

**The 49<sup>th</sup> President of the Institute of Chartered Accountants of Nigeria,  
Alh. Kabir Alkali Mohammed, mni, FCIS, CGMA, FCA,  
Your Excellencies, Executive Governors of States here present  
Members of the Federal Executive Council here present.  
The Vice President, Mr. Chidi Onyeukwu Ajaegbu, MBF, ACIS, FCA  
Deputy Vice Presidents,  
Immediate Past President  
Members of ICAN Council  
Revered Past Presidents & especially the Chairman, BOPP  
Chairman, 43<sup>rd</sup> Annual Accountants Conference  
The Registrar/Chief Executive  
Presidents of Sister Professional Institutes here present  
Eminent Resource Persons  
Distinguished invited guests  
Our Royal fathers here present  
Professional Colleagues  
Members of the Press  
Distinguished Ladies and Gentlemen**

## **PREAMBLE**

I consider it a rare privilege and honour for me to present the “REPORT OF THE PROCEEDINGS OF THE 43<sup>RD</sup> ANNUAL ACCOUNTANTS’ CONFERENCE OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA” as compiled by the team of rapporteurs. In line with established tradition, I will also, at the end, present the draft communiqué for the consideration and adoption of this great gathering.

### **General Proceedings and Activities**

1. The 43<sup>rd</sup> Annual Accountants’ Conference took place at the International Conference Centre and Sheraton Hotel and Towers, Abuja between the 7<sup>th</sup> and 11<sup>th</sup> of October 2013.
2. The historic conference was declared open on Tuesday, October 8, 2013 by His Excellency, Dr. David Mark, GCON, President of the Senate,

Federal Republic of Nigeria ably represented by Senator Patrick Ayo Akinyelure, FCA, Chairman, Senate Committee on Ethics and Privileges.

3. In spite of the challenges of air and road transportation as well as the security situation in the country, attendance at this year's Conference reached an all time high of 4004. This exceeded not only the Conference record of 3950 set last year but also sets a new conference record. Apart from the IFAC World Congress of Accountants, no other gathering of professional accountants has attained this level of attendance.
4. A total of 13 countries were represented at this conference and these include Benin Republic, Botswana, Cameroon, Ghana, Guinea Bissau, Liberia, Mali, Sierra Leone, Tanzania, The Gambia, United Kingdom, United States of America, and of course, Nigeria, the host country.
5. Also in attendance were the Executive governors of Ogun State, His Excellency, Senator Ibikunle Amosun, FCA, the governor of Adamawa State, His Excellency, Vice Admiral Murtala Nyako (rtd) and former governor of Kwara State, His Excellency, Senator (Dr.) Bukola Saraki, CON. Other dignitaries include the PAFA President, Dr. Musa Assad and ABWA President, Mr. L. Mombo
6. In his goodwill message, the Special Guest of Honour, Dr. David Mark, GCON, Senate President, Federal Republic of Nigeria, congratulated the Institute not only for the success of the conference but also for its immense contributions to human capacity building in the country. He noted that given the acknowledged track record of the Institute, he was certain that ICAN members can compete favourably with their counterparts in any other jurisdiction. He urged the Institute not to rest on its oars as the flagship of professional bodies in the country. To retain their leading edge in business, he encouraged chartered accountants to continue to adhere to the revered ethics of the Accountancy Profession as well as renew their knowledge through active participation in the Institute's capacity building programmes.

7. While admitting that the nation's economy was going through some challenges, Dr Mark observed that professional accountants have the expertise to rapidly turn it around. Describing Nigeria as one of the best places to invest or do business, he urged professionals to be in the vanguard of promoting the Nigerian brand. According to him, if Nigerians do not develop and aggressively promote the positive side of our country, no one else will. Finally, he pledged that the National Assembly, through its oversight functions, will continue to ensure, government operations are anchored on accountability, efficiency, transparency and sustainability.
8. In his welcome address, the chief host and the 49<sup>th</sup> President of the Institute, Alhaji Kabir Alkali Mohammed, mni, FCA noted that the theme of the conference, ***“Governance and Sustainable Development”***, was specially chosen to draw deserved attention to the nation's ***economic paradox of poverty in the midst of plenty!*** In his words, given the resource endowment of the nation, Nigerians have no business with poverty.
9. According to Alh. Mohammed, if the ultimate goals of development are to help the citizenry overcome the pains of poverty, disease and illiteracy, improve their abilities to create wealth and experience longevity of life, then the acclaimed Nigerian economic growth must be made to trickle down enough to positively impact the mass of the people. The nation's economic growth must not only be inclusive but must also manifest in job creation to be meaningful. The weak and vulnerable must be reassured and catered for. The driving force of development is the people without which it will not be sustainable, he said.
10. He urged politicians to use the period between elections, to implement their campaign promises rather than preparing for the next elections. The dividends of democracy must accrue to the people in order to regain and retain their trust.
11. Finally, he called on all stakeholders in the Nigerian project to unite and

collectively confront the current economic challenges facing the nation by evolving initiatives that will not only reduce the cost of doing business but also enhance the survival and growth of economic entities. While pledging ICAN's readiness to provide leadership in this respect, he expressed great hope that Nigeria's economy will flourish again.

## **GOODWILL MESSAGES**

12. Goodwill messages were received from the following dignitaries and organisations, among others, in which they congratulated and felicitated with the Institute on the occasion of the 43<sup>rd</sup> Annual Conference and the huge success recorded:

- Executive Governors of Adamawa and Ogun States
- His Excellency, Mr. Festus G. Mogae, former President of Botswana
- The World Bank
- International Federation of Accountants (IFAC)
- Pan-African Federation of Accountants (PAFA)
- Institute of Chartered Accountants in England and Wales (ICAEW)
- Financial Reporting Council (FRC) of Nigeria

13. Prior to the opening ceremony, there were pre-conference cocktail and religious activities that were well attended. Also, during the Conference, there was the usual district societies' competition at which the Society of Women Accountants of Nigeria (SWAN) again emerged the winner in all categories. Other activities and events were sports, novelty football match, excursions and the President's party.

### **Exhibition**

14. A total of 39 companies mounted exhibition stands throughout the conference and were visited by several participants.

### **15. Technical Papers and Workshop Proceedings**

Seven technical sessions were held during the conference consisting of a lead paper, two plenary and four workshop sessions.

16. **The Lead Paper: “Governance and Sustainable Development”**, was presented by His Excellency, **Mr. Festus G. Mogae** former President of Botswana and first winner of the MO Ibrahim Prize for Leadership and Good Governance in Africa. The session was chaired by Etubom (Dr.) Anthony Asuquo Ani, MON, FCA, (PP)
17. His Excellency, Mr. Festus G. Mogae, made a lucid presentation on the topic in which he traced the acclaimed success story of Botswana to a number of factors including uninterrupted record of multi-party democracy, respect for human rights and the rule of law, accountable government, prudent management of the country’s human capital and natural resources and zero tolerance for corruption. These virtues, some of which are enshrined in the country’s constitution, earned Botswana a rating, by Transparency International, as the least corrupt country in Africa and indeed, in the developing world.
18. He also said that all the natural resources of Botswana were regarded as ***common heritage*** regardless of the area and/or land where they were found. More importantly, all the revenues earned therefrom were judiciously committed ONLY to capital expenditure to develop schools, health facilities and physical infrastructure, etc. He described the principle of public control of natural resources as the *foundation stone* of Botswana’s sustained and peaceful progress.
19. In addition to creating a conducive policy and regulatory environment for businesses to thrive, he urged African nations to establish legal systems that can protect and enforce the constitution, laws and regulations. Botswana, he said, developed transparent policies and a regulatory framework which enforced accountability thereby earning the trust of the people.
20. For democracy to be said to be working in Africa, according to His Excellency,

- It is necessary that the continent's natural resources are managed in a transparent and accountable manner for the benefit of the people.
- Openness to public scrutiny and transparency must be guaranteed as it reinforces accountability. There must be zero tolerance for corruption.
- Leaders of African countries must commit to handing over power, after the expiration of their term of office.
- The public service must be strengthened through capacity building including the provision of skills, institutional reforms and reviews, and strengthening of laws, regulations and procedures, etc
- The government must faithfully communicate more with the people, the ultimate stakeholders, through formal and informal channels.

21. While agreeing that the small size of Botswana's population and the initial poverty may have played crucial roles in its success story, Mr Mogae noted that the country benefited immensely from the experience of other countries. He acknowledged, with great profundity, the invaluable contributions of many Nigerians to the success story of Botswana. He urged Nigeria not only to start and be determined to succeed, but also to persist and persevere. He concluded by saying that countries of the continent must strengthen their institutions, abhor corruption, insulate anti-corruption agencies from political influence and embrace good political and corporate governance.

**22. Plenary Paper 1: "Growth without Development: Confronting the Paradox"**

In the first plenary session chaired by a past president of the Institute, Alhaji Idris Sulaimon, FCA, **Prof. Akpan H. Ekpo**, Director General, West African Institute of Financial and Economic Management (WAIFEM) and Past President, Nigeria Economic Society, made a presentation on the

topic, "Growth without Development: Confronting the Paradox". His presentation was discussed by

- **Dr Vladimir Antwi-Danso**, Senior Research Fellow & Ag. Director, Legon Centre for International Affairs and Diplomacy (LECIAD), University of Ghana;
- Professor Ademola Oyejide, Emeritus Professor of Economics, University of Ibadan; and
- **Prof. Chika Umar Aliyu** Dept of Economics, Faculty of Social Sciences, Usmanu Dan-fodio University, Sokoto

23. In his well researched presentation, Prof Akpan Ekpo asserted that no nation can develop without economic growth but that economic growth can occur without development. He argued persuasively that development was all about reduction in poverty, unemployment and illiteracy. In other words, for development to occur, economic growth must generate employment, reduce poverty and provide a reasonable mix of goods and services to majority of citizens. Using available economic and social indices on the Nigerian economy, he concluded that the nation was growing without experiencing development as evidenced by positive growth rates, rising unemployment and poverty as well as widening inequality!

24. While advising participants not to confuse modernization with development, Prof Ekpo urged the government to deliberately confront the observed paradox in the medium and long-term by investing in the housing sub-sector and infrastructural development, particularly power, quality leadership, investment in knowledge, and the formulation and implementation of a development-oriented state economic philosophy, among others. He also urged the states and local governments to develop their own economies and become competitive rather than continue to

overdepend on the centre for revenue, even to meet recurrent expenditure.

25. Prof Ekpo admitted that sustained economic development can be achieved with a public sector consisting of qualitative leadership, skilled technocrats and bureaucrats. Furthermore, he charged the people not to be apathetic to governance but to be part and parcel of the development process by insisting that the leaders remain focused, dynamic and committed to fulfilling promises. Finally he declared, it is the responsibility of government to guarantee sustained development that is inclusive. To do this, the government needs to re-think its development blueprint by thinking outside the box.
  
26. In their various presentations, the discussants agreed that the nation was experiencing a paradox of growth without development as evidenced by a growing or rising GDP but accompanied by stagnation or decline in other development indicators like employment, poverty, health, education, social services, etc. These were attributed to a number of factors including poor emphasis on human development, prevalence of corruption and other fraudulent practices, inadequate participation of stakeholders in decision and policy making, wrong application of development policies and strategies, lack of patriotism, overdependence by States on the Federal allocations, a defective revenue allocation formula, absence of good governance and poor pursuit of the Nigeria Project.
  
27. In their view, since economic growth will not automatically lead to development, the process needs to be stimulated and guided by public policy that can foster benign combination of high growth and rapid poverty reduction. In view of these, they noted that it was time for the nation to shift to growth-cum-equity synthesis which ensures better income distribution, more employment opportunities and provision of basic human needs.
  
28. According to them, for the current impressive economic growth to translate to development or inclusive growth, it was imperative to determine the



sectors driving the growth and the nature of their production processes, whether they are capital intensive or labour intensive, as each has a different effect on employment.

29. While stressing the fact that the nation's Vision 20:2020 is focused solely on growth without any reference to other elements of development, the discussants recommended that there must be deliberate socio-economic restructuring and transformation by a committed, focused and just leadership to achieve the desired goal.
30. They also recommended that the government should strive to reduce the lending rate in order to revamp the manufacturing sector which currently stands at 4% of GDP as against the 25% global benchmark. In addition, the government should focus on investment in human capital development, ideas, innovation, social benefits, equitable income distribution as well as infrastructural development. For instance, it was said that 2% investment in infrastructure could, on its own, lead to 40% increase in economic activities in other sectors.
31. Finally, they agreed that the focus of government should be to achieve "Economic growth that results in a wider access to sustainable socio-economic opportunities for a broader number of people while protecting the vulnerable, all being done in an environment of fairness, equal justice, and political plurality".

32. **Plenary Paper 2: Accounting Profession, Ethics and Wealth Creation**

During the second plenary session which was chaired by Bashorun J.K.Randle, FCA, a past president of the Institute and Chairman J.K. Randle Professional Services, **Mr. William Arthur Bailey, FCA** Deputy President of the Institute of Chartered Accountants in England and Wales, (who was ably represented by **Mr. Stephen Lamdin, Senior Consultant, ICAEW**), presented the main paper. The discussants were **Professor Rahman Zubaidur**, Adviser, Core Operations Services, Africa Region, World Bank, **His Excellency, Governor Ibikunle Amosun, FCA**, Executive Governor, Ogun State and **Mr. Tawanda Gumbo**, Chief Executive Officer, Akintola Williams Deloitte.

33. In his presentation, Mr. Arthur Bailey observed that the Accountancy Profession creates wealth through the various professional and value-driven services that it provides to diverse clientele in the various sectors of the economy. He added that the Accountancy Profession also helps to build confidence in business and government operations which drives the pace of economic activities and by extension, development. This, it does, by providing its stakeholders with reliable and clear financial information that enables them to establish their particular relationships without fear of losing their own business, job or money. According to him, if the independence or honesty of those involved in providing or validating financial information is in question, confidence will be lost, the economy will stumble, investment will not occur and wealth will not be created. In other words, except professional services are provided ethically, the cause of public interest will not be served.

34. While defining integrity as “who you are when no one is there”, he urged professional accountants to learn to play by the ethical rules of the profession all the time. To ensure this, the paper presenter urged the Institute to continue to train its members, monitor their practices and sanction members and their firms for any proven cases of professional misconduct or demonstration of lack of integrity. Only by so doing can they continue to contribute to wealth creation for the benefit of the society, he said.

35. In their various comments, discussants agreed that ethics and wealth creation are not mutually exclusive as good ethical conduct will often lead to wealth creation. They noted that, as catalysts that facilitate efficient decision making and allocation of scarce resources, chartered accountants must continually imbibe ethical values and exhibit integrity in all their dealings. Since ethics was at the heart of the Accountancy Profession, any breach will have severe negative consequences on the profession, the practitioner, his client and the entire society. They observed that for wealth to be created, all players in the financial reporting chain and governance

must be transparent and act with integrity in order to earn the trust of their stakeholders. In their view, transparency and integrity are the hall marks of good governance and trusted leadership. Since no law can legislate ethical conduct into existence, they recommended that the continuous training of chartered accountants should be made more practical. Besides, professional accountants should strive to build oases of sanity within their spheres of influence rather than resign from organisations with ethical challenges.

**36. WORKSHOP 1: Growing Small and Medium Enterprises: Emerging Business Opportunities**

The pioneer President of PAFA and ICAN Past President, Major-General S. A. Owuama, FCA, (rtd) chaired this session while Alhaji Bature Umar Masari, Director General/Chief Executive of Small and Medium Enterprises Development Agency (SMEDAN) presented the lead paper. The discussants were Professor M.L. Bashar of the Economics Department, Usman Dan Fodio University, Sokoto and Mr. Muda Yusuf, Director-General, Lagos Chamber of Commerce and Industry.

37. At the end of the workshop, the following key observations and recommendations emerged:

- SMEs can significantly contribute to national economic development by positively impacting employment at the grassroots.
- Lack of business management skills and poor accounting coupled with underdeveloped infrastructure has been the bane of SMEs development in Africa.
- SMEs have the potentials of accelerating development of local /domestic resources
- The services sector, especially the financial sector has huge potentials for SMEs and job creation since capital requirements are usually low
- Development of industry clusters will impact strongly on SMEs through economies of scale, resource pooling and attraction of credits

- There is an urgent need to address the disconnect between school curriculum and the needs of SMEs. The alignment between research activities and SMEs is also very weak.
- Business opportunities are opening up in the following areas for SMEs:
  - Oil and gas post-PIB
  - Education especially technical education and information technology
  - Oil palm products, catering, bakery and confectionaries, food and allied products, chemical and allied products
  - Animal husbandry
  - Cash crops
  - Fashion
  - Rentals
  - Communications
  - Building and construction
- The market for products of SMEs in Nigeria is wide not just in the country but in the continent.

### **38. Workshop 2: Reform in the Energy Sector: Realizing the Benefits**

This workshop session was chaired by Otunba Abul Lateef Owoyemi, FCA past president while the lead discussant was Engineer Reynold Dagogo-Jack, FNSE, Chairman, Presidential Task Force on Power. The discussants were Mr Toyin Akinosho, Publisher of ***Africa Oil and Gas Report*** and Mr. Tonye Cole, Co-founder & Executive Director, Sahara Group Limited

39. At the end of the various presentations and discussions, the following recommendations were made:

#### **Recommendations**

- Chartered Accountants were challenged to embrace entrepreneurship and take advantage of the reforms in the Energy sector;

- Investments in the sector should be driven by market forces in order to achieve efficient resource allocation;
- The government must address the unintentional fallouts of the reforms like loss of jobs and severance benefits
- Given the immense potentials of the Nigerian Electricity Market and the Investment Opportunities, the government should ensure that multi-skilled citizens are engaged in the reform process;
- In view of the importance of gas to the success of the reforms, all challenges associated with gas supply including ongoing pipe line projects should be addressed.
- The government should divest significantly from this sector and channel scarce resources to other social needs;
- In view of the very high risk involved in investing in the sector it is recommended that local investors should be supported.

#### **40. Workshop 3: Agricultural Development: Optimising the Value Chain**

The 3<sup>rd</sup> Workshop session was chaired by the immediate past chairman of the Body of Past Presidents of ICAN, Chief Olusola Faleye, FCA during which His Excellency, Executive Governor of Adamawa State, a renowned farmer, Vice-Admiral Murtala Nyako (rtd), made the lead presentation. The other discussants were

- His Excellency, Senator (Dr.) Bukola Saraki, former Governor of Kwara State
- Mr Kola Masha, MBA, MIT, MD, Doreo Partners ably represented by Tola Summonu
- Ms Evelyn N. Oputu, Managing Director/CEO, Bank of Industry who was ably represented by Dr. Ezekiel Oseni.

At the end of the various presentations, the session came up with the following recommendations

- The government should provide incentives to enable farmers go into value chain projects that can allow them to process primary products for exports.
- There should be land reforms that will make it easier for young farmers and entrepreneurs to acquire land for agricultural development.
- There should be financial support targeted at the small farmers to enable the produce farm products at subsidised prices
- The financial institutions or government's special purpose vehicles should set aside loanable funds at very low interest rates for entrepreneurs willing to go into mechanised farming
- There is need for a paradigm shift to mechanised agriculture as the base of our policy direction and to do this, we need a greater focus on research and development as a key factor in this direction.
- The government should as a matter of policy increase investment in infrastructural facilities that give greater access to the global market to our farmers.

#### **41. Workshop 4: MINT as Growth Economies: Myth or Reality**

The last but certainly not the least workshop session was chaired Dr. (Mrs.) C.G. Okpareke, mni, FCA and past President of the Institute. The lead presenter was Mr. Oluseyi Bickersteth National Senior Partner, KPMG Professional Services while Dr. Ayo Teriba, CEO, Economic Associates and Mr. Cyril Azobu, Partner PwC, Energy, Utility & Mining were discussants.

42. At the end of presentations and discussions, the session came up with the following observations:

- Nigeria has the potential of becoming the fastest growing country in the MINT group due to its youthful and growing working population;
- This growth must be driven not by reliance on oil wealth but through the diversification of the economy, huge investment in

infrastructural facilities and strengthening of its institutions, all of which can support long term productivity growth.

To ensure the above feat is achieved, the participants recommended that as follows:

- The government should broaden the sectoral base of the economy through reforms of the transport system and energy supply in order to boost the competitiveness of manufacturing industry. For instance, there should be immediate domestic rail transportation reforms in order to strengthen sectoral and regional linkages
- Experts should be engaged to conduct a rigorous analysis of Nigeria's cyclical, structural, sectoral and regional growth dynamics
- There should be massive increase in human capital development by increasing the average education levels across the adult population.
- There should be sustained growth in the physical capital stock – driven by capital investment net of depreciation.
- There should be growth in total factor productivity- driven by technological progress and catching up with other advanced countries by making use of the later's technologies and processes.
- There should be Visionary leaders who can execute transformational agenda and promote policy of inclusiveness in the public interest.
- The nation must continue to demonstrate ability to implement growth-friendly policies in order to sustain foreign investments inflows.

#### **43. PRESENTATION BY THE EXECUTIVE SECRETARY/CEO OF FINANCIAL REPORTING COUNCIL OF NIGERIA, MR JIM OBAZEE, FCA**

In a brief but incisive presentation, Mr Jim Obazee, FCA, Executive Secretary/Chief Executive of the Financial Reporting Council (FRC) of Nigeria gave the following update on the implementation of the body's statutory mandate and the extent of compliance by professionals that:

- Not-for-Profit Organizations, Charities and Religious Bodies are now required to file audited accounts

- External auditors are now to express opinions on internal control and information systems and corporate governance practices of their clients in addition to their usual audit opinions.
- FRC will soon issue a National Unified Code of Corporate Governance that will become effective from Jan 1, 2014
- Board Chairmen, CEOs, CFOs and Chairmen of Audit Committees of Public Companies must register with FRC.
- CFOs and Chairmen of Audit Committees must be members of legally recognized professional accounting bodies in the country.
- Board Chairmen and CFOs are now to provide additional attestation on audited Financial Statements.
- Conceptual framework on IFRS for SMEs is being reviewed by the International Accounting Standards Board (IASB). Chartered Accountants are encouraged to comment on the Exposure Draft
- In conclusion, he urged participants to embrace change, continually renew their knowledge through attendance of MCPE and adopt connective leadership by reaching out to other professional colleagues. By so doing, they can build network of technical resources.

#### **44. PRESENTATION BY THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES ON THE WORLD BANK-SPONSORED TWINNING ARRANGEMENT WITH ICAN**

This presentation was made by Mr Stephen Lamdin, Senior Consultant, ICAEW on Professional Qualifications. In his presentation, he mentioned the following as the benefits of the project:

- Development of Strategy Document for the Institute
- Comprehensive review of the Institute's Professional Qualification in order to benchmark it on global best practice
- A comprehensive review of audit quality with a view to enhancing the quality of financial reporting
- Training of examination officials
- Training of practice monitoring reviewers



- Assist to strengthen the Institute's internal capacity as well as improve its governance processes.

### **Conclusion**

45. It is from this comprehensive report of proceedings that we, the Rapporteurs' Team, prepared the following draft Communiqué which I will now present for your comments and possible adoption. The final communiqué would subsequently be considered, approved by the Council and released by the President.

On behalf of all the members of the Rapporteur Team, I thank you for listening.

**Abel Aig. Asein**  
Rapporteur-General

## **NOW THE COMMUNIQUE**

### **Preamble**

1. The 43<sup>rd</sup> Annual Accountants' Conference of The Institute of Chartered Accountants of Nigeria (ICAN) took place between the 7<sup>th</sup> and 11<sup>th</sup> of October, 2013 at the International Conference Centre and Sheraton Hotel and Towers, Abuja, Nigeria. The theme of the conference was ***“Governance and Sustainable Development ”***.
2. The international conference was declared open on Tuesday, October 8, 2013 by the Senate President, Dr. David Mark, GCON, who was ably represented by distinguished Senator(Dr.) Patrick Oye Akinyelure, FCA .

### **Participation**

3. A total number of 4,004 delegates including invited guests and resource persons drawn from Africa, Europe and America attended the conference. It is instructive to mention that two serving State Executive Governors - Senator Ibikunle Amosun, FCA (Ogun) and Vice Admiral Murtala Nyako (rtd), Adamawa and a former governor, distinguished Senator (Dr.) Bukola Saraki, CON, HE Mr. Festus G. Mogae, and Emir of Argungu- graced the occasion with their physical presence.

### **Good Will Messages**

4. Goodwill messages were received from International Federation of Accountants (IFAC), Dr. Musa Assad, President, Pan-African Federation of Accountants (PAFA), ABWA President, Executive Secretary/Chief Executive Officer of FRCN, etc.

### **Technical Sessions**

5. The Conference theme was considered in a lead paper entitled “Governance and Sustainable Development” delivered by His Excellency, Mr. Festus G. Mogae, former President of the Republic of Botswana. Thereafter, the following two plenary and four workshop sessions were also held:
  - 5.1 **Plenary Session 1** – “Growth without Development: Confronting the Paradox” delivered by Prof. Akpan H. Ekpo, Director-General, West African Institute of Financial and Economic Management.
  - 5.2 **Plenary Session 2** – “Accounting Profession, Ethics and Wealth Creation” delivered by Mr. Williams Arthur Bailey, Deputy President, The Institute of Chartered Accountants in England and Wales (ICAEW).
  - 5.3 **Workshop 1** – “Growing Small and Medium Enterprises Entrepreneurship: Emerging Business Opportunities” was discussed by Alhaji Bature Umar Masari, Director-General, SMEDAN, Prof Muhammed L. Bashar of the Department of Economics, Usmanu Dan-Fodio University, Sokoto and Mr. Muda Yusuf, Director-General, Lagos Chamber of Commerce and Industry.
  - 5.4 **Workshop 2** – “Reform in the Energy Sector: Realising the Benefits” was discussed by Engineer Reynod Dagogo-Jack, FNSE, Chairman, Presidential Task Force on Power, Mr. Toyin Akinosho, Publisher of Africa Oil and Gas Report and Mr Tonye Cole, Co-Founder and Executive Director, Sahara Group Limited.

**5.5 Workshop 3** – “Agricultural Development: Optimising the Value Chain” was discussed by His Excellency, Vice-Admiral Murtala Nyako (rtd), Executive Governor, Adamawa State, His Excellency, Senator (Dr.) Bukola Saraki, former Executive Governor, Kwara State, Mr Kola Masha, MD, Dereu Partners and Mrs. Evelyn Oputu, MD/CEO of Bank of Industry who was ably represented by Dr Ezekiel Oseni.

**5.6 Workshop 4** – “MINT as Growth Economies: Myth or Reality” was discussed by Mr Oluseyi Bickersteth, National Senior Partner, KPMG Professional Services, Mr Cyril Azobu, Partner, PwC and Dr. Ayodele Teriba, CEO of Economic Associates

## **6. Observations and Recommendations**

**At the end of deliberations, the following recommendations were made:**

- i. Although the conference participants agreed that growth is a necessary, but not sufficient, condition for development, they urged the government to determine the sectors that are driving the current growth, the nature of their production process (whether capital or labour intensive), as each has a different effect on employment. By so doing, appropriate policy initiatives can be evolved to ensure inclusive growth.
- ii. While noting that the nation’s Vision 20:2020 is focused solely on growth without reference to other elements of development, the participants urged the government to focus on human capital development, social benefits, more equitable income distribution and infrastructural development. They were enthused by the theoretical findings that a 2% investment in infrastructure could, on its own, lead to 40% increase in economic activities in other sectors of the economy.
- iii. In order to reduce the cost of doing business in Nigeria and enhance the competitiveness of local industries, the participants also recommend that government should strive to reduce the lending rate as a strategy to

revamp the manufacturing sector which currently stands at 4% of GDP as against the 25% global benchmark.

- iv. While deploring the over dependence on federal allocation by most states of the federation, the conference participants recommend that the federating units should be encouraged to develop their own economies and become competitive.
- v. In order to reassure and cater to the needs of the weak and vulnerable who are feeling neglected, ignored, un-empowered and disillusioned, the conference participants recommend that politicians should simmer down on political manoeuvre for 2015 elections and judiciously spend this time and scarce public resources on scrupulous implementation of previous campaign promises and deliver the dividends of democracy to the people in order to regain and retain their trust.
- vi. Since good governance is germane to the survival and growth of businesses and attraction of Foreign Direct Investments, the conference participants urged countries of the continent to strengthen their institutions, abhor corruption and embrace good political and corporate governance.
- vii. The conference participants acknowledged the prime role of the Accounting Profession in wealth creation and national development. In their view, markets and economies function properly when investors have trust in the audited financial statements that drive activities and decisions in the market. They observed that chartered accountants as merchants of integrity, can only retain this leading edge in corporate governance if they remain foes of deceits and champions of integrity. They therefore recommend, more practical training on ethics for members, effective monitoring of their compliance to the Institute's Code of Conduct and enforcement of sanctions for any established breach.
- viii. To reinforce the recommendation in (vii) above, they also recommend that organisations should clearly define their values, evolve policies that

support those values (e.g., supporting whistleblowers), develop a listening culture, ensure appropriate tone at the top, monitor and consistently take corrective actions. According to them, any disciplinary procedures and reward structures introduced must reward ethical behaviour, be open and fair.

- ix. On sustainable development, the conference participants further agreed that corporate entities must operate not only to achieve their business purposes but also, they must be compelled to continuously behave in a socially acceptable way. They must also comply with laws and regulations and be answerable for their actions. In other words, the nation's code of corporate governance should include the fundamental principles of Leadership, Capability, Accountability, Sustainability and Integrity.
- x. Since food security is a fundamental part of national security, the government should provide incentives to drive the process of transformation to mechanised farming.
- xi. There should be massive investment in agricultural sector as it holds the key to the country's industrialisation and employment generation.
- xii. There should be land reforms that will make it easier for young farmers and entrepreneurs to acquire land for agricultural development. The government should provide incentives to enable farmers go into value chain projects that can allow them to process primary products for exports.
- xiii. Given the role that SMEs can play in employment generation and economic development, the challenges facing this sector like multiple taxation and infrastructural deficiency should be frontally addressed.
- xiv. The participants urged government to seriously and carefully address the unintentional fallouts of the on-going reforms in the energy sector like loss of jobs and severance benefits
- xv. Given the immense potentials of the Nigerian Electricity Market and the Investment Opportunities, the participants urged the government to ensure

that multi-skilled citizens are engaged in the reform process as part of its local content policy

- xvi. In view of the importance of gas to the success of the reforms, the participants recommend that all challenges associated with gas supply including ongoing pipe line projects should be addressed.

### **Conclusion**

- xvii. The Conference commended the Council of The Institute for the choice of theme and sub-themes, the selection of erudite resource persons and the overall planning and execution of the proceedings. The Conference urged the Council to make available to the government and other relevant stakeholders this communiqué and the conference proceedings and persuade the relevant authorities to adopt these recommendations as recipe for inclusive growth and development.

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