

DEVELOPING EFFECTIVE, ACCOUNTABLE AND TRANSPARENT INSTITUTIONS AT ALL LEVELS OF GOVERNANCE

Introduction

Development structures are hinged on accountability, transparency and integrity. Nigeria has experienced doubtless issues of governance due to breaches, defaults and infractions of statutes, guidelines, rules, polices etc. Corruption is a failure of ethics, values, systems and institutions. This presentation discusses the concepts of accountability and transparency as essential ingredients for developing effective public institutions, while emphasizing the role of public institutions in national development and the need for a collective reawakening and collaboration at all levels of Government to build effective public institutions.

Corruption in Nigeria

Corruption remains the greatest challenge to political, economic and social development and integration of any nation (United Nations, 2020; Ubi, Eko, and Andem, 2012). Corruption is a global phenomenon and it **harms the poor more than others; stifles economic growth and diverts desperately needed funds from education, healthcare and other public services.** "Corruption aggravates inequality and injustice, and undermines stability, especially in the world's most vulnerable regions" (UNODC, 2011).

Nigeria perennially battles the scourge of corruption with colossal costs on governance, infrastructure, security and standard of living. Apparently, **corruption repels policies and resources allocated for creation of employment; basic utilities and amenities i.e roads, water, electricity, schools, shelter, food, hospitals etc.** Despite the existence of dedicated agencies established and robustly funded by the government at all levels to specifically intervene and provide such infrastructures, the situation has not improved and the emergencies have not been addressed. In the light of the failure of public agencies created to provide services, **Nigerians in most cases provide their basic amenities privately - security, education, electricity, water, even roads. When public institutions fail, this fosters civil strife, distrust, social unrest, insecurity, banditry impunity etc.**

Why Public Institutions Fail

When government fails to provide promised services where funds and resources have been cogently appropriated and earmarked, certain officials and institutions default or renege on their duties, responsibilities and assignments. Correspondingly, these weak links in the chain of governance negatively impact on public services. Most of the defaults are not due to external causes but **weak capacity, integrity, accountability and transparency of the officials and the institutions** they lead and manage. These elements are foundational blocks on which individuals, institutions, organizations, societies and nations grow.

Corruption cascades through organs, echelons and structures of government. It corrodes and destroys systems, procedures and strands of governance. Every cause of corruption has a correlation to another - like an infection it multiplies and destroys the host whatever the entity. **Corruption creates weak systems and this in turn creates opaque and unaccountable institutions abasing their responsibilities to the people.**

Trends of Corruption in Public Institutions

Trends of corruption in Nigerian public institutions are disheartening. The adaptive nature of these trends enables corruption's ingenuity and its clandestine nature. Corruption therefore becomes resilient and viral, a harbinger of more evils unimaginable. **According to the World Bank, bribes remain a great currency of corruption - in draining and diverting national resources and frustrating development efforts** (World Bank, 2021).

The poor pay higher portions of their income as bribes, and few complain because they are less likely to get redress. Every diverted fund of the government disentitles the poor of an equal opportunity in life and prevents governments from investing in their development (World Bank, 2021).

A survey conducted by the UNODC and the National Bureau of Statistics in 2019, reported that:

- **₦675 billion was paid as bribes to public officials in 2019**
- **30% of Nigerians paid bribes to public officials;**
- **Private sector bribery was 5.7% while public sector bribery was 30% in 2019;**
- **Direct bribery requests by public officials accounted for 60% of all bribery transactions in 2019;**

- **More educated people are more likely to pay bribes;**
- **48% of Nigerians who refused to pay bribes suffered negative consequences.**
- **45% of bribes were paid to speed up or formalize an administrative procedure.**
- **60% of the time, public officials demanded bribes directly.**
- **93% of bribes were in cash, with the average sum of ₦5,754 (\$52).**
- **Nigerian public officials continue to face little resistance when requesting for bribes**

In another survey conducted by the Independent Corrupt Practices and Other Related Offences Commission (ICPC, 2020), it was revealed that about N9, 457,650,000 was corruptly demanded, offered and paid as bribes in Nigeria's justice sector between 2018 and 2020. 901 respondents were interviewed in the justice sector, 638 respondents (70.81%) were lawyers; 124 judges (13.76%) and 25 court clerks and registrars (2.77%). The other findings are as follows:

- **9.9% of the lawyers admitted paying N5.7b bribes in election related cases.**
- **78 respondents experienced or witnessed offers or payment of bribes to influence the judicial process.**
- **16% of respondents experienced demands or offers of bribes.**
- **73% of the respondents claimed they did not experience demand or offer of a bribe.**

Other trends of corruption include budget padding, vote buying, constituency and executive project fraud and poor execution; transactional sex or sex commodification (Tade, Adekoya, 2012); sex for marks, certificates (Adeniyi, 2020); sex for promotion or appointment, sex for contracts (Nwaokugha & Ezeugwu (2017) etc. Nepotism in public sector recruitment, abuse of due process and fraud in procurement, vote-buying; fraud in procurement, diversion and hoarding of government provided subsidies or palliatives et COVID 19 palliatives.

The corruption variant in Nigeria seems complex, nebulous and predatory aided by impunity, poor oversight by regulatory agencies and weak designated institutions. In the 2020 report by the ICPC supra, 55.2% of private businesses experienced diversion of public contract funds to personal use, and 80% of businesses reported paying government dues into private accounts.

Transparency and Accountability in Nation Building.

Public institutions are dedicated to promoting a specific cause and objective of government. This may be economic, educational, social, developmental, health, security, professional, social, recreational, religious etc and directed at improving the rule of law, increasing investment and economic growth, reducing poverty, enhancing security etc. **Essentially public institutions are the vehicles and conduits through which government policies and services are provided to the people. Where such public institutions are managed by inefficient and corrupt administrators, the principles of good governance are automatically breached.**

Good governance is a measurement or index of how public institutions conduct public affairs, manage public resources and guarantee the realization of the general interests and benefits of the people and state with due regard for the rule of law. Good governance in the public sector is fundamental to public sector entities to achieve their intended outcomes while acting in the public interest at all times. Without good governance, effective public institutions cannot be built. Effective institutions include strong legal framework; visionary and diligent parliament, dedicated and honest civil service providing timely and quality service delivery; fair, just and fearless judiciary that upholds the rule of law; vibrant and active civil societies and a free and independent media etc.

Transparency means openness of all government policies, activities and operations. It is a crucial element of controlling and abolishing corruption. Abating and eradicating corruption is possible when the government, citizens, and the private sector cooperate to denounce opacity and subterranean actions of public officials. Transparency promotes and enhances accountability, and directly holds public officials responsible for their actions. In summary, public entities that are assigned public resources have an obligation to account for these resources, particularly the manner of use and deployment of such resources. In other words, the main objectives of all public accountability initiatives are to ensure that public money is spent most economically and efficiently; that there is minimum wastage or theft and that the public actually benefits optimally from public finance.

Public accountability rests both on giving an account and being held to account. Accountability dismisses wasteful, fruitless, irregular and unauthorised expenditures and misappropriations. Public officials must note that they hold office on the trust of the people. Therefore, people given responsibility to manage public office and funds must show that they are good stewards of that trust. Conversely, public officers must also be prevented from opportunities, discretions and temptations to abuse office or public funds for private aggrandizement. It is against this backdrop that strong checks and balances should be

introduced, implemented and monitored at all times to discourage embezzlement, diversion, mismanagement and other forms of corrupt practices and criminal abuses.

ICPC and the Promotion of Effective and Accountable Institutions

Pursuant to its Establishment Act, the Corrupt Practices and Other Related Offences Act, 2000, the ICPC has a tripartite mandate to tackle corruption through Investigation and Prosecution (Enforcement), Prevention and Public Education/ Mass Mobilization. Employing its statutory mandate and ambit of competence, the ICPC has over the years utilized its tripartite mandate appropriately to combat corruption in public institutions and the nation at large.

Some of the Commission's initiatives and tools include Investigation and Prosecution; Assets Tracing, Recovery and Management; Constituency and Executive Projects Tracking Initiative; Ethics and Integrity Compliance Scorecard; System Study and Review; Corruption Risk Assessment; Anti-Corruption and Transparency Units in Ministries Departments and Agencies (MDAs); and Public Education and Enlightenment.

Targets

Systems and procedures - tools, platforms, devices, mechanisms, analogue transactions or records, face to face transactions

Individual officers - competence, recruitment, appointment, integrity, adherence to the law and policies; discretion and power

Institution - statutory sphere and competence, leadership, compliance to laws, rules, directives, policies.

1. Investigation and Prosecution

Between 2019 and 2021, the Commission received 4,691 petitions with 1,083 of those petitions investigated and concluded during the three years despite the prevalence of the coronavirus pandemic. **The breakdown of the petitions received shows that 1,934 petitions were received in 2019; 1,364 in 2020 and 1,393 in 2021.**

While 243 cases were filed in Court during the period referred above, the Commission **secured 66 convictions in spite of the challenges associated with criminal trials in**

Nigerian Courts. Effective prosecution of corrupt individuals will discourage potential perpetrators and offenders.

2. Assets Tracing, Recovery and Management

Another enforcement activity of the Commission is the recovery of proceeds of corruption through seizures and forfeiture of assets. The Commission is empowered to undertake both conviction and non-conviction-based asset seizure and forfeiture. Between 2019-2021, the Commission recovered and seized assets worth **N166.5 billion– N81.23 billion in 2019, N82.57 billion in 2020 and N2.703 billion between (January and September 2021).** The Commission also recovered cash totaling **N34.346 billion and US\$1.62 million between 2019 and 2021 with the largest cash recovery of N28.743 billion and US\$1.62 million coming in 2021.** Additionally, there is substantial improvement in asset management practices to preserve the value of assets during and after investigation.

3. Constituency and Executive Projects Tracking Initiative

The Constituency and Executive Projects Tracking Initiative was established by the Commission in 2019 to ensure Value for Money for the Nigerian people and full execution of projects to specifications within the budget cycle. The institution of the Constituency and Executive Projects Tracking Initiative (CEPTI) in collaboration with the Nigerian Institute of Quantity Surveyors (NIQS), media and civil society in cost evaluation and monitoring of development projects across the six geopolitical zones of the country has contributed to curtailing diversion of public funds and reduced the phenomenon of uncompleted or abandoned projects across the country.

Between 2019 and 2021, the ICPC has tracked over 2,000 projects worth over N300 billion under its Constituency and Executive Projects Tracking Initiative. This has aided the improvement in service delivery and full execution of projects in compliance with regulatory requirements. In the same period, 326 contractors of abandoned projects across the six geopolitical zones of the country were forced by the Commission to return to site to complete the projects worth about N32.183 billion. This initiative also saved the sum of N34,523,823,158 to government within the year under review.

The initiative has continued to ensure higher completion rates for funded projects under the present Administration as well as value for money in the national budget and ensure citizens' involvement in the monitoring of projects and demanding accountability from their representatives and public officials.

4. Systems Study & Review of MDA's Budget and other Processes

Another preventive strategy of the Commission is the conduct of System Study and Review (SSR) on MDAs. System Study and Review examines MDAs on their processes, practices and procedures to mitigate corruption vulnerabilities. The Study focuses on management structures, internal controls, operational procedures, culture and stakeholder perceptions of Ministries, Departments and Agencies (MDAs) of government to identify corruption vulnerabilities with the aim of drawing up a guide for correction of identified loopholes.

The Commission's System Study and Review of personnel and capital votes of MDAs from 2019-2021 resulted in the saving of N261 billion to the government (i.e N89 billion in 2019; N147 billion in 2020 and N25 billion in 2021). Aside from recovery and blocking diversion of funds, SSR on personnel and capital votes of MDAs has contributed to the reduction of the common practice of budget padding and inclusion of ghost workers.

Other notable achievements from the SSR include Identification of fictitious contracts and projects; shutting down of 120 illegal degree awarding centres under the Universities System Study and Review (USSR); recommendations from SSR and advisories have contributed to policy reforms and reviews.

5. Ethics and Integrity Compliance Scorecard (EICS) - Target institutions

The Ethics and Integrity Compliance Scorecard (EICS) is one of the initiatives introduced by the Commission under its preventive mandate. It is drawn from the institutional model of fighting corruption by checking Organisation's compliance to rules, standards, laws etc. The

Scorecard measures and strengthens organizational compliance to ethics, integrity, culture and standards.

The Scorecard is deployed annually in MDAs as part of measures to address institutional vulnerabilities capable of engendering corrupt practices in public institutions. MDAs are assessed in areas of Management Culture and Structure, Financial Management Systems and Administrative Systems. Outcomes of the deployment form the basis of some of the recommendations from ICPC to both the government and the MDAs on areas that require intervention and necessary improvement. Boards not constituted, institutions not backed by enabling statute, subterranean recruitment against Federal character principle and due process.

Between 2019 and 2021, the Commission deployed the scorecard in about 1,000 MDAs. It deployed the scorecard on 280 MDAs in 2019, 352 MDAs in 2020 and 360 MDAs in 2021. The compliance scorecard has significantly improved Corruption Risk Assessment (CRA) of MDAs and more importantly improved the system of governance around management, procurement and service delivery.

6. Anti-Corruption and Transparency Unit (ACTU)

ACTU is an initiative of the Commission since 2001 to serve as an in-house integrity and check mechanism to drive integrity and anti-corruption campaigns in Ministries, Departments and Agencies. So far, the Commission has established over 460 Anti-corruption and Transparency Units (ACTUs) in government institutions nationwide. The ACTUs have contributed in gathering actionable intelligence for the Commission which has engendered funds and asset recovery, assisted management of MDAs in promoting discipline and transparency as well as aided the Commission to sensitize staff of MDAs on evils of corruption. ACTU remains a veritable tool for the Commission in sanitizing the public service.

7. Ethical Reorientation through Public Education and Mass Mobilization

The ICPC in collaboration with the Office of the Secretary to the Government of the Federation promoted the National Ethics and Integrity Policy in 2020 to enhance citizens' commitment and support for the anti-corruption agenda and campaign. The Policy propounds 7 core values i.e Human Dignity, Voice and Participation, Patriotism, Personal Responsibility, Integrity, National Unity and Professionalism meant to revitalize personal responsibility, ethics and integrity in national development.

The policy has been simplified and translated into 3 major Nigerian languages and Pidgin English and is still being popularized amongst key stakeholders in society notably traditional rulers, religious leaders, business community, civil society and the media. An action plan and consequence management templates have been developed and are gradually being implemented across the country to enlist the citizens' support and for sustainability of the policy.

In relation to this is the Commission's project in promoting behavioural change measures as opposed to focusing on enforcement measures alone to tackle public sector corruption. In this regard, the Commission is targeting the leadership of key MDAs for capacity building and reorientation on behavioural change measures in governance.

Developing Effective, Accountable and Transparent Institutions - A Collective Responsibility

Strong, effective, transparent, and accountable institutions are essential for sustainable development and critical for governments to deliver services to their citizens. While no single "one-size-fits-all" model of governance can be held up as the gold standard, there is a strong consensus around the role and significance of effective, accountable, and inclusive institutions in promoting sustainable and equitable development.

However, building effective, transparent and accountable institutions starts with integrity at the foundation. **Integrity of leaders, public office holders, public servants, private sector workers and stakeholders in all spheres, sectors and quarters,** is a vital condition for achieving efficient and effective public governance with accountability, as well as inclusive and transparent policy-making where the voices of citizens are heard and taken into account. Indeed, this is a task for not only public officers but also private businesses and multinationals.

Transparent and merit-based recruitment processes can reduce corrupt practices, promote efficiency and productivity. Impunity discards laws and adherence to the law. It must be addressed by obeying relevant laws, imposing punishment/sanctions for corrupt practices and related offences as well as punishing offenders swiftly and decisively. Crucial statutes like the Public Procurement Act; Fiscal Responsibility Act; and the Freedom of Information Act, 2011 were enacted to enhance and promote integrity and openness in government business and transactions and must be adhered to and implemented by public institutions. State governments are equally encouraged to

domesticate and implement these laws and sensitize staff, citizens and stakeholders at all levels to promote ethical reorientation and change societal tolerance for corrupt practices.

Promotion of ethical whistleblowing and respect for public funds and property must be intensified, while personal responsibility and professionalism must be encouraged and rewarded to stimulate staff commitment to work. Organizations and institutions must develop a domesticated code of ethics to guide staff in the conduct of their activities.

Conclusion

Public office demands lots of discipline and sacrifice not pleasure or frolics.

Corruption remains a major hindrance and impediment to good governance, institutional Integrity and development. Corruption can never be diminished and adequately eradicated without integrity of officials, systems and institutions. Effective, accountable and transparent Institutions are built on foundations of integrity and transparency. ICPC believes this task is possible with the support and cooperation of all Nigerians in public and private offices.

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