



Proceedings of the Third
National Summit on
Diminishing Corruption
in the Public Sector

THEME:

Corruption And Cost
Of Governance:
**NEW IMPERATIVES
FOR FISCAL
TRANSPARENCY**

November, 2021

**PROCEEDINGS OF
THE THIRD NATIONAL SUMMIT ON
DIMINISHING CORRUPTION IN THE
PUBLIC SECTOR**

**THEME:
CORRUPTION AND COST OF GOVERNANCE: NEW
IMPERATIVES FOR FISCAL TRANSPARENCY**

ORGANIZED BY



**INDEPENDENT CORRUPT PRACTICES AND OTHER
RELATED OFFENCES COMMISSION (ICPC)**

AND

**OFFICE OF THE SECRETARY TO
THE GOVERNMENT OF THE FEDERATION**

November, 2021

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The Independent Corrupt Practices and Other Related Offences Commission (ICPC) was established in 2000 by Act No. 5 of year 2000. Its mandates include: enforcement, prevention, and public enlightenment and education.

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FOREWORD

THE PROCEEDINGS OF THE THIRD NATIONAL SUMMIT ON DIMINISHING CORRUPTION IN THE PUBLIC SECTOR

The Independent Corrupt Practices and Other Related Offences Commission (ICPC) was established to investigate and where necessary to prosecute corruption and related offences, to prevent corruption by examining the system on the processes of public bodies that pre-disposed them to corruption and to direct or supervise a review of such practices and to educate and enlist the support of the public against corruption.

The Third National Summit on Diminishing Corruption in the Public Sector was convened as part of efforts to refocus all arms of government and their agencies on the need for more transparency and openness in the use of financial resources and ensuring reduction in the cost of governance. The Summit was held physically at the Banquet Hall of the State House Abuja. The event brought together the three arms of government in the person of President Muhammadu Buhari, the President of the Senate, and the Chief Justice of Nigeria.

The highlights of the event were: presentation of ICPC Public Service Integrity Awards, and presentation of publications of the ICPC documenting the activities of the Commission within the years 2021 and 2022. The Summit also reported on the tracking of Constituency and Executive Projects (Zonal Intervention Projects), Ethics and Integrity Compliance Scorecard of MDAs, and Proceedings of the International Conference on Illicit Financial Flows and Asset Recovery.

The proceedings also documents the address of President Muhammadu Buhari, goodwill messages, and the technical session of the Summit.

This publication promotes anti-corruption education and is a ready source for researchers on the activities of the Commission.

Prof. Bolaji Owasanoye, SAN

Chairman, ICPC

October, 2022

ACKNOWLEDGEMENT

The Independent Corrupt Practices and Other Related Offences Commission (ICPC) would like to express a profound appreciation and special thanks to the President, President Muhammadu Buhari, GCFR, for his persistent leadership inspiration in the war against corruption and support to the work of the Commission. Your incontrovertible stand against corruption is a morale booster to the fight against corruption. Without it, the message will be thinned to do or not to do. 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 want to thank the President of the Senate, Distinguished Senator Ahmad Ibrahim Lawan, in particular and through him the Committees that oversight the Commission in both the Senate and the House of Representatives and the entire legislature for their cooperation and understanding.

I also thank My Lord the Chief Justice of Nigeria for his leadership of the judiciary. We are available for more robust collaboration with the judiciary and other component arms of the criminal justice administration framework. We are also indeed beholden to our keynote speaker and Honourable Minister of Finance, Budget and National Planning, Dr. Zainab Shamsuna Ahmed; Moderator, Maupe Ogun-Yusuf, and all our Panelists - Director General, Budget Office of the Federation, Ben Akabueze; Registrar, Joint Admission and Matriculation Board, Prof. Ishaq Oloyede; Prof. Sadiq Radda of Presidential Advisory Committee on Anti-Corruption; Senior Programme Manager, Nigeria Governors’ Forum, Olanrewaju Ajogbasile; Ene Obi of Action Aid, Nigeria, and Head of ICPC, Constituency & Executive Projects Tracking, Hafiz Hassan Mohammed.

Let me again thank the Secretary to the Government of the Federation, Boss Mustapha, 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. Thank you sir!

Finally, I wish to appreciate the Board, Management and Staff of ICPC for all the support in the success and achievements of the Commission. 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, SAN

Chairman, ICPC

October, 2022

LIST OF ACRONYMS

OSGF	Office of the Secretary to the Government of the Federation
ICPC	Independent Corrupt Practices and Other Related Offences Commission
UN	United Nations
NEIP	National Ethics and Integrity Policy
NOA	National Orientation Agency
IFFs	Illicit Financial Flows
SDGs	Sustainable Development Goals
UNCAC	United Nations Convention Against Corruption
UNODC	United Nations Office on Drugs and Crime (UNODC)
PACAC	Presidential Advisory Committee Against Corruption
OGP	Open Government Partnership
IPPIS	Integrated Payroll and Personnel Information System
GIFMIS	Government Integrated Financial Management Information System
EFCC	Economic and Financial Crimes Commission
CBN	Central Bank of Nigeria
BVN	Bank Verification Number
ACAN	Anti-Corruption Academy of Nigeria
TSA	Treasury Single Account
CAMA	Companies and Allied Matters Act
MDAs	Ministries, Departments and Agencies
CRA	Corruption Risk Assessments
ACTU	Anti-Corruption and Transparency Units
ESC	Ethics and Compliance Scorecard
PSSP	Port Service Support Portal
CEPTI	Constituency and Executive Project Tracking Initiative
FEC	Federal Executive Council
ZIPs	Zonal Intervention Projects
SIPs	Social Investment Programmes (SIPs)
OAGF	Office of the Auditor General of the Federation
FIRS	Federal Inland Revenue Service
PEBEC	Presidential Enabling Business Environment Council
AMCON	Asset Management Corporation of Nigeria
PSIA	Public Service Integrity Award
NTA	Nigerian Television Authority
NCI	Nigerian Corruption Index
TI	Transparency International
NBS	National Bureau of Statistics
JSS	Junior Secondary School
SSS	Senior Secondary School
WAI	War Against Indiscipline

WELCOME ADDRESS DELIVERED BY THE SECRETARY TO THE GOVERNMENT OF THE FEDERATION, BOSS MUSTAPHA AT THE THIRD NATIONAL ANTI-CORRUPTION SUMMIT HELD ON TUESDAY, 30TH NOVEMBER, 2021 AT THE STATE HOUSE CONFERENCE HALL, PRESIDENTIAL VILLA, ASO ROCK, ABUJA.

Protocols

1. I am always humbled and delighted to welcome Mr. President to any event, especially such that deal with anti-corruption, a subject so close to His Excellency's heart and for which Mr. President's passion and commitment is providing the propelling force to drive this menace out of our country. In spite of the unrelenting push-back from beneficiaries of corruption, Mr. President's support and guidance had always provided the needed impetus. I thank you, Your Excellency.
2. As I welcome all of us to the Third National Anti-Corruption Summit, I want to use this opportunity to commend all the Anti-Corruption Agencies for the progress being made in this very necessary campaign that would see Nigeria having more resources, which would have hitherto been unscrupulously diverted, to tackle our development challenges. Permit me to particularly commend the ICPC for its foresight in introducing and consistently convening the National Anti-Corruption Summit since 2019. Its alignment with one of the nine priority areas of President Muhammadu Buhari's nine-point governance roadmap, that is fighting corruption and improving governance, provides a necessary condition for effective and efficient utilization of resources that are becoming more scarce as our population grows and demands to satisfy this growing population equally expands.
3. Today's event, with the theme "Corruption and Cost of Governance: New Imperatives for Fiscal Transparency" is meant to appropriately re-focus all arms of government and their agencies on the need for more openness in the use of financial resources to purposes for which they are meant to reduce the cost of governance, which have been shown to be a major facilitator of corruption.
4. Your Excellency, sir, Distinguished Guests, Ladies and Gentlemen, it is incontrovertible to say that the dual objectives of this Summit - self-assessment as a government, and the public service integrity award was designed to strengthen the fight against corruption and encourage citizens, especially youths to imbibe the principles of integrity, selflessness and accountability. Recognizing and giving persons of integrity awards by no less a person than a President locally and globally recognized as one who personifies integrity is no doubt a life - changing experience to the awardees and Nigerian youths watching the programme, as they would

know that this administration recognizes and rewards integrity, and that integrity pays.

5. In line with the theme of today's Summit, I will speak on the role of the Executive arm of government to lead, as it has been doing, the constant quest for improving cost of governance by ceaselessly reinventing itself. This is imperative because we are dealing with systemic corruption and this implies that corruption has permeated the fabric of society including governance, thus the institutionalization of corrupt practices in the machinery of governance must be ruthlessly rooted out. Systemic corruption prevents government from maximizing its potential of providing good governance for the people with available little resources especially at this time of COVID-19 pandemic.
6. Government is highly worried that about 60 per cent of Federal Government's Overhead Expenditure in three years (2012 to 2014) was spent on travels, maintenance, local and international training, welfare, office stationery/consumables, honoraria etc. Recent data from the Budget Office indicates that "actual MDAs recurrent spending is still on the rise viz. from N3.61 trillion in 2015 to N5.26 trillion in 2018 and N7.91 trillion in 2020."
7. President Muhammadu Buhari's Administration has therefore been unrelenting in making sure that our little resources will no longer be budgeted and/or used for frivolities, hidden in fake projects, unnecessary travel, wasteful overhead costs, meaningless capital projects and remuneration of ghost workers. We also remain focused on getting back our resources that have found their ways into the private pockets of those who fraudulently orchestrate the budget process for their selfish desires.
8. As a government, our concerns have always been and would always be continuously reflect and take measures to mitigate the negative consequences of unrestrained cost of governance.
9. It is increasingly becoming public knowledge that our anti-corruption agencies, especially ICPC, are doing a lot in the area of prevention and also recovery of diverted or stolen public funds, building the capacity of MDAs to resist corrupt practices, promoting ethical values through the National Ethics and Integrity Policy of government. Some of the capacity building measures include System Study and Review of operations of MDAs; Corruption Risk Assessment and the establishment of Anti-corruption Monitoring Units in all MDAs. Recoveries of public funds in recent years have no doubt demonstrated the strong resolve government to stem financial hemorrhages and promote initiatives towards curbing illicit financial flows.
10. Your Excellency, Distinguished Guests, Ladies and Gentlemen, you would all agree that this administration has so far demonstrated and still

continues to demonstrate its determination to fight corruption and improve governance no matter what it takes and howsoever corruption fights back with the stolen resources at its disposal.

11. I wish to once again congratulate the ICPC for its result-oriented, technology – driven, law and order and prevention-based initiatives in the fight against corruption. We must do all we can to eliminate corruption from governance and strengthen fiscal transparency rather than focus on pursuing the money after it has taken flight.
12. I must not fail to congratulate the Integrity Awardees of this year. Presidential recognition by President Muhammadu Buhari, a global icon of integrity, is a one in a lifetime opportunity that you and your families will cherish forever. Finally, I would like to urge all members of the public to support the anti – corruption agencies in its fight against graft, because the fight against corruption is a collective responsibility of all.
13. I thank you all for your attention.

Thank you!

**THIRD NATIONAL SUMMIT ON DIMINISHING CORRUPTION IN THE PUBLIC SERVICE AND PRESENTATION OF PUBLIC SERVICE INTEGRITY AWARD
30TH NOVEMBER, 2021**

Speech by:

PROFESSOR BOLAJI OWASANOYE

*Hon. Chairman, Independent Corrupt Practices and
Other Related Offences Commission (ICPC)*

Protocols:

Your Excellency, let me start by thanking you for permitting an environment that enables the ICPC and other anti- corruption institutions to function despite stiff systemic opposition and permissible cultural disposition to the status quo. I also thank your Excellency for creating time out of your crowded official schedule to identify with this annual anti-corruption summit as testimony to your determination to confront corruption as one of the biggest factors hindering development in the 21st century. ICPC is committed to supporting the programs and projects of government one of which is restraining the spiraling cost of governance. This is why the theme of this Summit is Corruption and Cost of Governance: New Imperatives for Fiscal Transparency.

Your Excellency has publicly acknowledged a number of times that your government inherited a number of challenges since 2015 when you assumed office including but not limited to an empty purse and the lack of savings when the economy boomed. A major aspect was the astronomical cost of governance at the federal and sub national levels. This has continued to reflect in the huge wage bill on personnel and operational cost standing at about 70% of annual budget.

Your Excellency sir, a major push factor on high cost of governance and rising personnel budget is illegal recruitment, illegal and unilateral increase in wages and remuneration by some MDAs, indiscriminate local and international travels, unreasonable demands by some political appointee board members of MDAs without regard for extant circulars on cost management; procurement fraud, budget padding, etc. ICPC investigation of some cases of illegal recruitment forwarded to us by Head of the Civil Service of the Federation has so far implicated Ministry of Labour and the University College Hospital Ibadan and a number of corrupt staff of other MDAs at a lower level. This abuse of power is consummated with complicity of compromised elements in IPPIS. These cases are currently under investigation.

At another level, a syndicate of corrupt individuals within the service corruptly employ unsuspecting Nigerians, issue them fake letters of employment,

fraudulently enroll them on IPPIS and post them to equally unsuspecting MDAs to commence work. ICPC is prosecuting one of the leaders of the syndicate from whose custody we retrieved several fake letters of recommendation purportedly signed by Chief of Staff to the President, Hon Ministers, Federal Civil Service Commission and other high ranking Nigerians.

Sir, the third phase of ICPC's projects tracking covered 1,083 projects across entire country with exception of Borno and Zamfara due to security challenges. The exercise verified implementation of executive and zip projects of legislators. We have so far initiated enforcement actions against 67 contractors and forced them back to site and ensured completion of 966 projects worth N310b some of which were hitherto abandoned.

Our findings indicate that the same malady of corruption afflicts executive as well as zip projects thus undermining government projections, escalating the cost of governance and denying Nigeria value for money. These malady include poor needs assessment that disconnects projects from beneficiaries; false certification of uncompleted contracts as completed, deliberate under performance of contracts incessant criminal diversion and conversion of public property by civil servants, to name just a few.

Other challenges relate to duplication of projects in the budget. ICPC review found that 257 projects amounting to N20.138b were duplicated in the 2021 budget leading us to submit an advisory to the HMF which was promptly actioned by the Minister to prevent abuse.

Your Excellency, a number of MDAs have mini civil wars going on between the Board and management and sometimes within the board. These squabbles revolve around abuse of power prohibited by ICPC Act and unreasonable demands by some Board members for privileges contrary to extant circulars and laws and government's resolve to minimize cost of governance. ICPC's Ethics Compliance Scorecard of MDAs report for 2021 shows that only 34.6% of the 360 MDAs assessed scored above average in Management Culture and Structure. This poor finding is not unrelated to unstable Boards unable to effectively oversight the institutions.

Your Excellency sir, let me commend government's posture against illicit financial flows that drain resources from the nation. The time to further block leakages is now that government revenues are dwindling and practically threatened. ICPC is contributing to government's efforts by its IFF focused project that has resulted in a major advisory to government with recommendations including prohibiting confidentiality clauses that facilitate fraud and money laundering, prevention of tax evasion, prohibition of illegal tax waivers and all practices that undermine government revenue projections. The IFF Inter-Agency Committee has organized a number of capacity building programs for civil servant on how to avoid fraud and IFF prone agreements.

On this note sir, we advise that government invest more in prevention and behavior change strategies alongside law and order measures to fight corruption. This is important if we are to maximize the gains of prevention and the wisdom that "prevention is better than cure". ICPC in collaboration with development partners notably Ford Foundation for IFFs and MacArthur Foundation for behavior change is putting more attention to these areas in the months ahead.

Your Excellency Sir, I'm happy to introduce to Mr. President the winners of the 2021 ICPC Public Service Integrity Awards. They are Mr. Muhammad Tukur Ahmad of NDLEA and Mr. Nelson Orji Okoronkwo of Federal Ministry of Information. Their profiles are in the program. Included in this year's award is Mr. Ikenna Steve Nweke a Nigerian student in Japan who has been appointed pioneer ICPC Citizen Anti Corruption Volunteer Group Icon for his exemplary act of integrity of finding and returning intact a wallet containing substantial sums of money despite his impecunious state as a student. Mr. Nweke is with us virtually today.

Sir I wish to close by acknowledging and thanking Your Excellency on behalf of the Board, Management and entire Staff of ICPC for your encouragement, support, motivation and leadership and for providing the much needed political will required for any anti-corruption initiative to succeed. On our part we pledge to continue to do our best in the interest of the nation and in line with our statutory mandate.

Thank you, Sir.

**GOODWILL MESSAGE BY THE HONOURABLE CHIEF JUSTICE OF NIGERIA,
HON. DR JUSTICE IBRAHIM TANKO MUHAMMAD, CFR AT THE THIRD
NATIONAL SUMMIT ON DIMINISHING CORRUPTION IN THE PUBLIC SECTOR
HELD AT THE STATE HOUSE BANQUET HALL, ABUJA ON TUESDAY, 30TH
NOVEMBER, 2021**

Protocol

I sincerely appreciate and commend the effort of the Board, Management and Staff of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) for the bold initiative of bringing us together, on a yearly basis, to rub minds on the milestones so far achieved by the various stakeholders of the Nigerian project in the fight against corruption and other vices in the country. The leadership of the Commission, particularly the Chairman, Prof. Bolaji Owasanoye, SAN has been upbeat in giving the country a clean slate in all matters relating to corruption. The three arms of government, from all indications, are working assiduously to reduce the menace of corruption to the barest minimum. The rating of the country on the Corruption Perception Index (CPI) by the global anti-corruption agency, Transparency International (TI), though gradually improving, is still not something to cheer about. More work is required and concerted effort needs to be injected to lift us up to the desired pedestal.

Your topic, "Cost of Governance: New Imperative for the Judiciary," is very apt and strategic, too, in view of the perception of the country vis-a-vis its various institutions and agencies by the international community and even the citizens of Nigeria. I make bold to say that within the country, there is a state of mutual distrust between the government (as represented by its various agencies) and the generality of the citizenry. The no-love-lost relationship between the government and the citizens pervades the entire horizon of the country. An average Nigerian citizen does not believe nor has any convincing reason to believe that the instrumentality of governance is designed to benefit him or her by any fraction. That is the state we are in, and it will continue that way unless something serious and even drastic is done quickly to bridge the gap of communication and distrust between the ordinary man on the street and the government.

The Nigerian judiciary has been at the forefront of the fight against graft. We have put in place a robust mechanism of introspecting periodically to do a self-assessment to see those areas where corruption could surreptitiously creep into the system and quickly nip it in the bud from the outset. The National Judicial Council has been carrying out regular disciplinary actions against erring judicial officers to effectively tame the monster within the system. It is not a hidden fact that for any nation to prosper and make meaningful progress, the judiciary must

be firm, independent and insulated from any extraneous interference and orchestrated influence, either monetarily or otherwise.

Worried by the delays associated with the trial of criminal cases by our courts, particularly those relating to corruption and financial crimes, we decided to set up the Corruption and Financial Crime Cases Trial Monitoring Committee (COTRIMCO) in 2018, with Hon. Justice Suleiman Galadima, a retired Justice of the Supreme Court, as Chairman. The sole aim of this Committee is to fast-track the trial of corruption and financial related crimes in the country; and it has since been working assiduously with various heads of courts, to bring about a significant rise in the dispensation of corruption and financial crime cases in the country. Even with the devastating impact of the COVID-19 pandemic in the whole of 2020 and a better part of 2021, a total number of 746 corruption cases were dispensed with. Similarly, the number of forfeited non-cash recoveries made, include 51 Automobiles, 16 Real Estates, 11 Barge/Tug Boats and 2 Schools. Between 2nd January and 14th November, 2021, a total number of 1,144 suspects were convicted of various corruption and financial related crimes, while the number of non-cash forfeited assets has also risen to include: eight Aircrafts, seven Filling Stations, 48 Real Estates and 149 Vehicles, amongst others. Similarly, various cash forfeitures were made in hundreds of millions of Naira. We shall not rest on our oars until every trace of corruption and undue exercise of influence to negatively secure unmerited advantage over others is stamped out of our clime.

It is my fervent belief that if all of us work in harmony with one voice and renewed determination, corruption and allied vices will certainly be on their way out of our beloved country and our voice shall, once again, be loudly heard and respected among the comity of nations. Long live the Federal Republic of Nigeria.

Thank you very much.

GOODWILL MESSAGE BY THE PRESIDENT OF THE SENATE, AHMAD IBRAHIM LAWAN (CON), AT THE THIRD NATIONAL SUMMIT ON DIMINISHING CORRUPTION IN THE PUBLIC SECTOR HELD AT THE STATE HOUSE CONFERENCE CENTRE, ABUJA ON TUESDAY, 30TH NOVEMBER, 2021

Protocols

It gives me great pleasure to be part of this year's National Summit on Diminishing Corruption in the Public Sector which has as theme "**Corruption and Cost of Governance: New Imperatives for Fiscal Transparency**".

I wish to commend the Office of the Secretary to the Government of the Federation and the Independent Corrupt Practices and Other Related Offences Commission (ICPC) for bringing stakeholders together for the third year running to proffer solutions to address the menace of corruption in the public sector. I also wish to applaud the Chairman and Board of the ICPC for sustaining the fight against corruption and coming up with innovative initiatives to support the anti-corruption programmes of this Administration.

We cannot divorce corruption from high cost of governance. It has been observed that weaknesses in public institutions and agencies of government are often attributed to corrupt practices and other vices. Diminishing corruption in the public sector is therefore crucial to the delivery of government programmes and services to meet the 2030 Sustainable Development Goals (SDGs), check insecurity and ensure transformation.

Your Excellency, Mr. President, the Ninth National Assembly remains committed to the fight against corruption. We will continue to partner and work assiduously with the Executive through the passage of crucial legislations to eradicate corruption in all segments and sectors of the country. Part of our recent contributions are passage of the Companies and Allied Matters Act (CAMA) 2020 which requires beneficial owner disclosure, globally regarded as crucial in the fight against corruption, and the Petroleum Industry Act to promote transparency and accountability in the oil and gas sector.

Mr. President, distinguished ladies and gentlemen, the enormous loss of revenue through Illicit Financial Flows is concerning. Withholding and non-remittances of revenue generated by some Ministries, Departments and Agencies into the Treasury have also diminished resources available for developmental projects, leading to domestic and foreign borrowings by the government to address critical developmental and infrastructural deficits. While revenue has been reducing, the cost of governance has continued to grow. Similarly, there are leakages of money that could have easily been available for national development.

While we appeal to the governments of destination countries to support the efforts of the current Administration and the African Continent in the repatriation of looted and illicit funds, on our part at the National Assembly, we will continue to reinvigorate measures and pass laws that will strengthen the fight against corruption and limit illicit financial flows. I wish to also reiterate that we will not shy away from our constitutional responsibility of overseeing MDAs, including monitoring of implementation of loans approved by the National Assembly. We will also monitor the personnel and capital expenditure of MDAs with a view to curtailing wasteful expenditure towards reducing the cost of governance.

The National Assembly is conscious of the financial constraint of the country and has not increased its budget for the past three years. This is our own sacrifice to reduce the cost of governance in the country.

Your Excellencies, I will like to reemphasize the need to diversify sources of funding of our programmes and projects. We need to encourage and promote more private sector participation in developing some of our physical infrastructure. The government should continue to explore the Public Private Partnership (PPP), Build Operate Transfer (BOT), and many other funding options. This is with a view to reducing our dependence on oil revenue.

The National Assembly remains committed to the aspiration of a corrupt-free and indivisible Nigeria. We therefore remain focused on this altruistic and patriotic path, in order to continue to provide pro-people and life improving legislative interventions throughout our legislative mandate.

Once more, I commend the ICPC for organising this Summit. We look forward to the outcome of this Summit. I wish us fruitful deliberations.

Thank you!

KEYNOTE ADDRESS BY THE HONOURABLE MINISTER OF FINANCE, BUDGET AND NATIONAL PLANNING, DR. (MRS.) ZAINAB SHAMSUNA AHMED, AT THE THIRD NATIONAL SUMMIT ON DIMINISHING CORRUPTION IN THE PUBLIC SECTOR HELD ON TUESDAY, 30TH NOVEMBER, 2021 AT THE STATE HOUSE BANQUET HALL, ASO VILLA, ABUJA

Protocols

1. On behalf of the Federal Ministry of Finance, Budget and National Planning, I am glad to be in your midst today to deliver the keynote address, with the presence of His Excellency, President Muhammadu Buhari, GCFR; members of the National Assembly; representatives of the Judiciary; Heads of Ministries, Departments and agencies; Special Guests; eminent traditional and religious leaders; members of the civil society organisations; members of the media and other distinguished resource persons here present.
2. I am honoured to be chosen as one of the Speakers at this third National Summit on **Diminishing Corruption in the Public Sector** put together by the Independent Corrupt Practices and Other Related Offences Commission (ICPC). We, at the Federal Ministry of Finance, Budget and National Planning, are proud to be part of this year's Summit. Permit me therefore, to use this medium to commend the leadership of the ICPC for the sustained national efforts in fighting the scourge of corruption.
3. I would like to use this medium to appreciate His Excellency, President Muhammadu Buhari and the various stakeholders for setting the tone for discussions at this Summit. Let me state that the theme of this Summit: **Corruption and Cost of Governance: New Imperatives for Fiscal Transparency** is profoundly relevant and timely as we continue to navigate the challenging issues of corruption in our dear country.
4. Your Excellency, Ladies and Gentlemen, allow me to begin this keynote address with this rhetorical question: **What is Corruption?** Corruption has been defined in numerous ways and can be understood as the use of a position of trust for dishonest (often times – personal) gain. Several definitions for corruption are acceptable, including a distinction between petty corruption, which involves specific acts of abuse of power by individuals or groups for personal and sectional gain, and grand corruption, which is defined as the widespread corruption of entire political systems.
5. Public sector corruption is dishonest behavior by those in positions of power or authority, such as managers or government officials. Corruption includes giving or accepting bribes or inappropriate gifts, double-dealing, under-the-table transactions, manipulating elections, diverting funds, laundering money, and defrauding investors amongst others.

6. Corruption is multifaceted and comes in various dimensions and manners which ranges from electoral corruption, bureaucratic corruption, judicial corruption, to economic corruption, political corruption and moral corruption. It should however, be noted that most, if not all types of corruption have serious negative impact on the economic development of a country.
7. It is an undisputable fact that the issue of corruption in Nigeria has been endemic and pervasive over the years, costing the country trillions of naira that could have been channeled into economic development. Corruption is a hydra-headed monster which festers on every facet of the economy and national life, and if left unattended to - has the ability to cripple even the most viable economy.
8. Nigeria has had her fair share of the devastating effects of corruption and that explains why from the very inception of this administration in 2015, one of Government's primary concerns has been the reduction/eradication of corruption in public sector to its barest minimum. Corruption is a pressing issue in Nigeria which affects public finances, investments as well as standard of living.
9. Corruption leads to low governance effectiveness as a result of inefficient government expenditure and leakages. It leads to weak support for Foreign Direct Investment since it makes it increasingly difficult for investors to predict and make good business decisions under an economy burdened by corruption. Also affected is lower human capital as fewer people, especially the poor, are able to access healthcare and education.
10. Poverty and unemployment of our youthful population are the tragic consequences of corrupt practices since the resources which could have been ploughed into socio-economic development are diverted to private use. This scenario poses a grave danger to the country because an idle hand is the devil's workshop.
11. The efforts of this administration to tackle corruption have focused on two (2) key measures: **implementing good governance measures and ramping up indictments - including high-profile cases.**

This Government has worked continuously in diminishing corruption in Nigeria. So far, the Government has pushed for a corruption-free country on various ends, including

- a. The Federal Government has successfully conducted the audit of key Federal revenue generating agencies under the approval and watchful eyes of the National Executive Council (NEC), which has led to the recovery of large sums of monies that were hitherto not remitted to the Federation Account.

- b. This administration has sufficiently signed agreements and Memorandum of Understanding (MOUs) with various countries to boost international cooperation for the investigation, tracking, freezing and return of stolen assets including Executive Order 8 (Voluntary Assets Regularization Scheme, Switzerland).
- c. The Presidential Initiative on Continuous Audit (PICA) has also been introduced with the aim of strengthening controls over government finances through a continuous internal audit process across all MDAs, particularly in respect of payroll.
- d. The implementation of budget reforms which now ensures that all budgets of all Government Agencies are prepared in line with International Public Sector Accounting Standards (IPSAS).
- e. The Efficiency Unit in the Federal Ministry of Finance was also created to review all government overhead expenditure. The efforts of the Unit have brought about drastic reduction of wastages and ensured quantifiable savings for the country.
- f. Still in a bid to explore all constitutional avenues to diminish corruption, this administration in 2016 attended and participated in the International Anti-Corruption Summit organized by the Government of the United Kingdom while in July 2016, Nigeria enlisted in the Open Government Partnership (OGP), an international transparency, accountability and citizen engagement initiative.
- g. The introduction of the whistleblowing policy by the Federal Ministry of Finance under this administration has achieved appreciable level of success. In its first two months of operation, this policy led to the recovery of over \$160 million and N8 billion, respectively.

Good Governance and the fight against corruption is vital for Sustainable Development

- 12. This Administration has demonstrated its strong commitment to sustainable development, governance and the fight against corruption not only through global commitments and statements by His Excellency, Mr. President but also by the allocation of financial resources. The security and anti-corruption agencies are prioritised in the allocation of our limited revenues and as an example, about 86 percent of the 2021 Supplementary Budget was dedicated to the capital and recurrent expenditure needs of the security agencies to supplement the allocations in the 2021 Amended Budget. Several initiatives to promote good governance are also funded through the Federal Budget supplemented with the assistance of development partners.
- 13. For the rest of this discussion, I will focus on some key governance and anti-corruption initiatives spearheaded by the Federal Ministry of Finance, Budget and National Planning and its agencies. I will begin with the Treasury Single Account.

Treasury Single Account (TSA)

- The TSA is a unified structure of government bank accounts which enables consolidation and optimum utilization of government cash resources. It gives the Ministry of Finance, Budget and National Planning oversight of all government cash flows, improving budget control and monitoring.
- The implementation of the TSA has generated enormous savings for Government and significantly improved our cash management capabilities.
- Government Integrated Financial Management Information System (GIFMIS).
- GIFMIS is an IT based system for budget management and accounting being implemented to improve Public Financial Management processes and enhance accountability and transparency across all Ministries, Departments and Agencies of government.
- It has the capability to cover the entire financial management cycle, end-to-end and additional modules are being activated on an ongoing basis.

a. Project Lighthouse -

- Project Lighthouse is a data driven artificial intelligence engine that provides the Federal Ministry of Finance, Budget and National Planning with an intelligence and profiling platform to aid in policy formulation, implementation and impact assessment. It enables the aggregation of data from a variety of sources to give us the capability to develop an intelligent data-driven revenue mobilisation model.
- The second phase of implementation of Project Lighthouse has been approved by the Federal Executive Council and so far, we have been able to aggregate N5.2 trillion worth of debts owed to Government by third parties, of which N49.7 billion of this amount has been recovered.

b. TaxPro Max -

- The Federal Inland Revenue Service (FIRS), as part of its efforts at modernising tax administration in Nigeria, introduced TaxPro Max, an online platform to ease tax administration and compliance.
- TaxPro Max is designed to ease registration, filing and payment by tax payers and its implementation is ongoing.

c. E-Customs

- The e-Customs Project will fully automate administrative processes of the Nigeria Customs Service by introducing innovative measures that eliminate paper-based functions.
- Its implementation will enhance accurate tax and duties collection for the Government and facilitate the transfer of goods and shipments through ultra-modern clearance processes.

d. Road Infrastructure Tax Credit Scheme (RITCS)

- The RITCS was launched by His Excellency, President Muhammadu Buhari through Executive Order Number 7 signed on the 25th of January 2019. It is designed to leverage private sector capital, efficiency and expertise to construct, repair and maintain critical road infrastructure in key economic corridors and industrial clusters in Nigeria. The scheme relieves Government of the burden of funding significant outlays for road projects through the Annual Budget.
 - Essentially, the RITCS utilizes tax expenditures, by way of tax credits, to finance the construction of critical road and bridge infrastructure through an innovative PPP mechanism that incentivises private sector participation. Since inception, His Excellency, Mr President has approved a total of thirty-three (33) Road Projects, totaling 1,564.95 km being undertaken in nineteen (19) States across the six (6) geo-political zones of the country. Construction has commenced on four road projects undertaken by three (3) corporate investors with more underway for construction in the near term.
- e. Open Government Partnership -**
- The OGP is an international multi-stakeholder initiative focused on improving transparency, accountability, citizen participation and government responsiveness to citizens through technology and innovation.
 - Since joining the partnership in July 2016, Nigeria has made progress in deepening transparency, accountability and openness in the management of public resources, especially in terms of the budget process. Nigeria is currently implementing 16 commitments from its 2019-2022 Action Plan. These commitments relate to fiscal transparency, anti-corruption, extractive transparency, inclusiveness and public service delivery.
- f. Open Treasury Portal -**
- In December 2019, the Federal Ministry of Finance, Budget and National Planning launched the Open Treasury Portal under the Office of the Accountant General of the Federation.
 - The Open Treasury portal is a platform that aims to enhance the accountability of Government by detailing and tracking Federal Government spending data through the publishing of monthly fiscal accounts, as well as daily treasury and payment reports amongst others by Federal MDAs.
- g. The Safe Schools Initiative -**
- Education is critical to sustainable development and for this reason, efforts have been renewed to galvanise financing support across stakeholders, which include donor communities, the private sector and Federal and State governments to ensure safety in schools across Nigeria.

- The Safe Schools Initiative was launched in response to the abduction of the Chibok Girls in 2014 to ensure the safety of children in and out of school.
- This Administration has restated its commitment to creating safe learning communities across the country. I chaired a high-level forum in May 2021 where stakeholders from the private sector, donor community and Government committed to the development of a roadmap for the design and implementation of the 'Abuja Financing Safe Schools Compact'. Once finalised, the roadmap will be swiftly financed and implemented as the safety of our children is a top priority.

Whole of Government Approach and All Hands-on Deck:

14. The constraints imposed by corruption, insecurity and mis-governance on sustainable development are multi-faceted and require an 'all-hands-on-deck' approach. The Ministry of Finance, Budget and National Planning under my leadership plays a critical role in ensuring the funding requirements for the various MDAs involved in achieving this objective, including the anti-corruption and security agencies, are met in a timely and predictable fashion. However, at the Ministry we envision our role as extending beyond facilitation to actively engaging in the design and delivery of initiatives which directly contribute to building the superstructure of good governance and security in Nigeria, all within the mandate of our Ministry and its agencies.
15. Although good governance security and the fight against corruption are instrumental to sustainable development, I believe that causality also runs in the other direction with growth and economic development creating a safe and secure environment where all Nigerians can pursue their livelihoods. The most recent GDP data which reports real GDP growth of 5.01% in the second quarter and 4.03 in the third quarter of 2021 are very encouraging news as it indicates the Nigerian economy is on a solid path to recovery. It is important to note that much of the growth was driven by the expansion of the non-oil sector of the economy where most Nigerians are employed.
16. We recognize there is still much to be done and will continue to work closely with all the relevant stakeholders in Nigeria, to ensure an environment conducive to sustainable development.

Recommendations: Tackling corruption in order to stimulate sustainable development in Nigeria.

17. Any national effort at curbing corruption must be holistic and all inclusive. It requires the active participation of State and local governments as well as the private sector as the Federal Government cannot win the battle alone. The legal framework in tackling corruption must be strengthened. A situation where corrupt government officials exploit legal loopholes and technicalities to undermine their corruption cases in an effort to escape justice must be seriously redressed. The judiciary, legislature and other

stakeholders within the judicial system should take deliberate steps to eliminate legal loopholes in our legal system which corrupt officials tend to exploit in order to evade justice.

The rule of law, the adoption of the right legal framework and the necessary legislation as well as the predictable implementation of the law are crucial.

The war against corruption is a continuous one. There is the need for the Executive to continue to strengthen the existing agencies fighting corruption such as the Independent Corrupt Practices and Other Related Offences Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC) in order to make them more formidable, functional and effective. These agencies should be supported to adopt innovative methods of preventing officials from stealing public funds through the deployment of Information Technology (IT). There should be judicial reforms aimed at improving the capacity of the judiciary to speed-up the dispensation of justice as far as corruption cases are concerned. If possible, special courts and expedited trials can be introduced/adopted for corruption cases. We must design our judicial sector to meet our peculiar challenges and the ever-changing face of corruption.

There is the need to also embark or increase the tempo on reorientation amongst Nigerians; to change the attitude and psychology of the people towards corruption.

18. **Conclusion:** Without controversy, Nigeria has suffered under the burden of corruption with such negative impacts such as, infrastructural problems (lack of good roads, inadequate electricity and pipe borne water, etc), institutional decay and moral decadence.

Combating corruption in public service is the key to Nigeria's continuing relevance in the global stage and sustainability in our efforts towards becoming a developed nation. We cannot and must not relent in the fight against corruption. And I trust that the ICPC will continue to deliver on its mandate and rise to the evolving challenges of corruption in our public institutions.

We recognize there is still much to be done and will continue to work closely with all the relevant stakeholders in Nigeria, to ensure an environment conducive to sustainable development.

While the Government is doing its best to sanitize the public service and rid the country of corruption, may I conclude by calling on everyone to do our bit, from our various spates to ensure a corruption-free Nigeria.

Thank you.

ADDRESS BY HIS EXCELLENCY, PRESIDENT OF THE FEDERAL REPUBLIC OF NIGERIA, MUHAMMADU BUHARI, GCFR, AT THE THIRD NATIONAL SUMMIT ON DIMINISHING CORRUPTION IN THE PUBLIC SECTOR STATE HOUSE CONFERENCE CENTRE, STATE HOUSE, ABUJA ON 30TH NOVEMBER, 2021

Protocols

1. It is well known that Nigeria has immense potential but her potential has been handicapped by corruption, an imbalanced economy, and insecurity.
2. Since 2015, the focus of this Administration has been on Security, Economy and the Fight Against Corruption. We recognized early in our Administration that good governance is the solution to fulfilling our potential.
3. Our first plan to entrench good governance and accountable management of government resources was the Strategic Implementation Plan for the 2016 Budget.
4. This plan focused on attending to problems of dwindling revenues following the massive reduction in the global price of crude oil and the attendant negative impact on national revenue projections.
5. This massive reduction in government revenue contrasted with the bumper years of 2011-2015. We followed up the 2016 FSIP with a medium-term framework captured in the *Economic Recovery and Growth Plan (ERGP) 2017-2020* which was designed to stimulate economic growth and advance the achievement of the Sustainable Development Goals.
6. To maintain consistency, the ERGP was supplemented by policy documents such as the *Delivering on Government's Priorities 2019-2023 which set performance targets for MDAs*.
7. About one month ago, I approved a ministerial retreat that reviewed the performance of ministers and directed closure of performance gaps in all critical sectors of governance.
8. The ERGP, due to expire in December 2021, has been succeeded by the 5-Year **National Development Plan (NDP) 2021-2025**. This new development plan revolves around key concepts namely, infrastructure, public administration, human capital development, social development and regional development.
9. The theme of ICPC's 3rd National Summit on Diminishing Corruption in the Public Sector focuses on the cost of governance.

Our Plan for Good Governance with NDP 2021-2025

10. Government's vision for good governance first in the ERGP and now in the National Development Plan includes fighting corruption in the public and private sectors to improve transparency in the use of public resources; reinforcement of security by fighting terrorism and insecurity; reforming the public service by reducing the cost of governance and raising

- productivity across all Federal Government agencies, particularly the public procurement system.
11. Reform will be intensified to ensure value for money in the procurement process and strengthening sub-national coordination.
 12. I signed and assented to the Companies and Allied Matters Act 2020. This Act has introduced a beneficial ownership disclosure scheme for the first time in company ownership in Nigeria.
 13. This has the potential to prevent corrupt persons from hiding ill-gotten wealth behind the veil of companies. It is also a tool to assist anti-corruption agencies in the difficult task of investigating cases where public officers use their companies to bid for government contracts or to hide assets.
 14. Under my watch, Nigeria joined the Open Government Partnership in 2016 and has taken sustained measures to improve the Ease of Doing Business in Nigeria.
 15. Following the full implementation of several resource saving and anti-corruption measures such as the Treasury Single Account to ensure that all government revenue is held by the Central Bank of Nigeria, and retained prevention measures to promote transparency and minimize laundering of the proceeds of crimes, we need to intensify cost saving measures.
 16. Frameworks such as Government Integrated Financial Management Information System, Integrated Personnel and Payroll Information System, Bank Verification Number, mandatory National Identity Number must all be integrated and deployed to fight corruption and manage the cost of governance.
 17. For the first time in the history of Nigeria, NNPC is operating as a business due to the recently passed Petroleum Industry Act. This accords with global best practices.
 18. Other major reforms and transparency initiatives in the oil industry introduced by the Petroleum Industry Act, which I signed into law this year, will ensure sustainability and ensure that Nigeria meets a core obligation under the Extractive Industry Transparency Initiative.
 19. I am also confident that host communities will benefit more from the PIA than the old framework which allowed a few individuals to enrich themselves at the expense of their communities.
 20. The rising cost of governance at the Federal, State and Local Government Levels is of serious concern. It has been attributed to many factors not the least of which is that, our federal system of government lays down the number of Ministers for the Federal cabinet.

21. That number may rise if new states are created with all the implications for further pressure on government's resources. Ministers must have aides with further consequent cost on government purse.
22. The Constitution also prescribes the composition of the National Assembly and the Judiciary. With the judiciary there are useful recommendations to improve the number, infrastructure and funding. These are worthy considerations but with potential for increasing cost of governance.
23. Over the years, government has created many Departments and Agencies with the aim of achieving the socio-economic objectives prescribed by the Constitution. The unintended consequences of the creation of new MDAs are widening workforce, duplication of roles and bureaucracy with the attendant increase in cost of governance.
24. Reforms are needed but every reform has inherent costs and pains. Government will strike a balance to maintain social equilibrium, mitigate the pains of reforms and at the same time reduce the cost of governance.
25. Nevertheless, those who illegally bring in personnel into the public workforce by illegal recruitment, those who pad their personnel payroll, and those who retain ghost workers must be and will be severely punished.
26. The COVID-19 pandemic has created a strain on resources globally. Nigeria has felt the impact more than some other countries because of our dependency on oil for much of our revenue.
27. This government unprecedentedly managed to exit two recessions within six years, the most recent being the COVID-19 pandemic induced recession through prudent management of our very lean resources.
28. While we need to look critically at cost of governance, we cannot ignore critical investment in infrastructure and other investments that will enhance growth, development and security.
29. We reduced the cost of governance by maintaining our promise to complete abandoned or ongoing projects commenced by previous administrations and have ensured that MDAs do not put forward new capital projects at the expense of ongoing projects.
30. Government has however noted from the activities of the ICPC that some MDAs have devised the fraudulent practice of presenting new projects as ongoing projects.
31. Necessary action and sanctions will continue against the heads of such errant MDAs. I am confident that ICPC will continue to maintain the vigilance required of her by the ICPC Act in this regard.

32. This summit is auspicious because it reminds us of the negative impacts of unnecessary cost of governance and offers an opportunity for critical stakeholders to offer suggestions on ways to further reduce the cost of governance and promote transparency and accountability in government expenditure.
33. I am delighted that the Legislative and Judicial arms of government are also under focus on managing the cost of governance because government is a collective business and is not the business of the Executive Branch alone.
34. On 19th August 2020, the Federal Executive Council adopted the National Ethics and Integrity Policy which I launched on 28th September 2020. I am delighted that some public officers continue not only to demonstrate the core values of ethics, integrity and patriotism but have been identified for their sterling anti-corruption disposition in their workplace.
35. Just like I did in 2019 and 2020, I am pleased to recognize and to present the **2021 Public Service Integrity Awards** to **Muhammed Tukur Ahmad (Asst. Commander of Narcotics, NDLEA)** for being a man of integrity and worthy fighter against narcotics; and **Mr. Nelson Orji Okoronkwo** of the Federal Ministry of Information and Culture for consistent display of integrity.
36. I am also happy to note the ICPC special award to **Ikenna Steve Nweke, a Nigerian Ph.D student from Imo State studying in Japan**. He has done Nigeria proud in far-away Japan by displaying traditional Nigerian values of honesty and integrity and returning a wallet containing a very large sum of money and other valuables to the police. He also declined 10% of the money found as reward offered to him.
37. I join the ICPC in declaring him **ICPC CITIZENS ANTI-CORRUPTION VOLUNTEER GROUP ICON**. He is indeed an icon and a beacon for our youths. I also congratulate all those to be awarded the ICPC Certificate of Integrity through their agencies.
38. Government looks forward to the outcome statement of this summit and further measures to rein in rising cost of governance.
39. I am pleased to declare the Summit open, as I wish you fruitful deliberations.

TECHNICAL SESSION

MODERATOR: Maupe Ogun-Yusuf

MEMBERS OF THE PANEL:

- a. **Ben Akabueze**, Director General, Budget Office of the Federation
- b. **Prof. Ishaq Oloyede**, Registrar, Joint Admission and Matriculation Board (JAMB).
- c. **Ene Obi**, Director, Action Aid, Nigeria.
- d. **Hafiz Hassan Mohammed**, ICPC, Constituency and Executive Projects Tracking.
- e. **Olanrewaju Ajogbasile**, Programme Manager, Nigeria Governors' Forum.
- f. **Prof. Sadiq Raddah**, Executive Secretary, Presidential Advisory Committee Against Corruption (PACAC).

Moderator (Maupe Ogun-Yusuf)

Let me start by saying a very good morning to you, ladies and gentlemen. I am very delighted and honoured to do this and I hope we are able to keep the conversation going as much as possible.

Let's start with this. When the Honourable Minister of Finance, Budget and National Planning defined corruption this morning, she said it's when people abuse a position of trust and privilege given to them and divert it for personal use. At least that was what I was able to summarize from the definition that she gave. In her definition, I personally underlined "Trust, a position of trust". Between leaders and the citizens, trust is in deficit. Often times the citizens believe that those in positions of authority have not used their positions their benefits. The people believed that those in positions of authority have abused it for themselves, and this has translated in the many conversations that those in authority have with the led, and there have been many instances since the start of this administration.

But more recently, from the start of 2020, there have been conversations around how the palliatives meant for COVID-19 were spent for instance, whether or not the palliatives got to everybody that were supposed to receive them. When you look at the ENDSARS protest and the conversations that went on around it, a large part of it was as a result of deficit of trust. And now we're starting the conversation around subsidy removal, a recurring decimal in our national policy and again trust is coming up as whether or not the subsidy will be taken away, will it really be used for what the government says it will be used for? That's why this conversation is extremely important this morning and I'm happy that key

figures in government have been able to record modest success in trying to reduce the cost of governance and put their money where their mouth is, are sitting on this panel.

I've been told that 10 minutes is the initial time for presentation but can I ask you to indulge me and reduce it, if you can, to maybe about 7 minutes so that we can have time to make this a conversation. I'll ask a few questions and if there are questions from the audience, I think it will be very useful for us to take the questions. What I believe the ICPC is trying to do is to get suggestions that will move us forward to bridge that gap, that deficit that is lacking between the governed and our leaders.

So, let's start with the very first person on my list here, in the order in which they have been introduced. I am going to be starting with Dr. Ben Akabueze. I hope that you will be able to set the pace by reducing the time of the presentation. Thank you very much.

Ben Akabueze

Good morning, everyone, and as we say in Nigeria, all protocols are respectfully observed. I have been asked to speak to the topic **Corruption in Government Recruitment and Cost of Governance in Nigeria**. I have a deck of slides. In the interest of time and especially with the mandate from the moderator, I'll skip a lot of the introductory part and go through some of the key messages.

Essentially for the Federal Government, actual recurrent spending has risen, you might say sharply, from N3.61 trillion in 2015 to N5.26 trillion in 2018, and N7.91 trillion in 2020. Let me note that while this excludes the recurrent spending of the Government-owned Enterprises (GOEs), it however, includes debt service costs.

As at 30th September 30, 2021, the recurrent expenditure is just under N8 trillion (about N7.99 trillion) including the recurrent spending of the GOEs. Clearly if you put this in context, our revenues (aggregate revenues of the Federal Government) at that same end of September was N4.6 trillion while our recurrent spending was N7.9 trillion. Clearly, whenever a business or an organisation, whatever you call it, isn't able to cover its recurrent spending from revenues, it means that the organisation or business is seriously challenged. So in the decade from 2011 to 2020, recurrent expenditure exceeded 75% of actual expenditures of the Federal Government (averaged over 75%). Personnel cost by 2020 accounted for about 40% of expenditure, and it's the single largest component of the recurrent expenditure ranging from 60 to 70%. And this is despite the fact that the civil servants below level 14 and later level 12 were asked to stay at home due to COVID-19 pandemic, and with the suspension of recruitment outside of the health, defence and security sectors, you continue to see this growth.

As you have heard in the presentations held earlier today, this partly contributed to the specter of what we call illegal recruitment, where despite the measures to contain the growth in personnel cost, people have continued to act in contravention. So, in 2016, the total personnel cost of the Federal Government was N1.87 trillion. This year, it will top N4 trillion. It has basically more than doubled. Yes, we have had a wage review, the minimum wage review, but that's only part of the explanation for this significant growth.

Again, in consequence of this, we were not able to meet our policy goal of spending at least 30% of the Federal Budget on capital expenditure between 2019 and 2020. So, when you look at the last decade in terms of MDAs capital spending, it has averaged below N2 trillion, that level of expenditure is inadequate to meet our developmental needs. While the growth in recurrent spending, especially personal cost, is significantly responsible for this, the real underlying cause is that we are generating less revenue, despite growth in personnel costs; despite using more people, we are not generating enough in our revenues, and public revenue to GDP ratio is the lowest in the whole world. In consequence also, our public expenditure to GDP ratio is only higher than that of Somalia in Africa. We are not spending enough in total and even that which we were spending is not being spent in the most critical areas to drive growth.

The two things that we must do are: we must generate much higher levels of revenue; there must be a correlation between the staff cost and the revenues that they produced. Yes, the government is not strictly business but in my private sector days, I recall that there was a rule of thumb - your personnel cost should never exceed one third of your revenues. The thinking then was - the people who produce the revenues take one-third of the revenues, one-third of the revenues go to replacing the assets in re-investment in the business, and one-third goes to the owners of the business.

When I was with the Lagos State Government, we had a wage policy in Lagos State which said that personnel costs would not exceed either 25% of government aggregate revenues, or 35% of internally generated revenues of the State Government and we maintained it. Unfortunately, we have not been able to emplace such a policy at the Federal level. So, the bottom-line is that no country can develop where a large part of its earnings is basically spent on funding administrative structures rather than development-inducing expenditure.

So, what should we do? Basically, we must continue with efforts to manage downwards the spending, including personnel cost. Recently, we took some stringent measures in terms of managing down the personnel cost of 63 Government-Owned Enterprises (GOEs) captured in the budget. The 2022 personnel cost for these GOEs is N617.7 billion, which is down from N701 billion in 2021. We have tried to eliminate some unauthorized payments that some of these agencies make to their employees. There are stringent guidelines for recruitment but often these are observed more in the breach, so there is a need

for a sanction regime. Earlier today I was discussing with the Head of Civil Service of the Federation and we agreed that that is something that needs to happen.

I will make a few specific suggestions about what we need to do, and I'll end there. There is need for sanctions for the heads of MDAs who breach these guidelines as I said. There is also a need for a comprehensive staff audit and job evaluation to determine the right size for the Federal service without affecting efficiency. We need to, where necessary, do a staff rationalization policy and this is not about retrenchment. There are some areas where the government is understaffed, and some areas where we are overstaffed. The security services, for instance, are understaffed. The Police are understaffed but some of the administrative areas are overstaffed. There may be a need to redistribute manpower. We may need to commercialize some services. For instance, even though the Police are understaffed, a very significant number of the policemen are busy doing private guard duties. The Police perhaps should create a private guard arm where the people who want these services pay for them and what they paid contributes to then hiring more policemen who will then police the general public. I think that some amendments to some of the enabling laws for setting up some government agencies that empower their boards but simply approve compensation that has no bearing with either the productivity of those or the fiscal position of government have to be revisited.

I'll stop here.

Moderator

Thank you very much. I hope everyone takes to your good example in time management. Let me quickly move to Professor Ishaq Oloyede who is the Registrar at the Joint Admission and Matriculation Board (JAMB). The JAMB, as we all know, has made significant progress, going from a government parastatal that used to consume to one that now contributes to the budget. Prof. Oloyede, you now have the floor.

Prof. Ishaq Oloyede

Thank you, Moderator and thank you, Director General of Budget Office. I must thank the ICPC for considering me worthy of participating and I must also thank my co-participants, particularly our Moderator of this platform.

I will rather leave the issue of analysis to those who are interested in the statistics of it, and because of time, I will want to talk on three or four aspects of what I think. Firstly, I want to thank the ICPC for organising this Summit and to also commend what the Commission is doing in the Education Sector. When you say "diminishing", I would have been very happy if it is to imply that corruption is diminishing in the public sector. That is not your intention. I think your intention is "how to diminish corruption in the public sector". And that raises another question. Is corruption in the public sector more pronounced or more

damaging or higher than in the private sector? I will say the answer is No. I believe that the private sector is the engine room, is the mastermind, is the initiator and the *perfecter* (if you can use that word) of corruption. And I do not believe that we can put a distinction, or we can compartmentalize private and public sector when it comes to corruption and when it comes to the cost of governance.

I must also say that when you talk of cost of governance being high, corruption is definitely part of the cause but not the main cause. The type and structure of our governance play a role in high cost of governance. When you see the federal system that we operate and all that go with it and how powerful some of those who govern us are, and they are statutorily made so, I believe that is also part of the problem.

Again, when we look at another aspect of what are discussing here – Transparency, it will definitely reduce cost by addressing corruption. I also believe that transparency itself has some cost, particularly in Nigeria. Transparency is being abused in the country. Almost all institutions, many critical institutions of the Federal Government that I know are having or engaging the private sector to do some of the critical things they are supposed to do, and the private sector is seizing that opportunity to further encroach on public service and destroy whatever remains of the integrity of the public sector. There are so many of them. In the name of transparency, we open some of government facts to them and these facts are being used to repackage themselves.

Some years ago, we talked about cost and that “the government has no business in business”. Okay, all those public enterprises that were privatized, where are they now? They are all gone. We had NICON Hotel and others but who owns them today? Apparently, they’re not working. If they worked elsewhere, they are not working here.

I gave example that is related to JAMB. In the name of transparency, we had told the world that the Federal Government asked JAMB that “out of your surpluses, set aside N6 billion for creating a presence in the center of the city”. That has attracted a lot of problems. You see so many ridiculous proposals being brought by so many persons because transparency has opened the door to them. And in this type of infected environment, even those who parade themselves as non-governmental organisations are widely non-governmental individuals, who are looking for how to further rip the government.

When you talk about corruption, I believe it is normative in nature. What we see as corruption may not actually be corruption. It might be incompetence on the part of public officers. I give one or two examples. One, if government sets up a committee to go and interact with the Labour or with staff who are protesting, the people who represent the government more often than not do not really represent the government. They will abdicate the secretariat to the other party

and what will come out of it will just be government fighting back to say it will have an agreement that it will not be able to implement because its representatives have abdicated their responsibilities at the point of drafting the agreement. I believe that there are certain factors that we must address in the education sector. One, it appears many of the actors, leading actors in the education sector have poor financial literacy. They become prey in the hands of the private sectors who are brandishing all sorts of proposals particularly towards December in order to syphon. Those public officers are not the real beneficiaries of the corruption, they might only be stupid.

The second one is that we do not do cost-benefit analysis probably because the money does not come from us.

Number three is that the government needs to address the fact that the education sector is out-of-pocket expenses intensive, and what you have now is that some of these so-called private people come around to create avenue, corrupt avenue for these innocent & not-so-innocent public officials to say they will help them in paying those legitimate out-of-pocket expenses and they end up syphoning the fund.

Another factor is policy somersault on the part of the government. A Permanent Secretary, a Federal Permanent Secretary who retires today goes with his annual salary as pension. For a professor in the university to earn a pension of his or her salary, he or she needs to have been a professor for at least fifteen years. Even then, the Budget Office won't fund it. The Professor will have to go to his or her PFA while the permanent secretary will go elsewhere. How do you expect such a professor whose salary is not up to N500,000 to be entrusted with so many things that he or she could abuse without making provision for him or her? Not only that, everyone knows that only the poor people that go to the JAMB Office and other places to work while the big people send their children to the Nigerian National Petroleum Corporation, Nigeria Deposit Insurance Corporation, and Central Bank of Nigeria, among others. The salary wage disparity within the public sector is killing, and this is not being addressed. We are addressing small petty thieves, while the big masquerades go scot-free. I believe that we need to look at the level of discretionary power being given to people in authority. The discretion to utilize and abuse power is so wide. And that takes me to the issue of Integrated Payroll and Personnel Information System (IPPIS). We need to be careful about extending this IPPIS to the education sector. It is my own opinion that we are going to intellectualize corruption and give opportunity to people to further abuse the system. I think this is also contributing to whatever high level of governance in the education sector.

Moderator

Thank you Prof. Oloyede. I didn't think you're going to forget your first constituency, having been Vice Chancellor of University of Ilorin. But thank you very much for your contribution. Let me quickly come to the only woman on the

panel, Mrs Ene Obi of Action Aid Nigeria. She's going to be speaking on Corruption and Cost of Governance in the Health Sector.

Mrs Ene Obi

Ok. Thank you very much, Moderator. I want to say a big thank you to the ICPC for considering me worthy to be here today. It's a great pleasure indeed having worked with and collaborated with the ICPC on Constituency Monitoring and some of the other works that we have done such as monitoring the Social Investment Programme of the Federal Government.

I will be speaking on Corruption and Cost of Governance in the Health Sector. The health system is divided into tertiary, secondary and primary health. Health as concurrent in our Constitution makes those responsible not to talk to each other. The Federal Government cannot go to a state unless it has the permission and the agreement of the state, and so is that of the local government. And so this leads to a lot of duplication of effort and wastages. Nigeria is tagged with some of the worst health statistics in the world. This makes the country one of the least in virtually all development indexes. Ironically, Nigeria has not suffered any major natural or man-made disaster like other countries that ranked higher. The World Health Organization (WHO) currently positions Nigeria's health systems as 197 out of 200 countries evaluated. According to the UNDP, life expectancy in Nigeria has declined from 47 to 43 years. Nigeria accounts for 10% of the world's maternal mortality, whereas it constitutes two percent of the world population. And for maternal mortality a lot of women who are pregnant in Nigeria, they walk on the maternity death road. One in every five Nigerian children, every five Nigerian child dies before the age of five, while over one million Nigerian children die from preventable diseases every year. What that tells you is that we lose more than 2,000 children every day. And this is the reality of our health indices.

Malaria, let me say here, kills the Nigerian child, the Nigerian children more than any other disease. Despite all the poor health services in Nigeria, the Nigerian government budget and governments at all levels is about 5%. Yet, Nigeria is a signatory to the Abuja Declaration of 2000 which says that health budget will be 15%. Corruption, according to the International Monetary Fund Report, has a devastating negative effect on Nigeria's health indicators. It must also be stated that it was the coming of the IMF and its Structural Adjustment Programme that resulted in the collapse of every system in Nigeria, including health and education. Corruption therefore lowers the delivery of services at different levels. Corruption in health services has major economic impact due to the rise in the cost of health care for individuals, healthcare institutions and society in in general. When we are talking about public health education, it does affect the generality of the public because the heaviest investment that any nation can make is investment in education and that concerns health as well, but what are we investing in the health, in education today that can promote health as well?

You are not doing anybody a favour when you give scholarships for people to go and study. Majority of those in government today were given scholarships to go and study abroad. And there were government systems on ground that was able to accommodate them. What are we doing today? How are we investing in human capital to prepare for our economy in the different sectors? There are millions of Nigerians every year that want to go and read Medicine. They don't have the opportunity. What that means is that you have a human capital which is an engine room for development but you're not preparing the public schools. You have neglected the public schools that made you to grow to who you are now. We can invest in that public system that will lead to many people coming to Nigeria to study rather than taking our money and children abroad.

I just want to go quickly to look at the forms of corruption in the healthcare systems. The major forms of corruption present in the health sector range from petty bribery and nepotism to informal payments and mismanagement of resources, absenteeism, and state capture. The health services are also affected by various forms of clientele and personal relationship in between patients, doctors or even bureaucrats. Do you know what is happening today? We cannot talk of corruption without mentioning the fact that a lot of people cannot afford, meaning that affordability of health is a big issue. I remember that the National Hospital was built for women and children. A government that is so huge has not been able to build hospitals for itself, rather it has occupied the hospital is meant for women and children.

I will also like to look at particular points that are vulnerable to corruption. The issues of provision of services by medical personnel, human resources management, drug selection and use, procurement of drugs and medical equipment, distribution and storage of the drugs, regulatory systems, budgeting and pricing, and also looking at the health insurance schemes - a lot of it is a scam because if you say you are from NHIS, they will tell you to go somewhere else. There are a lot of things that we need to correct if we want the health insurance system to work.

Let me quickly look at the challenges. I think one of the challenges against corruption is corruption itself. A lot of these challenges, if you try to challenge it, corruption will also challenge you. What that means is addressing corruption in the health provisions is extremely complex but everyone who is in the health sector is also in the society. With an intermingling of private and public actors, different governmental levels involved in weak and under-resourced regulatory systems, complicated health insurance system, will take relations between the medical suppliers, health providers and so on.

I will also like to talk about some of the approaches that can be used to address corruption in the health sector such as budget transparency and oversight. The ICPC Chairman talked about the regulatory oversight systems. The kind of demands that are made by those who conduct oversight is really appalling. This can limit opportunities for the budget to be misused to serve vested interest.

And this is not outside our systems. I remember when we had these issues of "Stop the Mic, Off the Mic" and all of that, I can't believe that Nigeria is still the same and we are still going as usual, and nobody has been brought to book. If you pay more than N500,000 into your account, that account is flagged and subject to DSS intervention or the regulatory bodies look into it. What is happening now? We have the BVN now but where is the money? Where is the thief? I think the Nigerian government knows what to do. We need to have sanctions for those who have violated the code of conduct.

We also have health management information systems, a complaint mechanism and whistleblowing. We have the management of human resources as well. One of the things that I identified earlier - because I was in public health for 10 years and so when I'm talking of child health and maternal mortality, I was on the ground and I saw this happening, in the suburbs, in the rural areas, and went to many nooks and crannies of this country so I know what happened. We need to change, return the curriculum of colleges of medicine because administration and also management are not taught, and these are some of the key issues that at the end of the day, doctors become managers and administrators. The management of human resources is being done by those who lack capacity. That is very important. Allowances of health workers such as doctors, nurses, pharmacists, and so on are so poor that at the end of the day, you make them vulnerable as well.

Another issue that I will like to talk about is patriotism and quality of citizenship. What kind of quality do we have? Each and every one of us gathered here, we are all Nigerians in this hall. Where is the space for you - we saw people getting awards. We all need to stand upright for Nigeria. We all need to stand with the National Anthem - the "Arise, o Compatriots". Who are we talking about? We are singing it until all of us remove the music and sing it from the heart, so that you can practice it. "I pledge to Nigeria, my country to be faithful and loyal and honest". When you violate that where are you going to?

The issue of civic education is what we need to look at. I'm happy that some of the collaborations that I have done with the ICPC and the National Orientation Agency have produced good results. We need Civic Education that can get to the nooks and crannies of this country, and that will be able to carry value re-orientation. This is very important.

I just want to conclude by looking at issues of representation of women. It's for real in our national spaces - because we are within the season of 16 days of activism. The women are the ones dying on the maternity death road because many governors are not building new hospitals. They are not equipping the ones that are there. At least, I had the opportunity to meet with Prof. Olukoye Ransome Kuti, in the time that we were doing basic support for institutionalizing child survival. It is very important that we tackle the issue of health. We are not at war, yet children are dying on the maternity death road, children are dying on the street and in the rural areas due to no development. We have not had the kind of drive and also the development plan that can make us plan. This is because if you have millions of children that want to go to the medical school

and they cannot go, you can develop the schools to accommodate them and export your personnel. Remittance is one of the biggest earners for India and so on.

I also want to mention one more thing. I remember that there was a discovery at Military Hospital, Yaba. A General made the discovery, where are we with that? We have the Nigerian system; Nigerians are very educated enough. We must stand upright for Nigeria and for Africa. Nigerians have a great responsibility. We must walk the talk – either as public servants, civil society organizations, private sector, the media, and all citizens committed to the Constitution of Nigeria. We are all going to be ancestors someday. What kind of ancestor do you want to be? Let's walk the talk. Thank you very much.

Moderator:

Thank you very much, Ma'am. Food for thought – what sort of ancestor do you want to be? We're going to take one more contribution now from Mr. Hafiz Hassan Mohammed, who is the Head of the Constituency Projects Tracking Initiative in the ICPC. Then we will take a break; have a few questions because some people on the panel have to go. Director General, the Budget Office just told me that he has to leave shortly. So, we'll take a few questions and then we'll go back to the presentation of the remaining members of the panel, so we don't lose our train of thought.

So let me quickly invite Mr. Hafiz Hassan Mohammad for his presentation. Thank you very much.

Hafiz Hassan Mohammed

Thank you, Ma'upe. Good afternoon, ladies and gentlemen. I will be speaking on "Corruption and Cost of Governance in the Execution of Government Projects".

In the last four decades, corruption has been so institutionalized in our system that many Nigerians today see it as a way of life. The resultant consequence is that corruption has thrived and grown into a full-blown cancer. It has eaten deep into the fabric of our national lives. This cancer does not only pose a threat to the present day of Nigeria but also dares the future of our nation. The Federal Government and its institutions have consistently incurred cost in the effective discharge of their responsibilities to provide basic amenities and public services, and to give hope to the citizens. The only important question, however, is whether government gets value for the cost incurred and whether the cost incurred is economically and socially justifiable and commensurate with the funds expended. By design and conceptualization, government projects, be it Zonal Intervention Projects (ZIP) or the regular capital projects, are meant to address infrastructural deficit and provide basic amenities to citizens. To achieve this, successive administration has continued to appropriate funds in each project cycle. For the ZIP, we know that it is a hundred billion per annum while for other capital projects, they go into trillions of Naira.

The question however remains: has the implementation of these projects positively impacted on the lives of Nigerians or are these projects just further deepening our collective woes as a country because of corruption?

In Nigeria, government expenditure is generally sourced from annual budgetary appropriations and sometimes donor agencies. The annual budget in Nigeria includes capital intensive development projects like construction projects which averagely hover around 30 - 50% of the total appropriations at both national and sub-national levels. There is no gainsaying the fact that the cost of governance in Nigeria is high, and this has been attributed to several factors and most significant of which is corruption and inability of government officials to curb wasteful expenditures that do not contribute to the economic growth and wellbeing of the citizens.

According to the Transparency International (TI), corruption, bribery, theft, and tax evasion and other illicit financial flows have cost developing countries about 1.26 trillion dollars per annum. This is roughly the combined size of the economies of Switzerland, South Africa and Belgium and enough to lift 1.4 billion people who get by on less than 1.25 dollars a day above the poverty threshold and keep them there for at least 6 years. The above figures provide a fair idea of the impact of corruption and the high cost of governance in developing countries.

Cost of governance simply means what it cost government to run its administrative structures as well as its developmental programmes and projects. Corruption, in whatever state and measure, undoubtedly raises the cost of governance and the negative impact of corruption on the cost of governance is the cost of corruption on governance.

The cost of corruption in relation to a given government project is the total loss and damage caused by all corrupt activities on or in connection with that particular project. Effective assessment of such loss and damages requires consideration of the following:

- Each corrupt activity that has occurred in the connection of the project;
- Each stakeholder that suffered a loss or damage as a result of corruption in the project;
- The type of loss and damage that has been suffered by each stakeholder, and
- The amount of each type of loss and damage. The sum total of that loss and damage which is highly unlikely to be wholly identifiable and quantifiable is said to be the cost of corruption in relation to the project.

Corruption, with regards to implementation of government project, manifests in different ways - theft and misappropriation of public funds which deny citizens what is due to them and thereby eroding their quality of life. The cost of such corruption is the amount of funds stolen, waste of public resources, and unknown viable projects. Alternatively, a project which was viable and appropriate at the onset may collapse or be rendered unviable as a result of corruption which takes place during the structuring or execution of the project.

It also causes abandonment of projects, over-invoicing of contract sums, increased government maintenance and repairs, and replacement cost. Like in the case of roads and bridge constructions, there was a particular project that we recently monitored somewhere in Edo State. At the very beginning of the construction of the road project, the tar was already collapsing. We recently visited some school projects in Kano State and we discovered a school built sometimes late last year was already collapsing. We could see the rafters caving, the roof caving which portends a lot of danger for the pupils sitting in the classes. The cements were already peeling off in just less than six months after construction.

Corruption also causes loss of credibility and foreign investment for the government. I listened to one of the speakers talking about the mistrust between the government and its citizens. The mistrust is caused by corruption. Whatever the government does or when it says, "we spent this amount of money to do a.b.c" and the public doesn't see that, the public loses interest in government. Then the public and the government begin to work at cross purposes.

The government lost a lot of investments because of the effects of corruption on governance. For instance, we used to have railways that were functioning properly before they became defunct as a result of corruption. Similarly, NITEL was one of the biggest government's investments, but it died because of corruption.

From the Commission's experience with the Constituency and Executive Project Tracking Initiative (CEPTI), the losses and damages arise from a wide variety of corrupt activities that take place on or in connection with government projects. This may include bribery, insider dealings where you have the procurement processes seemingly looking open but then behind the back door, and you have insider dealings where some officers of the agencies will give specific information that will help a particular favoured contractor to get the contract. Then you have embezzlement, abuse of office, illegal conversion of public project to private use, refusal to execute the project, abandonment of project, under-performance, substandard execution of project, over invoicing, outright theft and money laundering.

The individuals who carry out these corrupt activities include officials of the implementing agencies. The facilitators of the projects, let me use the term sponsors in the case of Zonal Intervention Projects (ZIPs), their aides, contractors, consultants, sub-contractors and suppliers either by themselves or in connivance with one another. Corrupt activities may take place at any time during the course of the execution of the project from the point where the project is being selected, in fact from the point where it is being conceived and all through the phases to execution. Sometimes it includes dispute resolution mechanisms. The case of P&ID is still fresh in our minds where public officials sat down and drafted an agreement that obviously, they knew it will work in favor of a company that did not have the capacity to actually carry on the contract or agreement it had with the government then.

With all these problems, there have been increasing complaints by the citizens regarding shoddy completion or outright non-completion of public funded projects in spite of huge budgetary releases. It has been reported severally that project execution in Nigeria is the most widely used conduit for the diversion and misappropriation of public funds in the country.

In response to these complaints and in line with the Commission's preventive and enforcement mandate under the ICPC Act 2000, the Commission came up with a very beautiful initiative known as the Constituency and Executive Project Tracking Initiative (CEPTI). The Initiative seeks to track public funded projects, be it ZIPs or Executive projects, to ensure proper and transparent execution of these projects. In furtherance to this, the Commission launched the Constituency and Executive Project Tracking Group (CEPTG) as a vehicle for the implementation of this initiative.

Moderator

Sorry, we'll have to hold you there and when we take questions, you'll be able to take more parts of your speech. I did say that we'll pause a bit and take a few questions before we go to the rest of the panel, thank you once again for your presentation.

Let me start with Dr. Ben Akabueze whom I know will be leaving in about 10 minutes. When I was listening to your conversation, it sounded very similar to what Professor Bolaji Owasanoye already presented in terms of illegal recruitment, in terms of the rising recurrent expenditure. Ladies and gentlemen, I'll ask you to take a look at your brochure for this event. It has got some very useful information in it. The cost of governance is represented in infographics in the brochure, at least for the past three years. I think the information there is very useful so I'm going to be asking you a few questions.

First, I was a little disturbed to know that there exists an illegal recruitment ring. We've always known of illegal recruitment rings that go about telling people that they can recruit for them and get them into public service. These people actually succeeded in the recruitment despite the existence of IPPIS; they forged papers from the Office of the Chief of Staff of the President, and they got away with it. They have been able to include people fraudulently into the IPPIS, and even post them to government parastatals. How are we not able to detect this on time?

Ben Akabueze

Thank you. You know I started my career as an auditor many years ago and the best of internal control systems are built on the principle of separation of duties. It's human beings that operate the systems and when you have collusion across the different levels that are supposed to provide a check, there's not much that can prevent it. So, at that point all you need is to have a system that can detect what has happened even if it can't prevent it. And it's because we have a system

that is able to detect what has gone wrong that we're able to share these statistics.

Moderator

I hope that you know that there will be some publication that this is what has happened. I imagine, of course, that the media are here and they would have heard and will be interested in the cases being prosecuted. What I think a lot of people will find alarming is the fact that we were able to get people into the system. Often times when we hear of this fraudulent or illegal recruitment, it is that they have been recruited but maybe they've run away with the money. They tell them bring sums of money to get them into government but oftentimes those people just run away with the money. But for this to actually succeed, it is really very alarming. Are there any safeguards to ensure that this will never happen again? Do we have to wait for it to happen or do we now have safeguards in place?

Dr. Ben Akabueze

We have safeguards that try to tighten the process. For instance, you cannot really conclude recruitment and nobody can be captured on IPPIS without the sign off of the Head of Service and the Director-General of Budget Office. But if someone disregards that and is induced to capture someone on the system without the sign off of the Head of Service and the Director-General of Budget Office, at that point all you can hope for is to detect that. We have tried recently to improve. The Budget Office previously depends on agencies submitting to the Office copies of the waivers they received from the Head of Service. We have had cases of forged waivers sent to us. We have designed a system where there is a portal that when the Head of Service issues the waiver, it's uploaded there and that's accessible to us. Therefore, we can independently verify the authenticity of the waiver that has been given. There are people that make a full-time job of trying to game the system. There's so much desperation just like parents are willing to pay for people to sit exams for their children, parents are paying for recruitment slots and all kinds of whatever people are paying. So, the people who do these things, who get people illegally recruited are not doing so gratuitously.

Moderator

Sorry Dr. Akabueze, you will be answering a lot of questions because you are in the Budget Office and that's where we actually feel the cost. When we plan and it's not trickling down, there'll be questions as to how did we implement our budget. I have a lot of questions directed at you. Some of them might be out of your purview and if they are, please kindly say so. I'm looking at the drivers of high cost of governance here and part of the drivers which the ICPC has

identified is about bloated cabinet size. It would have been wonderful to be able to direct that to the President but he's not here anymore. Corrupt budget practices which is directly under your purview and perhaps that of the Minister of Finance, there's high cost of elections, multiplicity of MDA's, and bloated civil service, political office holders and aides. There was a time the government tried to streamline the number of MDAs that we had. By the time the second term of the President came, we increased the number again. It seems that there was a realignment of some sorts. Some were divided and some were merged like Ministry of Finance, Budget and National Planning was merged and then Ministry of Power, Works and Housing was separated - there was Power, then Works and Housing. Was there a rationale for this from the Office of the Director-General of Budget or the Ministry of Finance, Budget and National Planning?

Ben Akabueze

Well, Maupe, some of the questions you are asking are above my pay-grade. The truth is that one of the things we must do as a country is to institutionalize what is global best practices. In some of these countries, any policy that can impact on expenditure of government is usually preceded by what is called a Fiscal Impact Analysis before that decision is made. Unfortunately, that is something we have not institutionalized in government - the practice of fiscal impact analysis, in some places they call it a CBA (Cost Benefit Analysis).

Moderator

Why is it so difficult because you are an expert? You did not just cut your teeth today. You have been on this from your days in the private sector. This is not your first time in government. You've served at the subnational level. You've talked about successes you recorded while you were in one of the biggest subnational economies in Nigeria. Why is it so difficult for us to translate some of those successes we sometimes see at the subnational to the national level?

Prof. Ishaq Oloyede

Madam, I will like to assist my friend.

Moderator

He's leaving shortly; let me just quickly ask him this one because it is directly under his Office.

Ben Akabueze

Well, as you know, the truth is the process of policy formulation is a lot more complex at the Federal level than at the subnational level. There are a lot more contending interests and all of that. The bureaucracy is bigger and the red tape longer, so sometimes it takes much longer to arrive at conclusions. At the

subnational levels, often times one wants to move in a particular direction and it's a lot easier to get everyone moving.

Moderator

How do you think we can shorten the process to arrive at solutions?

Ben Akabueze

Well, having a forum like this is part of it. We need a consensus around what is right. From the consensus, we need the will. Everybody agrees that this is the way it should go, and that is the starting point to getting it done. We need strong advocacy beyond this thing and that's where people like you come in, strong advocacy consistently. Sometimes, we have flavours of the season in terms of advocacy, we are talking about it and then, next month everyone has forgotten about it, nobody is talking about it.

Moderator

Well, Dr. Akabueze, at this point I would let you go.

Ben Akabueze

Before I go, I just want to make a few additional comments. First, there was something Professor Oloyede said which may be lost on some of us and that is what I call the incompetence plus corruption conundrum. We are today holding a summit on the Cost of Corruption on Governance. In my own experience and this might shock some people and may even be controversial, I believe that incompetence is costing the country much more than corruption is costing it. But we hardly talk about it. I'm hoping that someday we'll have a summit on the cost of incompetence. Some of what actually manifests as corruption is rooted in incompetence. So, I just thought I should underscore that point.

And let me take this opportunity to very publicly disagree with my friend, Professor Oloyede about the extension of IPPIS to the Education Sector. It's not a one-size-fits-all. IPPIS is customizable. When we were going to extend IPPIS to the military, they had a number of concerns, but because you know the President is the Commander-in-Chief and he gave the order, there was no *opposition*. You know the Military doesn't dispute what the Commander-in-Chief has said and the Commander-in-Chief said you must join. So, all that they did was lay down their concerns and I am not going to start speaking publicly about what those concerns are and how those concerns have been addressed, but if IPPIS could be customized to address the concerns of the Military, it can be customized to address whatever legitimate concerns the education sector has. The problem is the Education sector says, "No, we don't want it".

There is no precedence that I know anywhere in the world where the employee dictates to the employer about how he or she wants to be paid or the method he or she wants to be paid. What the employer owes you is to pay what has been

agreed to be paid and if there's an issue about that then there is a basis for disagreement but you can't upfront say "No, you can't pay us. We will design the system with which you pay us." Why did we decide to extend IPPIS to the education sector? I tell you here, a level of abuse around this personnel cost, we talk about growth in personnel cost, the education sector is a major source of it. We talk about illegal recruitment; they are one of the biggest culprits, paying people what they're not entitled to.

Before IPPIS, you had the same lecturer featuring on the payroll of multiple institutions as a full-time employee in those places. Those are the things that IPPIS won't let you do and all of that. So, I think that we can have a legitimate discussion about how to customise the system to address any legitimate concerns.

Moderator

Ladies and Gentlemen, a round of applause for the Director-General of the Budget Office of the Federation as he takes his leave shortly. Dr Ben Akabueze, we have to thank you for your time this afternoon. I'm sure that your contributions have been very beneficial. I believe that subsequently we will be able to extend this discussion beyond just here. You've talked about advocacy; we can't do it alone. We know that every time we call you, you'll always be responsive and you will not shy away from the difficult questions. Thank you so much for sharing your thoughts once again.

Ben Akabueze

Thank you and my apologies, I have to leave because I have a meeting.

Moderator

I don't know whether we should hear from other presenters or take questions, what's the consensus? Let's finish the presentations and then we'll spread the questions. Let's quickly take the presentation of the Nigeria Governors Forum (NGF), which is being represented by Mr. Olanrewaju Ajogbasile who is the Senior Program Manager at the Nigeria Governors Forum.

Olanrewaju Ajogbasile

I will like to thank the ICPC for extending an invitation to the Nigeria Governors Forum and the Director-General sends his regards. I'll take off from where the Director General of Budget Office stopped. A lot of times we talk about the cost of governance and we look at how much the government is spending but in actual sense from a global perspective, the necessity to spend or to increase expenditure to meet development needs has now created opportunities for some people to carry out corrupt practices. A lot of times when we talk about corruption, we look at it just from the financial perspective but when you look at the political patronage built around the recruitment processes and also anything you use the office for private gain can also be looked at as corruption.

If the cost of governance is increasing, the concern is - is it efficiently or effectively expended? And this corruption comes from when these resources are allocated or how they are disbursed. Often times, we focus a lot on capital within the routine operations of governance. A lot of these things get lost under routine operations, under overhead cost and even under personnel as we have rightly seen today. This in itself widens inequality because when you give jobs on the basis of ethnicity or on the basis of political patronage, what you are basically doing is inequality and the lack of fairness and this in itself creates development problems much later.

We are looking at a recent survey of about 60 active cases by the Nigerian Financial Intelligence Unit (NFIU), the Economic and Financial Crimes Commission (EFCC) and the ICPC, which were high-profile cases and surveyed by the Human Environmental Development Agenda (HEDA). It will shock you that out of about 60 of such cases, 24 were by political office holders and that speaks to another bigger issue in terms of what is the process of appointing? One is expensive and materialistic which means that sometimes when they get into office they tend to recover such investment or payback for such political patronage. Even looking at it from that process, you could tell that there is a problem from the start.

If we are addressing it, we have to address it holistically. How did these people get into the position of power? That's one. When they get into office and with the discretionary powers they are given, what are the checks and balances for this? So, there's a lot that is not peculiar to any level of government or any particular MDA. I think these are issues that cut across all spheres of governance. But what is being done at the state-level? What are we doing with the State Governments? At the Nigeria Governors Forum Secretariat, the technical arm of the forum, we are working with the Federal Government and a lot of other partners through a programme called the 'States Fiscal Transparency, Accountability and Sustainability Programme for Results' (PforR). What we are trying to do through that programme and a number of other ones are to push certain reform agenda, to reform the physical behaviour and also to create an enabling environment for transparency and accountability. How are we doing that? One is through the publication I mean; all States have passed the public procurement laws that enable certain efficient systems to be deployed like e-procurement. Currently, we have about 28 States on their way to fully deploy an e-procurement system and what that would do is to introduce transparency to procurement process. As citizens, as bidders, you would see every bit of the stage of procurement, so there's no backend to it. You have to explain to bidders why all of a sudden, I dropped off and all those sharp practices would also be curbed. I think that would really help and it is being done.

Also, we have the Bank Verification System (BVN). A lot of states have keyed into it but again we need a robust reform process. Even bank verification alone is not sufficient. People die, so when someone has a BVN and he dies, how is that captured? Does the bank know that the person is dead? This is why the process

of continuous payroll audit has to be there. If you take the reforms in piecemeal, then we'll have these setbacks.

Also, it is important to have a budget document and all fiscal documents out there. I think the state governments have done quite a lot in this sphere. In the last two years, compared to several years back, we now have all the 36-state budgets online. We now have states publishing their audited financial statements online, sometimes before the six-month required by the fiscal responsibility law. How many citizens know this? Do they know things are changing? Do they know that they now have access to this information to be able to hold the government accountable? One fact about the budget reforms now is that the budgets at the state level are now being published in line with the National Chart of Accounts, thereby allowing for easier systematic assessment by anybody who picks the document up. Before now, an average citizen can't make any sense of a state budget if he or she picks it up. The information is now out there and the citizens need to rise up and hold government accountable. That's one way you can track whether money is being diverted or not, if you don't have the information, there's no way you can do this.

Moderator

Okay, I'll have to tell you to please hold your thoughts there. Even as you were giving some of your points, there were questions popping up in my head. I wanted to interrupt but I figured this is not yet the questions and answer session. Thank you so much for your presentation there, Mr. Ajogbasile who is the Senior Programme Manager of the NGF.

So let me come to you Sir, Professor Sadiq Radda, Executive Secretary of PACAC. He's going to be speaking to us on "Corruption and Cost of Governance in Security Spending". We know this is one of the most opaque sectors; I'm really looking forward to this conversation, over now to you Prof.

Prof Sadiq Radda

Thank you very much for this opportunity, Moderator. Firstly, I want to thank the ICPC for giving me this recognition to share my thoughts regarding corruption, cost of governance and the issue of security in Nigeria. Secondly, I want to thank all the speakers from the beginning, to the very last one for they have done my job. I want to say that without any equivocation I have adopted everything that has been said from NGF, the last speaker. Ordinarily, you can say I can shut up but I have a few thoughts.

First, the discussion revolves around at least three major issues - corruption and I keep saying that if you are talking to an elite group like this one, it is easy to define corruption because all of us here are either corrupt, or are victims of corruption, or we are witnesses to corruption or we are combination of all these. All of us must fall into one of these three - corrupt, victims or witnesses or a combination.

It's the cost of governance that we keep debating but there seems to be some consensus that what we spend on people to keep them alive, to maintain their lifestyle can be simply defined as cost of governance. And you are talking of it in terms of three tiers of government and the three arms of government which is very huge in Nigeria. So, a lot of money is being spent to maintain a very tiny population of the country. We are spending money on people, not on materials. Consequently, we are spending on consumption and not production and it has dreary consequences.

The third aspect of the debate, which I didn't hear people covering, is the issue of effects of this perception that some Nigerians are responsible for the cost of governance in our country. Cheaply, we'll say politicians, political appointees, National Assembly members, Commissioners, Ministers, and Governors. Despite all they get to maintain their lives and their families, it doesn't stop them from stealing the resources of the country. Therefore, the cost of governance, over-concentration of resources on a very tiny population of the country, and you are talking of less than 20% of the 200 million Nigerians, taking the chunk of the resources of the country, it has produced some unintended consequences. One of them is too much belligerence especially among labour unions. The Academic Staff Union of Universities (ASUU) doesn't want to hear anything but it has to be paid. We also have the minimum wage for the Nigerian Labour Congress (NLC) and Trade Union Congress (TUC). Everybody will tell you that they have to get it because other people are getting it. If they can get it especially if they are working under one of the most conducive atmospheres, why won't I get it, after all I am working under the most difficult circumstances. So, it has produced a lot of belligerences and there is a lot of anger and suspicion. In fact, it has made some people to feel not productive because they realize that the more they work, the less they get. They feel there are people who work less but get more.

Look at our security operatives and the entire security agencies in the country. They are doing a lot. Every day, they are losing their colleagues and lives. I saw footage of a military man being served food in a shovel but at the end of it all, they may not get their pensions. They may not get their entitlements or if they get killed, their families may suffer. So, all these issues put together create a lot of problem for the country and that is why I said I have adopted what other presenters said but like I know, I decided to divide my presentation into what are covert cost of governance and the overt cost of governance.

The overt one has been discussed thoroughly. It is documented. I've discussed that. I have written my paper. I have given ICPC, and the details can be obtained there but I think our discussion regarding cost of governance, the issue of security is very important and what are the challenges regarding issues of security vis-a-vis the issue of cost of governance?

There are two fundamental problems, security issues are always an emergency issue. They're always spontaneous. They're always secretive. They are always

confidential and corruption thrives where there is too much confidentiality especially when people don't have integrity. That is the major problem but security issues are not issues you can simply dismantle, discuss globally and nationally. Look at the security challenges we have in Nigeria, by the time you have a town hall meeting to say that tomorrow we are going to have 5 tear gas, AK-47, the enemies will know. Globally, it is not the practice to dismantle everything you spend on security but then, it poses a challenge. A challenge because of confidentiality, particularly if it is in the hands of people without integrity, will create a problem.

The second one is the issue of Security Vote. This is an amount of money inserted by some people with executive powers so that they can act quickly and swiftly on certain issues that are not predictable. But there is a lot of abuse regarding that. Don't forget, before the coming of Professor Bolaji Owasanoye to ICPC, there were two major complaints regarding what is in the budget - budget padding by the National Assembly, Constituency Projects, and the issue of Security Votes. These have been the annual complaints in Nigeria. Today, we have tackled budget padding. The National Assembly cannot pad the budget and if it does, there will be a problem because everything is being monitored by our Civil Society Organisations. Today, the constituency projects are not what they used to be. In the past, I have read a lot about constituency projects. Even MRI machine that was put under constituency project was found in the house of a Senator. Boreholes meant for the community are constructed in the houses of the person who pretends it's for the community, so constituency projects were, so to say, personalized but that is no longer the case. The case now is that constituency projects will belong to the community.

Our challenge now is the Security Vote. I am sure as you continue to discuss the issue of security votes, we will get a very acceptable agreement and consensus regarding how to unpack security votes - what is there and how it is being spent for a number of reasons. Without security, there can never be a country, there can never be a society, and there can never be a community. Without security, nations cannot be stable. Therefore, as much as we have complaints about our security agencies, we should understand that they are operating under one of the most difficult circumstances we have found ourselves as a country. Therefore, we must be able to commend them, encourage them, and give them all the support, believing that in due course we'll come to understand what happens to the security votes.

Moderator, I think I want to end my discussion by pointing out some implicit issues not only in security, but in this country, which adds to cost of governance. One of them is our tendency and penchant in this country to see our young people as victims. Continuously, they are being made to understand that the 70s was excellent. Early 80s, we began to degenerate. Things are bad for them. And I want us to tamper that so that psychologically we don't keep defeating them and

we don't keep giving them the impression that, being victims, once they get into the office, they should compensate themselves anyhow.

Today, many young people believe since they are victims, when you get into the office and they are given their normal salary, and they see no difference between unemployed and being employed. They begin to look for ways and means of taking the fund they found in the government. Please let us marry our stereotyping of our young people as victims with the fact that on getting employment, they are there to add value. They are not just there to take value.

Many of us who grew up in the 60s and 70s, we battled, even though the government was responsible but we suffered to become what we are. That's why I like YIAGA Africa. I've been telling young people that it's not enough to be young. It's an advantage but then all the variables needed of a young man of courage, adventurism, honesty, sincerity should be with them. The fact that you are a victim today doesn't mean that there were no victims in the past. So on getting there, yes benefit, yes, you need employment but please add value.

So, I feel we should let our young people know that hard work pays and that the fact that you are a victim does not mean tomorrow on getting employed, it is going to be milk and honey. Yes, it can be but it may not necessarily be.

Moderator

Prof Radda, I'll let you do the rest of the contributions in the course of the conversations.

Prof. Sadiq Radda

Thank you very much.

QUESTION AND ANSWER SESSION WITH THE MODERATOR

Moderator

Thank you so much for your contributions. Prof., you did say that security vote is now the major challenge that we have to face. We've talked about budget padding, which we've been able to successfully tackle. We've also talked about constituency projects and there's great progress in that regard as well, but security vote is a big challenge. So, we'll come to that shortly and ask how we can begin to entrench some transparency in our security spending because it would seem that the more we pour into security, the less secure we all seem to be feeling.

As I did say, it's an open conversation. You have heard the presentations of our panelists. I'm sure we took notes as I was, and I'm sure that we have our questions ready. I'm going to ask one question each for our panelists and then I'm going to throw it open to the audience. Perhaps there'll be a follow-up, maybe if the answer is not forthcoming or if it's not very clear or if you just need

further expatiation on certain parts of the answers that they have given. But as much as possible, I tried to limit it to one question so that we can take as many questions as we can from our audience here.

Let me start with you, Prof. Oloyede. Coming from a deficit where JAMB asks for money from the Federal Government to carry out its own activities to a place where it is now contributing to the national purse and having a surplus as you rightly pointed out, is some success. I would like to ask you what the internal challenges were moving from that place where you were a consuming parastatal to one that is now producing. What internal challenges did you face?

Prof. Ishaq Oloyede

The man who is internal can also be external. So the way I see it is that the problems whether internal to JAMB or external to JAMB, it is internal to Nigeria. And as a result of that, I would rather want to say that the greatest problem with corruption is corruption itself. Corruption fights back and if you are not careful, the best thing for anybody who wants to fight corruption is to keep corruption at bay. If you make a mistake of doing anything that looks like corruption, they will rope you in and you will find it difficult to get yourself out of it. Corruption has a network and it is self-reinforcing. Corrupt people have a very strong network particularly in Nigeria that when you are fighting one small boy, you wouldn't know that you are fighting a big man. So, the major problem is the brotherhood of corruption.

For example in JAMB, we came with the ordinary CD that we produced for candidates or textbook. The CD for candidates - candidate pay N500 for this CD and JAMB was to receive just N50 as commission from the N500 which is 10% of the money. We used to distribute all over the country for the supplier or the publisher or for whoever was producing it; the service provider as they are called. When we look at it and we said "No", we cannot continue to do that. You must distribute across the country. And we said no, our commission should be N450 not N50 - that is, we want to take 90% instead of 10%. We started the quarrel. Eventually, we started and we collected 60% of it. We collected N410 out of the N500 instead of N50. But you do not know that in the process of doing that, there are others who benefit in one way or the other whether you call them internal or external from it. This makes it impossible for you to deliver on what you want to deliver.

And that's why I'm saying that this issue of criminalizing the public officers and creating angels out of the private sector needs to be addressed. They are the originator of the problem. I believe that the public officer out of greed, out of lack of deep thought, may make himself available to the private sector. I believe that the private sector needs to be properly scrutinized to see the level of their contribution to public service because most of this money that public officers steal, they are insignificant. What comes to the public servant in almost all the cases I have seen, what comes to them is so insignificant. And the masquerades

who steal this money, who benefit from it, they go scot-free because they are private sector people and they cannot be held responsible. I think we should go beyond the superficial - you bought this thing. Public officer bought this thing from you at N1 million. Defend the fact that the actual cost is less than N100. Why did you receive N1 million?

So, what you are simply doing now is to go to the public officer; why did you buy this thing N1 million? Then you jail him or you punish him and the other man goes with the money. I think we should go beyond that. What we see, my own experience in JAMB is that the private sector people, the so-called private sector, the contractors, all those people who go around you, they're not in public office but they are the greatest beneficiaries of public office because they come with all sorts of proposals and they have connections. And the most dangerous aspect of it in this government now, I don't know whether it has been there, is that you have them being accommodated in one form or the other as consultants. They will come in and they will tell you they could do this and they could do that. Even those who have the statutory responsibility to do certain things are now subletting those services to these so-called private sector people. And because they have come from a position of strength, maybe Auditor-General or Accountant-General had sent them this message. You expose all your internal mechanism to them and this they're going to use it. When we are talking of procurement, it has to be transparent. People that have found a back door of collecting the facts from you will now utilise the facts to their advantage.

One year ago in Nigeria, it was possible for a chief executive to check how much he has in the Central Bank. Today in JAMB at least and I know it's not limited to JAMB; I don't know how much we have there. Since January this year, they have blocked the opportunity for you to know exactly what you have. You have to go and be asking somebody before you can know how much. How do you monitor? How will somebody hold you responsible? The more we fight this corruption, it appears to me that there are counter steps we are taking that probably we are not taking cognizance of them or there are some fifth columnists who are subverting the process. You take one step forward and ten steps backward. Thank you.

Moderator

Thank you so much Prof Oloyede for sharing your insights. Let me come to you, Mrs Ene Obi. You talked about health and our spending on health. I remember the Abuja declaration and the terrible indices that we have. We are 197th out of 200 in the world by WHO and life expectancy ratio is very low. We have 10% of the world's maternal mortality and two percent of the world population. Yes, it's really very worrisome when you think about it, and you've talked about the fact that, so far so good, we are only allocating between five to six percent of our budget as against the declaration that was signed right here in the Federal Capital Territory in Abuja called the Abuja Declaration, where almost all African

countries agreed that we would spend 15% of our annual budget on health alone.

We have all accepted that our national hospitals and State hospitals are not places where we really can go and be proud of. Are we sure that we will get the services that we deserve as Nigerians, or maybe what we actually getting is what we deserve. After all we haven't put our money where our mouth is and the little that we are allocating, are we truly getting value for money or not?

Mrs Ene Obi

Thank you again for the opportunity. I think because health is on the concurrent list, it makes it very difficult. I remember when I was in public health for 10 years, we were dealing with the issues of maternal and child health. At one point, we need to look at the issues of politicization of the issues of health. One of the things that drove me to go and do masters in political science was to look at timely decision-making as it affects health as people were losing their lives.

We went to a community in Abia on routine immunization. Before we got to the community, we saw a woman rolling on the ground and the woman had just lost her son. My heart broke that night because that's a preventable disease. It's not enough to have a health facility there. What is in the health facility? In the year 2000, they had about 200 health facilities created, five per each local government. They were not built in places where they ought to put them but because of politics I saw a hospital that was next to another health facility which was created in the time of Professor Olukoya Ransom-Kuti. How can you put two health facilities; health centres adjacent to each other? This one fully furnished, the other one had nothing. Was that a priority of the environment? Have we taken cognizance of the environment?

On the five percent allocation to health, you need to look at it again. We had the Director General of Budget saying that the overhead cost is so huge. Even the five percent allocation, you have to look at what is in the allocation. If you go to different states of the federation, what they are left with are more or less general hospitals that were left by colonial masters. Are we developing things that are matching with our population? We have been told already that more than 100 million live below the poverty line. Many women are dying on the street simply because they don't have jobs. There's a huge unemployment rate, women are still continuing the responsibility of producing the workforce for Nigeria and for the world. But, you find out that when a man doesn't have a job and there is complication with the pregnancy, resulting in a prolonged labour, the man may not be able to afford CS.

I thought COVID-19 was going to be a leveler for the nation but even the President goes out for medical check-up. If you go to the Abuja State House Clinic, look at the equipment. We have the doctors. Nigerians are some of the best doctors in the world. You can create state-of-the-art in different places and we still have people with budgets, security budget or different budgets that you

cannot account for. When we were growing up, we have commissioners. Commissioners were supposed to serve as advisers to governors. Now you have Governors that have 1,000 advisers. The President has 1000. When we are looking at the cost of governance, what cost is that to people? We need to change the status quo of the health of the Nigerian woman, the health of the Nigerian child, and the health of the poor. Even civil servants are worse hit when they put them in the National Health Insurance Scheme (NHIS). Some of us go for pre-paid because that's what our organisation allows us. But NHIS, they put them on a long queue, they are not giving certain facilities and so what are we talking about? That is paying lip-service. We need to look at the budget allocation to health sector. The government of Nigeria is known for going to be signatories and coming home and not practicing or even respecting what it signed. Why did the government sign? You signed and then you cannot commit yourself to it?

You heard also the complaint from the education sector now, you don't even know how much you have. It is sickening. If you go to the rural areas, Nigeria is playing with lives of people. Many young people cannot write their final exams anymore because of the cost of exams. It wasn't like that. We are leaving the stage worse than we met it and that is a failure of governance. Thank you.

Moderator

Thank you so much, Madam Ene Obi. Again, it just reminds me of your initial rhetorical question "what sort of ancestors do you want to be?"

Let me come to you right now, Hafiz Hassan Mohammed. You have talked about how the Commission seems to be making some progress with constituency projects, but I also know what hell it raised when the ICPC came out with the first monitoring project report and how the National Assembly felt like the ICPC was picking on them. They asked questions about why there wasn't much focus in the Executive? You can confirm to us if you have, or if you haven't moved from that area where there was some resistance and a little more cooperation now. And if you have finally moved, what is the next phase of where you are currently at? What is the next thing you are looking to tackle?

Hafiz Hassan Mohammed

Thank you. The resistance from the National Assembly at the beginning was quite expected. Nobody was looking into constituency projects until ICPC came up with the initiative. With the discoveries during the first phase, it was clear to the nation that there were a lot of bad things going on in the project delivery with regards to constituency projects in Nigeria. So, when ICPC began to look into it, it prevented a lot of people that were benefiting unlawfully from the delivery system that time and then some people that were not even doing the project completely, they saw the ICPC as curtailing or frustrating what they thought was free money for them.

Moderator

Have you moved forward from that?

Hafiz Hassan Mohammed

Yes, we have. Overtime, the members of the National Assembly themselves have come to realise the importance and significance of what the Commission has been doing in that regard to the extent that they themselves now even complain against their predecessors, and sometimes against contractors or against implementing agencies over the project that they have nominated, which either were not done correctly, or there were some misdeeds in the process. So, it's been quite a very rewarding experience and exercise. We will keep on doing it.

We have understood recently that some sponsors that used to carry, I mean domicile their projects in a particular agency, because ICPC's attention is now on that agency, they move the project to other agencies. Of course, that is expected but we will continue to follow these constituency projects until the whole system is sanitized. And by the way, we started with just constituency projects. Not even because of the complaints of the National Assembly thinking that the ICPC was targeting them, but the Commission also realised that the constituency projects' budget was just about N100 billion per annum. The executive projects are in trillions, and so ICPC decided to shift its focus to also include seriously the tracking of capital projects executed by the executive. And the vehicle for this initiative initially was called the "Constituency Project Tracking Group" but now it has metamorphosed into "Constituency and Executive Project Tracking Group". So, we'll continue to follow the projects from the budget process, in fact from the conception of project that is going to be done, to the budgetary process, to the procurement process to the execution in order to ensure that the government gets value for money.

Moderator

Thank you very much. Let me quickly come to you, Prof Radda. I am going to ask you how it is that we can keep an eye on the security vote, which you say is what we need to finally throw a search light on? Even if the security vote must continue to exist, how do we begin to entrench some transparency into our security spending in such a way that we get value for money?

Prof. Sadiq Radda

Well, I think security issues being what they are - security matters - cannot just be divulged and discussed openly. Interests can place in terms of budgeting and procurement. The best one that can do with some level of confidence is the National Assembly who has oversight functions. The problem normally is that if you leave certain things to politicians alone, they see it as a means of getting funds for campaign and wielding more power, etc. I'm afraid of the Civil Society Organisations (CSOs) on this matter because you see, we have muddled up the issue of human rights without human obligation. We want our security operatives to perform wonders, protect our lives, but the most minimum of appreciating them sometimes, some civil society organisations don't do that. So, we have to look at the National Assembly, get the right people to do oversight on

our security agencies but the bottom line is that most of these things rely on personal conviction.

If you are convinced that what is wrong is wrong even if everybody is doing it, and what is right is right even if nobody is doing it, then you are saved. But even if you get the National Assembly, the security architecture of the country, if they are not convinced to deliver, like somebody said, the entire process can be compromised. So, let's get a critical mass of Nigerians who are convinced beyond any iota of doubt that corruption is evil, corruption is bad, and we must tackle it. And that is why I said within the system we have a lot to do.

I want to give you an example of this double payment. If people are going to Lagos from Abuja for oversight, they will get the entitlements here, but the very agency they will do oversight for will take care of them. The budget for ticket, accommodation, feeding, taxi, and they will even extort them. This is a very huge burden and I'm not saying that a university lecturer will do it. Because you go to convocation, I have been to several convocations. My university will give me money for taxi and accommodation. On getting there, there is a bus to take us; there is hotel accommodation for us. So I keep wondering, why are we doing this? When I bring back the money to my university, they will say it's not something you can refund. We have to stop it. Convince yourself that they are bad and stop it at your level. See the people you can influence and make them stop it. But all these things organizationally will have collapsed as a nation, our institutions. That is why I said we have lost the concept of public service because when I was in the university, my lecturer told me that University service means public service. It means you go and make things better for other people but today civil service, public service is a means of getting money. That's why I said we should change the name from Public Service to Public Administration, because the service seems to be absent.

Much as we do a lot of work to prevent corruption, to be proactive, even to be reactive, we need personal conviction to take responsibility and to convince yourself that what is right must be done. We will continue to battle corruption in this country. And unless we change our attitude, we change those we can change, at our own little space; we do what is right, we have a very long way to go.

Moderator

Thank you Prof. Radda. Let me quickly come to Mr. Olanrewaju Ajogbasile and I know that the Nigeria Governors Forum (NGF) was set up as a peer review mechanism. You talked about a few transparency measures which the NGF is putting in place, but then the question will be - are there really incentives? Do State Governors and Governments feel the pressure from their peers? It would seem that we have departed somehow from that. Is that coming back now?

Olanrewaju Ajogbasile

Yes, I think it has always been there, and still remains there. And that's why the mechanism in which we use is to push and report good governance. For example, on each of these reforms they get briefings periodically about where they are at different stages of the reforms.

Moderator

In which area have you noticed the most significant peer pressure effect?

Olanrewaju Ajogbasile

I will say the area is Transparency, and I will take you back to the 2015 Fiscal Sustainability Plan. If you look at the performance of that, transparency recorded the lowest performance but today, like I said we have the 36 states on board. So, I mean, there were probably fears or sometimes political attacks or sometimes worries about opponents using such information against them, and again another problem is how some of these information are reported. This is because it became a hostile relationship between the CSOs and the governments, and there was no constructive engagement. But there is improvement now. We've improved capacity of the CSOs to properly engage with this information in a more diplomatic manner. They don't see any reason why it should not be put it out there. And also, you even make their defence even easier to do so when you say there are no roads, the budget is there to show why the roads are not there or the per capita expenditures are what they are.

I wanted to just divert from that to what you were saying about the constituency projects and the issues about not meeting commitment. This is also something I think we need to be careful about. They make commitments in health, they make commitments about meeting a certain threshold in budget, in education, in climate change, and we keep making these commitments. But this doesn't translate to that increment in revenues, and you can't unilaterally increase your expenditure. Right now, the expenditure gap is being funded by deficit financing. If your revenues are not increasing, there's just a limit to which you can keep borrowing and you can never meet those commitments. And so that's another way to look at it. Yes, there is corruption but there's also the limited leeway to expand to be able to make the necessary change.

Moderator

Thank you very much for that. I want to ask if there are any questions. Let's take two questions from the audience.

QUESTION AND ANSWER SESSION WITH THE AUDIENCE

Question 1: I'm Aliyu Wale from the Nigerian Financial Intelligence Unit (NFIU). Actually, this is just like a recommendation and also a question at the same time. As we all know Nigeria is a paradoxical country that is being enriched with a lot of natural resources, population and among others. But when it comes to crime, crime is inevitable. We can only reduce it. So, I'm very happy that all the anti-

corruption agencies are trying their best in order to see how they can reduce crime and corruption in our society. But one of our major problems in this country to me is what I understand is implementation. A lot of Nigerians, all of us here believe that we all know the challenges, we all know the disadvantages, and the solutions but when it comes to implementation, that's where the problem is. Now we have had the summit, we have heard everything here, we have discussed about a lot of things but what is the necessary step to put in place? I think this should be considered also I don't know how but I believe there are a lot people who are here in the right position to do so.

Secondly, I'm giving a recommendation to the judicial system for the implementation of anti-corruption court. We have a lot of corruption cases between 2004 and 2015 that are still pending and yet to be prosecuted. So, I think by creating an anti-corruption agency in Nigeria it will aid the investigation and prosecution of offenders and other suspected criminals.

Question 2: My name is Garba Abdullahi, I am from Abuja here. I represent BudgIT Foundation. I'm the Project Tracking Officer in Abuja. My questions will go directly to the constituency project tracking officer in ICPC. Before I ask the question, I want to just give a story that happened just yesterday. In the evening where I was staying, somebody just called me that, look a woman just get delivered at the gate of a clinic and the clinic is locked in Abuja in one community and nobody is in the clinic and there is no equipment for it. So, what do we do about it?

What comes to my mind is that the cause of this is actually corruption. And going to constituency projects, how do we get this knowledge down to the grassroots community for them to be able to hold this government accountable to deliver it? A case just happened again in Abuja here, where one of the House of Representatives members trained about 270 people. N50 million was budgeted for this project and he trained 270 people and give them N20,000. What happened to the rest of the money and how do we follow this project and ensure it is implemented for the benefits of the people?

Question 3: Good afternoon, my name is Danjuma Abdullahi. I work for Urmah Support Initiative. I want to use this opportunity to thank ICPC for inviting me and that to say ICPC has been doing a lot and we partner to track some projects in communities. The challenge is that when you have a budget for a project in a community, the community is usually not in the know of what is going to happen but they're in the know when you come to track the budget. So, I think when a project is being implemented in a community, the community should also have the budget so that when people are coming to work in the community, they will know what is supposed to be done and will also track before even ICPC officials will come and track it with CSO. Because in the tracking we did recently with ICPC, it was the community who told us that this contractor was here, and this contractor was not here. So, I think the budget should be shared with the

community so that they also have knowledge of what is supposed to happen, not when after the project has happened then we go there to monitor. I think it is very important that also our community CBOs should be trained on how to participate in budget monitoring. The recent work we did with ICPC revealed a lot of shady deals in the constituency projects and I'm sure by the time communities are involved in tracking the project, a lot of loopholes will be blocked. Thank you very much.

Moderator

Thank you very much sir.

Hafiz Hassan Mohammed

I think his was more of a comment and commendation than questions but I will answer the two gentlemen that raised questions. For the first person that asked the question regarding sensitisation of the grassroots with the benefiting communities, ICPC has on its part engaged robustly with benefiting communities trying to sensitise them as to the need for them to hold their public servants accountable - be they legislators or MDAs. We have done a lot of town hall meetings and radio programmes and television programmes in that regard.

And following the constituency projects tracking exercise, we went around the entire Federation, holding meetings and engaging with the local communities, sensitising them and enlightening them as to their roles and the need for them to hold their representatives accountable, follow the projects and own the projects and manage the projects. To remove the opacity around constituency projects, ICPC has been desegregating the annual budget every year and posting it on its platform, on its website, whereby any Nigerian that wants to know whatever project is meant to be sited in his community or his constituency, if he goes to the ICPC website, he should be able to see it there. And the reason is for us to open the space and remove the black light from there so that people would see and hold a public servant accountable. Even if you can't go, for instance to the website, if you call our toll-free lines and ask for the 2021 budget, what is provided for in any constituency, that should be given to you. I think that we've done that a lot if I understand your question very well.

Moderator

Well, thank you very much for that. We have one minute to round off and then you can also add your thoughts to whatever it is you want to add. Thank you so much for your contribution. Let's quickly come to your own closing comments you have one minute.

Mrs Ene Obi

I just want to say that the question on implementation is something that has been on ground, even when the anti-malaria treatment policy and so on and so forth were changed. The nutrition policy was changed and it was very difficult to take it down to so many states in Nigeria. There are so many policies that are not

being implemented. I want to also say that there are so many governors who are found wanting. I'm happy that the Chief Justice of Nigeria was here. So many governors have cases to answer. They have metamorphosed and they are perambulating themselves at the National Assembly. And that's another question to the Budget people - those who served eight years in their own constituencies as governors, they are pensioners. Then they come to the National Assembly.

If you have a case to answer in any place - EFCC has cases against them, ICPC has cases against them and these people are still going scot-free and those cases are never going to court, they haven't gone to court. That's another area - sanctions. And also, the justice system is not helping out. I think the method which ICPC started in engaging the constituency project brought us together when we went to the field with them. Thousands of parliamentarians came back to the field. When you know somebody has looted, how do you get some of that money back? You can't pretend anymore.

We need to have a recovery system. Nobody is taking away any wealth from this world. We have an opportunity for reflection today. I think the time for value reorientation is now. And I want to say that not all public servants are corrupt. I met a Police Commissioner in one of the states when we went to work because this in 24 states around the country. He said I have never taken a bribe in my life and I have never given bribe. There are still some Nigerians doing some excellent work. Thank you.

Moderator

Thank you very much. Well, I think that the very fact that we honoured three of them today speaks to the fact that there are still good people amongst us. Let me come to you, Prof. Oloyede for your own closing comments.

Prof. Ishaq Oloyede For me, I just want to make three comments. The first one is that we are too formal in the fight against corruption. We hardly tell ourselves the truth. Look here is a very important platform. The big people are no longer here o. We are just talking to ourselves. The truth of the matter is that Nigeria is a very great country. How many countries, including the so-called developed countries, can you go to the seat of government and be talking the way we are talking. You will be missing on the way, one way or the other. So as bad as the situation is with us, we are still better than many but it can be better.

That's the first point I want to make. Let our leaders listen, let them make themselves available. We are just commoners here, except very few people. The only difference is that we are in State House, Aso Villa so we are just talking what we will normally talk at the buka.

This second point is that when it comes to tertiary education, tertiary system of education, I think the National Assembly and the people responsible should look at the unnecessarily high cost of governance at that level. When it comes to budget defence, over 900 or let me say when you talk of federal agencies, you have about 400 of them. Tertiary, one form of tertiary education or the other, they will come to Abuja with 4 to 5 persons - the Registrar, this and that, they

will come here to defend their budgets. When simply we could do what we have been doing before NUC. NUC will consolidate and defend the budget at once rather than each of these people coming. The danger in that is that the budget now is no longer determined by any scientific analysis. *The longer your leg, the fatter your budget.* So, it is very important that we try to make sure that we use the instruments in place to curb what we are doing.

Finally, I also believe that our governors, I mean those who are governing us, I can understand if they oppress us, but we also oppress one another. That's what I don't understand. The poor man too is dangerous and wicked. We are also contributing greatly; the so-called commoners are contributing to corruption by not asking the right question and by also demanding for what they are not entitled to. So, I believe we need to hold public officers responsible by not putting undue pressure on them, by not making them do what they would otherwise not have done. Thank you.

Moderator

Thank you very much Prof, thank you so much for your contribution. I will come to you last, Prof. Radda.

Prof. Sadiq Radda

Alright, thank you. My intention is to also add to the discussion regarding constituency projects. I did I did a lot of write ups and researches on these constituency projects. Advocacy by civil society organisations should not be if there would be constituency projects, it shouldn't be on empowerment. It should be something tangible, concrete that can be seen and touched. Because if you say you're training, you are giving palliative, they cannot be seen. So, we have spoken with the ICPC. Anybody who is going to put constituency projects, they should be physical projects. That's number one.

Number two, there is talk going on now to ensure that constituency project as we know it today is taken away from the National Assembly because it is an executive function, not legislative. They should have no business in terms of project conception and implementation. Their own is legislation, oversight but because the people, you know only respect what they see physically, so the Vice President said you can come and nominate a project, the Executive will do it but it will be announced that you are the one who did it and in fact, we can put your name there. So, your constituency comes to know that you are the one who is responsible and therefore you are detached from the money aspect of it.

The final contribution I want to make is that frankly speaking, this country can only be solved by collective responsibility of each and every one of us. This issue of us coming here to talk, some of us are getting tired of it. Locally and internationally, we have been talking, which is not bad. We should know that every single one of us at our personal level has a contribution to make and without that contribution, is a minus in the fight against corruption. Thank you.

Moderator

Thank you so much Prof. Radda. Thank you so much for your contribution. I'll come to you now, Mr. Ajogbasile to, for your own final words.

Olanrewaju Ajogbasile

I would like to first of all support the opinion that Nigeria is not very bad. The situation has actually improved since 2016 and now there are reports also that the prevalence of bribery is actually reducing. Even when things didn't change, they didn't exactly increase so significantly. So just to support the consensus opinion that things are actually improving and that's just talking about the prevalence of bribery.

And then it still takes me back to also the point about the recruitment process of the people we are getting. There is a lot of conversation you can have around electoral process and all of that but it is one of the key accountability mechanisms that we have as citizens. The ICPC, the NFIU, yes, they are doing their jobs but situations like what madam referenced to whereby you have recycling and then people go through another system to beat the process of conviction and all that. It can only be corrected through that process of ensuring that certain things you are not okay with don't happen. So that process needs to be looked at. And in terms of constituency projects, I also think things have gradually improved. I think monitoring evaluation of projects are gradually improving. In Kaduna, you have the Kaduna eyes and ears and I think that's something even every State Government and even Federal Government should look at. This is a situation whereby citizens can actually have a direct communication link with the government. So, you talked about what happened in the hospital. How was it easy for you to communicate to government and get action done? That speaks to implementation. How do you get action to meet the results of your monitoring immediately? So, there must be a very quick action mechanism in place to help us deliver that. Thank you.

Moderator

Thank you so much.

Hafiz Hassan Mohammed

Sorry, can I just quickly say something with regards to what the other person said.

Moderator

Ok. You have two seconds to do that.

Hafiz Hassan Mohammed

Thank you. Someone talked about a hospital where a lady gave birth, perhaps I didn't understand the question very well that time. Now I got it. Importantly the Commission has some restrictions with regards to work force, so we cannot be

everywhere all the time. We can't even monitor all the projects that are in any budget cycle. However, wherever any citizen notices a problem in the implementation of any project, he should please help us and either writes to the Commission or just a phone call, we will be there and we will monitor it. We will find out what happened and whoever is the culprit will definitely be sanctioned. Thank you.

Moderator

Thank you very much for that. I have to thank you all. Yes, please give yourself a round of applause. You have been very patient. Thank you so much for your patience.

Thank you so much to my very able panelists. You've heard from Dr. Ben Akabueze on Corruption and Cost of Governance in Recruitment; Madam Ene Obi talked about Corruption and Cost of Governance in the Health Sector; Professor Sadiq Radda talked about Corruption and Cost of Governance and Security Spending; Professor Ishaq Oloyede talked about Corruption and Cost of Governance in the Education Sector; Hafiz Mohammad spoke on Corruption and Cost of Governance in the Execution of Constituency and Executive Projects, and of course, Mr. Olanrewaju Ajogbasile of the Nigeria Governors Forum spoke on Corruption and Cost of Governance at Sub-National Levels.

I think that we have been able to reach a consensus today that corruption is inimical to our development, and we all suffer. We all pay for the cost of corruption. I think that at the end of the day, the consensus whatever it is we are able to reach here, ICPC is able to gather, we sincerely hope that it moves to implementation. We are here as Media for Advocacy and we will see hopefully when the Fourth National Summit is organized, perhaps, we'll be able to report some progress on what we have been able to speak on here today. Once again ladies and gentleman, thank you so much for your patience.

OUTCOME STATEMENT OF THE THIRD NATIONAL SUMMIT ON DIMINISHING CORRUPTION IN THE PUBLIC SECTOR AND PRESENTATION OF PUBLIC SERVICE INTEGRITY AWARDS, HELD AT THE STATE HOUSE, ABUJA, ON TUESDAY 30TH NOVEMBER 2021.

On Tuesday, November 30th 2021, the Independent Corrupt Practices and Other Related Offences Commission (ICPC), in collaboration with the Office of the Secretary to the Government of the Federation (OSGF) organized the Third National Summit on Diminishing Corruption in the Public Sector at the Conference Hall of the State House, Aso Rock, Abuja, with the theme: **Corruption and Cost of Governance - New Imperative for Fiscal Transparency**. The summit focused on how the three arms of government (Executive, Legislature, and Judiciary) can contribute to sustainable development through concrete efforts to stem the spiraling cost of governance in Nigeria.

His Excellency, Muhammadu Buhari, GCFR, President of the Federal Republic of Nigeria, was the special guest of honour presented an Address at the event. The Secretary to the Government of the Federation delivered the Welcome Address, while the Chairman of the ICPC in his speech presented some of the Key findings from the ICPC's 3rd phase of the Constituency and Executive Projects tracking as well as the ICPC Ethics and Integrity Compliance Scorecard report for 2021. As part of the programme, Mr. President presented the 2021 Integrity Awards to three outstanding Nigerians including a Nigerian studying in Japan who joined the programme virtually.

Based on Mr. President's Address, Key Findings of ICPC Enforcement and Preventive Actions, as well as presentations and discussions at six technical and interactive sessions, participants at the summit:

1. **Observe** that corruption is a pressing issue in Nigeria which affects public finances, investments as well as standard of living as well as leading to low governance effectiveness as a result of inefficient government expenditure and leakages.
2. **Commend** government's posture against illicit financial flows that drain resources from the nation.
3. **Commend** ICPC'S creative initiatives to promote integrity, prevent corruption, institutionalise good governance, ensure project delivery and reduce cost of governance. The Summit particularly commend the ICPC for its foresight in introducing and consistently convening the National Anti-Corruption Summit since 2019.
4. **Note** the expression of commitment of the National Assembly to continue to reinvigorate measures and pass laws that will strengthen the fight against corruption and limit illicit financial flows.
5. **Note** with concern that a major push factor on high cost of governance and rising personnel budget is illegal recruitment, illegal and unilateral increase in wages and remuneration by some MDAs, indiscriminate local and

- international travels, unreasonable demands by some political appointee board members of MDAs without regard for extant circulars on cost management; procurement fraud, budget padding, etc.
6. **Further Note** that in the decade from 2011 to 2020, recurrent expenditure exceeded 75% of actual expenditures of the Federal Government (averaged over 75%). Personnel cost by 2020 accounted for about 40% of expenditure, and it's the single largest component of the recurrent expenditure ranging from 60 to 70%.
 7. **Express Concern** that illegal recruitment and abuse of power is consummated with complicity of compromised elements in IPPIS.
 8. **Equally Note** that another cause of rising cost of governance is criminality of corrupt individuals within the service who corruptly employ unsuspecting Nigerians, issue them fake letters of employment, fraudulently enroll them on IPPIS and post them to equally unsuspecting MDAs to commence work.
 9. **Express Concern** that the same malady of corruption afflicts executive as well as ZIP projects thus undermining government projections, escalating the cost of governance and denying Nigeria value for money.
 10. **Acknowledge** another serious challenge relates to duplication of projects in the budget which unnecessarily increase cost of governance and make funds for such duplicated projects prone to diversion.
 11. **Note** with concern a number of MDAs have mini civil wars going on between the Board and management and sometimes within the board. These squabbles revolve around abuse of power and unreasonable demands by some Board members for privileges contrary to extant circulars and laws and government's resolve to minimize cost of governance.
 12. **Further Note** that withholding and non-remittances of revenue generated by some Ministries, Departments and Agencies into the Treasury have also diminished resources available for developmental projects, leading to domestic and foreign borrowings by the government to address critical developmental and infrastructural deficits.
 13. **Recommend** the whole of government approach in governance and improvement of management culture and structure in MDAs to block loopholes.
 14. **Welcome** Mr. President's resolve that Heads of Agencies that pad their budgets, and present ongoing projects as new in their budgets will be sanctioned.

CURBING CORRUPTION IN RECRUITMENT PROCESSES

15. **Observe** that the Federal Government, actual recurrent spending rose from N3.61 trillion in 2015 to N5.26 trillion in 2018, and N7.91 trillion in 2020, and further rose to about N7.99 trillion as at 30th September, 2021
16. **Agree** that illegal recruitment and ghost workers syndrome had bloated the workforce leading to unnecessary high cost of governance and impacting the economy negatively.

17. **Condemn** the involvement of some MDAs in illegal recruitment with complicity of some compromised elements in the IPPIS which reflects on huge wage bill on personnel and operational costs and support investigation and prosecution of such MDAs.
18. **Recommend** that government must generate much higher levels of revenue and put in place measures to ensure that there is a correlation between the staff cost and the revenues that they produced.
19. **Also Recommend** that government must continue with efforts to manage downwards the spending, including personnel cost and eliminate some unauthorized payments that some of these agencies make to their employees.
20. **Recommend** the review of the establishment Acts of some MDAs that empower them to unilaterally increase wages and allowances without recourse to relevant authorities statutorily empowered to monitor government income and expenditure and Government's ability to pay.
21. **Urge** the Federal Government to develop and institutionalise a wage policy to peg personnel cost not to exceed 25% of government aggregate revenue to ensure more free funds for capital development.
22. **Support** Government's effort at carrying out regular staff audit and job schedule evaluation in all MDAs as a way to reduce the cost of governance in recruitment and recurrent expenditure of government.
23. **Support** government resolve to severely sanction anyone in the public service or MDA that is involved in over-bloating the Federal government workforce through illegal recruitment and cover-up of ghost workers.
24. **Recommend** that Government sanction the heads of MDAs who breach recruitment guidelines.
25. **Note** the need for a comprehensive staff audit and job evaluation to determine the right size for the Federal service without affecting efficiency. A staff rationalization policy not necessarily retrenchment, by redistribution and movement of staff to agencies that are understaffed from MDAs that are overstaffed. Commercialize some government services.
26. **Recommend** Continuous payroll audits and verification across all State MDAs to weed out ghost workers in the payroll system.
27. **Recommend** greater transparency of processes and procedures, curb of discretionary power; equal pay for equal work; and consistency of policy; consequence management and sanctions for bad behaviour.

DIMINISHING CORRUPTION IN THE COST OF GOVERNANCE

28. **Note** with concern the impact of illicit financial flows; poor and non-remittance of generated funds by revenue generating agencies and urge for more efforts to prevent revenue loss and recover looted funds.
29. **Note** that corruption is not the only cause of rising cost of governance. Type and structure of our governance also play a role in high cost of governance
30. **Recommend** that the National Assembly should continue to effectively carry

out its oversight function of monitoring utilization of funds and implementation of annual budget by MDAs.

31. **Support** government's posture against illicit financial flows and recommend improved legislation on repatriation of looted funds by host countries.
32. **Urge** legislature to improve on oversight functions on monitoring personnel and capital budget of MDAs to reduce wastage.
33. **Urge** the government to take necessary action for diversification of the economy to boost income and reduce over-dependence on oil revenue
34. **Acknowledge** that corruption in the private sector is no less pronounced or damaging than corruption in the public sector, and that private sector is more often the initiator of corruption in the public sector.
35. **Encourage** public and private sector partnership for faster infrastructural development.
36. **Condemn** the diversion of public resources meant for socio-economic development to private use by public officials, leading to infrastructural deficit and employment challenges.
37. **Support** Mr. President's declaration that government will drive reforms that will reduce the rising cost of governance, including completion of abandoned projects before initiating new ones as a way of avoiding waste.

CONSTITUENCY AND EXECUTIVE PROJECT TRACKING

38. **Commend** ICPC's action in forcing contractors back to site for completion of executive as well as Zonal Intervention Projects [ZIP] of legislators which were hitherto abandoned.
39. **Condemn** the initiation of projects without needs assessment, fraudulent conversion of public projects into private use by sponsors and the engagement of incompetent contractors.
40. **Recommend** Community involvement in project conceptualization, monitoring and evaluation by constituents.
41. **Challenge** the ICPC to continue to maintain the required vigilance in monitoring as stipulated in its establishment Act.

PREVENTING CORRUPTION THROUGH VALUE RE-ORIENTATION, ATTITDINAL AND BEHAVIOURAL CHANGE

42. **Note** the importance on value re-orientation and civic education for building ethical society and behavioural change strategies contained in the National Ethics and Integrity Policy.
43. **Agree** that lack of knowledge by communities on budgetary provisions is a factor in citizens' apathy and charge ICPC and other stakeholders to take steps to educate the public in that regard.
44. **Call** on leaders, including traditional and faith-based institutions and policy makers to step up their sensitization activities to diminish corruption.

JUDICIARY AND THE FIGHT AGAINST CORRUPTION

- 45. Commend** the judiciary for setting up the Corruption and Financial Crimes Cases Trial Monitoring Committee and call attention to the vital role of courts in the fight against corruption through the speedy adjudication of corruption cases.

CURBING CORRUPTION IN THE EDUCATION SECTOR

- 46. Encourage** the reconfiguration of processes in the management of educational institutions and examination bodies to curb corruption.
- 47. Observe** that corruption and high cost of governance in the education sector are exacerbated by poor public finance management and lack of cost-benefit analysis in most government operations.
- 48. Observe** that policy summersault on the part of government in the education sector and adoption of one-size-fits-approach in policies contributes to high cost of governance in the education sector.
- 49. Recommend** the consolidation of respective budgets of tertiary institutions in the Education sector rather than each coming to the NASS for budget defence, the parent Ministry to defend it at the National Assembly.

GENERAL RECOMMENDATIONS

- 1) Advise** that government invest more in prevention and behavior change strategies alongside law and order measures to fight corruption.
- 2) Urge** ACAs to recalibrate prevention and other measures in the fight against corruption.
- 3) Recommend** that government review policies on engagement of consultants to reduce cost of governance.
- 4) Support** the recommendation by the Nigeria Governors Forum for the creation of functional state-level Treasury Single Account (TSA) for each state of the federation.
- 5) Urge** Government reconsider the increasing commercialization of the Special Protection Unit of the Nigerian Police Force which diverts manpower of the Force for private protection of elite citizens.
- 6) Support** the recommendation of effective complaint and whistleblowing channels in health institutions.

