



UNODC

United Nations Office on Drugs and Crime

15th NIGERIAN ECONOMIC SUMMIT

15-17 December 2009

Principles and Realities Of Ethical Business Conduct

By

Dr. Oliver Stolpe,

Senior Project Coordinator, United Nations Office of Drugs and Crime in Nigeria

Protocol:

Ladies and Gentlemen,

Yesterday during the opening plenary Mazi Sam Oluabunwa, Chairman of the NESG put forward a key question to participants in this 15th Nigerian Economic Summit: “*Has corruption been dealt with in Nigeria?* ” – and the audience replied with one voice: “*NO – IT HAS NOT.*”

A little later the Honourable, Dr. Shamsudeen Usman, Minister for National Planning outlined in his presentation some of the remaining **CRITICAL PRIORITIES** in order to fully unlock the potential of the Nigerian economy and achieve the Vision 20:2020. Again “Intensifying the fight against Corruption” was among these critical priorities.

Isn't it remarkable that not even one hour into the Summit, two of the key speakers had indentified corruption, both in the public and private sector, as one – if not the single most pre-occupying stumbling block on Nigeria's way towards the achievement of Vision 20:2020.

Indeed, the negative impact of corruption on business and economic development cannot be stressed enough. As we have learned earlier during this panel discussion more than 70% of Nigerian businesses in 2007 felt that corruption and insecurity were the two main impediments for doing business in this country. The full significance

DRAFT

of this finding becomes evident when comparing it with the perceptions of businesses relating to factors of economic governance.

The same study conducted by the Nigerian Bureau for Statistics (NBS) found that less than 30% of the same respondents felt that frequent changes to the relevant regulatory framework, lack of clarity of laws and procedures or the current tax regime pose any major obstacles to doing business in Nigeria.

At the same time, when we take a closer look at the 10% of respondents to the study who admitted that they had paid a bribe during the last 12 months prior to the conduct of the study; and focus our analysis on only those who during the same time period had actually come into contact with the public sector, it turned out that one third of the businesses who had interacted with the public sector ended up paying a bribe.

Against this background, it is evident that business has a shared responsibility – and yet, so far the business community appears to be

DRAFT

looking primarily for solutions to come from the public sector. It is clear, that if business wants to have its own voice heard, and to give its demands legitimacy it must itself take credible and decisive steps against corruption.

We have heard in the background presentation of the Country Representative of UNODC, Ms Dagmar Thomas, about some of the ongoing initiatives in the private and public sector - these efforts may indeed change the face of the anti-corruption effort in Nigeria.

First, in the public sector, we can observe all relevant agencies tasked with the prevention and fight against corruption coming together under the leadership of the Honourable Attorney General of the Federation to elaborate jointly a national anti-corruption strategy, with the active involvement of all stakeholders, including the business community.

This cooperation is an achievement in itself. After years of apparent rivalry when anti-corruption agencies did not seem to cooperate but

DRAFT

rather to compete for mandates, visibility, resources and political support, for the first time, there is a real chance for the development of a coherent, consistent, comprehensive, sustainable, integrated and hopefully effective anti-corruption strategy.

Business itself will need to match the public sector's commitment with an equally credible and sustained effort to prevent corruption within its own ranks.

With the development of the draft principles on the ethical conduct of business in Nigeria the point of departure for such an efforts seems to have come within reach. The principles which are the result of almost a year of dedicated research and consultations of a large variety of stakeholders, including Government, individual businesses, business associations, CSOs, Labour, Professional Associations and independent experts are as follows:

- Trustworthiness meaning “you are who you say you are”;
- Integrity meaning “you do the right thing even when nobody is looking”;

- Reliability meaning “you do what you promised to do”
- Transparency meaning your peers confirm that “you are who you say you are”;
- Accountability meaning “you are answerable to your stakeholders and the laws of the land”;
- Honour meaning “you act in ways that preserve your credibility”; and
- Professionalism meaning “you strive for distinction in the quality and efficiency of the products and services you provide”.

These 7 principles – if adopted and truly practiced by businesses operating in Nigeria – have the potential to lay the foundation for a system of effective self-regulation complementing the overall national anti-corruption endeavour.

During the afternoon session all those of you who are interested can learn more about these principles and how they might be utilized to enhance ethics in business transactions in Nigeria.

DRAFT

We have high hopes that this 15th Nigerian Economic Summit will mark a change – a change in the way in which the public and private sector have been dealing with the subject of corruption. In the past we have seen both Government and the business community assigning mutual blame and responsibilities for the shortcomings in the fight against this scourge.

It is time to find a more fruitful approach – an approach of shared responsibility and shared achievement based on a shared vision where public and private sector finally join hands in the fight against corruption.

Thank you very much for your attention.

CHECK AGAINST DELIVERY