and we are currently in discussion for collaboration with the Nigerian Institute of Estate Surveyors and Valuers to relieve the cost of valuation of recovered assets spread across the entire country to avoid a situation of good money to chasing the bad.

**The Ethics and Integrity Policy**

We are delighted that Mr. President will today launch the National Ethics and Integrity Policy as one of the milestones for Nigeria @60 and ICPC@20. We are delighted to have initiated and actively worked on this policy with stakeholders to enhance return of Nigerians to values of old that made Nigeria great from North to South and East to West and values that are cherished by Mr. President. The Ethics and Integrity Policy is a follow up to previous initiatives of the Commission such as establishment of the Anti-Corruption and Transparency Units in MDAS since 2002, the development of the National Values Curriculum for teaching of ethics and civics in Nigerian educational institutions and its adoption by the National Council on Education in 2012. The promotion of the National Ethics and Integrity Policy is a befitting follow up to these initiatives and we thank the Office of Secretary to the Government of the Federation and the National Orientation Agency for their partnership in this regard.

**Appreciations**

Mr. President Sir, I wish to end my address by thanking you sir for your leadership and support to the work of the Commission. Your unequivocal stand against corruption is a morale booster to the fight against corruption. Without it, the message will be diluted to do or not to do. This is not the case with you sir. The message from you is – “if we do not kill corruption, corruption will kill Nigeria”. We assure you sir that as your foot soldiers we will not allow corruption kill Nigeria.

I also want to thank the Senate President in particular and through him the Committees that oversight the Commission in both the Senate and the House of Reps and the entire legislature for their cooperation and understanding. In February this year, we had a very productive retreat with members of our Committee to explain our mandate an share our vision and take their input and suggestions. Let me us the opportunity once more to clear the air that the Constituency and Executive Projects Tracking Initiative of ICPC is not directed at or targeted at members of the National Assembly. We only invite legislators who have clarifications to make in the role they played in delivery or otherwise of a project. Rather, the contractors and implementing MDAs are the ones that provide most of the information required during investigation. We have also included in our 2020 report a list of projects that were commendably done and the legislators that sponsored them.

We also thank My Lord the Chief Justice of Nigeria for your leadership of the judiciary. We are available for more robust collaboration with the judiciary and other component arms of the criminal justice administration framework including the Ministry of Justice and the Office of the Attorney-General of the Federation.

Let me again thank the SGF for his leadership and proactive disposition to issues. Sir you make governance easy and collaboration seamless. We appreciate that without your support a number of initiatives will gain no traction or simply crawl. What else should one expect from the Boss. Thank you sir.

To the Board, Management and Staff of ICPC especially those pioneer staff from inception of the Commission, let me say this is your celebration. Hearty congratulations to you for being a part of this 20th anniversary. I pray that God will grant you the favor to see more years of the progress of the institution and that of Nigeria in Jesus name.

**Prof. Bolaji Owasanoye**

Chairman

September 28, 2020

**2020 Awards**

**Music and Essay Competitions**

Your Excellency Sir, I am delighted to present to you OPEYEMI PETER ADEBOYE winner of the anti-corruption music competition. Your Excellency sir, Opeyemi was born 25 years ago in Ipe, Oyun LGA of Kwara State to clergy parents. He holds a Bachelor of Science degree in Bio Chemistry from University of Ilorin. He was the youngest choirmaster in his church and plays a range of musical instruments. Opeyemi who is currently a music producer competed with 894 other entries and received votes and endorsement from the public and assessment by a panel of judges before emerging the winner.

Sir, CHIKEZIE FAVOUR 12 years old JSS2 student of Mountain Crest High School, Owerri Imo State emerged winner of Junior Secondary School essay competition and MATILDA DANIELS 14 year old SS! Student of Topgrade Secondary School in Lagos emerged winner of the Senior Secondary school essay competition.

**Public Service Integrity Award**

Your Excellency Sir, last year sir, we introduced the Public Service Integrity Awards to recognize and motivate public servants who go out of their way to distinguish themselves not just by doing what they are paid to do but for doing what they are paid to do with integrity and passion. This year we have two distinguished Nigerians presented for the Public Service Integrity Award.

First, let me introduce CSP FRANCIS OSAGIE ERHABOR of the Nigeria Police. Sir, CSP. FRANCIS OSAGIE ERHABOR CSP. Francis Osagie Erhabor was born on 17th April, 1972 in Lagos and hails from Igueben LGA of Edo State. He attended the Nigeria Police Academy, Challawa, Kano, Usmanu Danfodio University Sokoto from where he obtained a B.Sc Pol. Sc. In 1997 and M.Sc. from University of Benin in 2010. He was appointed into the Nigeria Police Force as a Cadet Inspector in 1990 and has served for over 30yrs in various capacities, Police PRO, Trainer/Instructor, Unit Commander; Squadron Commander etc. While serving as Pipeline Commander he variously refused bribes from smugglers of adulterated petroleum products. For these and other acts of integrity, he has won a number of Integrity awards the latest being the 2020 ICPC Public Service Integrity Award.

Our second awardee is Mallam Hamza Adamu Buwai of the Federal Ministry of Trade and Investment. Born 1st Jan. 1964 at Gatawa in Sabon Birni Local Government Area of Sokoto State. He attended Ahmadu Bello University and obtained a B.Sc Accounting in 1987, and an MBA in 1994. He is a fellow of the Association of National Accountants in Nigeria (ANAN) and Associate Member of Chartered Institute of Taxation in Nigeria (CITN). He has worked with National Boundary Commission, Ministry of Defence, OSGF, Agric Research Council of Nigeria (ARCN), etc. He was member of ACTU at the National Boundary Commission where he saved N2.5 billion from going into defunct Société Générale Bank in 2004, despite pressure from those who knew the bank was on its way to liquidation and yet wanted the money paid to the bank. As Deputy Director (Capital Expenditures) and Chairman of Liability Committee in the Ministry of Defense, he saved government N7.9 billion already paid to contractors in 2010, but deliberately repeated in the Liabilities list. For placing national interest above self, Mallam Hamza Adamu Buwai is today honoured with the 2020 ICPC Public Service Integrity Award.