


Transparency in Business Transactions in Nigeria (NGA T10)

*a presentation on the Corruption Risk
Assessment methodology and case:
Nigeria Customs Service
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- Purpose: Develop a business risk assessment methodology to identify vulnerabilities related to corruption in the interface between the public and private sector and to road test this methodology



Risk assessment

- . The risk assessment tool should be:
 - Simple, and easy applicable
 - Action driven
 - Be based on ownership
 - Engage external stakeholders



Methodology:

- Level of analysis:
 - Based on a baseline study
 - Organizational level
 - Process level
 - Individual level
 - Interface between the institutions and external stakeholders



Different clusters of factors

- Organizational level:
 - Mandate
 - Delegated Authorities
 - Reporting Lines
 - Internal and External Controls



Different clusters of factors

- Procedures
 - Legal Framework/ Substantive Rules
 - Enforcement of Laws
 - Work Processes



Different clusters of factors

- Individual level:
 - Human Resource Management
 - Individual Responsibilities/ Accountability
 - Decision Making Powers
 - Conflict of Interests 207AOL
 - Awareness of Rules and Regulations
 - Professional Ethics



Different clusters of factors

- Interaction between the public and private sector
 - Special vulnerabilities identified by the public sector



Organizational level

1. Lack of an overall command structure for the numerous parallel authorities in the port system
2. Inadequate legal and legislative environment
3. Insufficient organisational arrangement to protect the exposure of the importer
4. The Customs system for public complaints is not effective




Procedures


5. There is not enough cargo movement reconciliation
6. NCS loose management of its most important stakeholder – the clearing agent
7. Loose management of the discrepancies observed in the assessments made by the service providers
8. Wide use of discretionary powers
9. Weak crowd control



10. ASYCODA

- Nobody seems to “own” responsibility for the payments reflected in the ASYCUDA computer system
- The reconciliation process for payments made into the ASYCUDA system is too cumbersome.
- The specific criteria that the ASYCUDA system uses for its “selectivity” is not known to the importers, and can thus be vulnerable to abuse

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11. Excessive physical contact between officials processing documents and the owners of the documents
 12. Weak management of conflicts of interest
 13. Long and cumbersome clearing process

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14. *Inadequate training programme for NCS officials*
 15. Unclear promotion criteria
 16. Inadequate monitoring of staff's personal finances



Interaction level (Perception of the NCS)

- 17. Tendency of the average importer to be unreliable
- 18. Poor knowledge-base of many importers
- 19. Poor knowledge base of clearing agents



“The life of a container” in Sweden

- Getting a container into Sweden, includes in general only one authority, the Swedish Customs Service.
- The company might qualify for becoming an AEO - A Authorised Economic Operator
- Meaning that the container can be out of the harbour area within a few hours after it has been landed in Gøteborg,
- Only involving a single document (Single Administrative Document)



The life of a container in Nigeria

- Takes in general 40 days to get the container out of the port area “clean”
- It involves at least 10 different authorities who doesn't cooperate
- That the customs service has the right to confiscate the container if it isn't cleared in due time