

Statement at the Launch of Global Corruption Report

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Mr. Chairman distinguished invited guests, ladies and gentlemen.

Let me begin by thanking the Ghana Integrity Initiative, (GII) Local Chapter of Transparency International, for inviting the Ghana Business Code to be part of this event.

We are indeed happy to be part of this year's launch of the Global Corruption Report (GCR). This year's report is of particular significance to us because it focuses on corruption and the private sector. I am happy to mention that the Ghana Business Code also aims at improving the private sector and one of the ways we do this is to check corruption within business.

Please permit me to elaborate on the GHBC and how it is related to the subject of corruption and the private sector. The Code provides a framework for promoting ethical business practice in Ghana. It is modeled on the United Nations Global Compact and focuses on four main areas; respect for human rights, good labour practices, environmental management and transparency. The Code seeks to ensure that all business stakeholders (including employees, suppliers, government host communities) benefit rather than suffer the negative consequences of that business' activity. Important as profit may be in the scheme of things, businesses that focus entirely on it work for only the shareholders to the neglect of other stakeholders.

Mr. Chairman, ladies and gentlemen, even though the Ghana Business Code is not entirely focused on anti corruption, a considerably portion of the Code provides guidelines to dealing with the menace of corruption at the workplace.

Two of the 10 principles of the Code are related to transparency and of course deals with aspects of corruption, when is defined broadly outside the remit of bribery as "the misuse of entrusted power for private gain".

Principle number 6 of the Ghana Business Code focuses on the elimination of discrimination in respect of employment and occupation". The detail prescriptions are: Business shall "not discriminate against an employee on the basis of gender, race, colour, ethnic origin, religion, creed, social status, physical challenge, economic status, or political persuasion in hiring, firing or promotion". It also proscribes cronyism and nepotism. What these mean in practice is that recruitment must be on merit and if you use your position of trust to recruit people based on ethnicity, religious affiliation, friendship, family relations or political persuasion that amounts to corruption.

The principle number 10 is very clear on corruption. It states:

"Businesses shall work against all forms of corruption, including extortion and bribery".

This places a responsibility on business to take steps in formulating policies and practices that ensure that they do not create opportunities for corruption. In other words, besides not practicing corrupt acts, the business should not be complicit.

To capture the spirit of this principle, the Ghana Business Code for example demands that businesses should have a policy on gift giving and gift taking, including setting a ceiling on how much gift can be given or received, and the need for reporting on gifts received and given.

A transparency gift policy creates an atmosphere of openness in gift giving and taking as against the situation where it is done undercover of darkness to influence decision taking. Our hope is that eventually corporate Ghana could as a practice have a no gift policy, except for corporate gift items.

The private sector has been usually styled as the supply side of the corruption equation, Mr. Chairman if there were no demand for it the price would have fallen to zero and would cease to exist. The private sector therefore has no monopoly over corruption. Unfortunately, the picture is painted as if the private sector enjoys the practice of

corruption. In fact it unnecessarily adds to the cost of doing business and the private sector will certainly not want to incur costs unnecessarily. But at times they feel helpless and frustrated.

Mr. Chairman it is instructive to note that the GHBC as a tool for dealing with corruption is an initiative of the private sector in Ghana and it is supported by Danida. It is out of the private sector's own concern for the menace of corruption to be dealt with that led to the development of the Code with Danida's assistance.

We, as Ghana Business Code have over the period provided education on corruption and its effects on individuals, the state and the business enterprise. Doing transparent business leads to sustainable business. If you build your business based on transparent rules and regulations, you would not need the visible hand of anybody to assist you get contracts. We have provided explicit focus, supported seminars on ethics and anti corruption themes and have been advocating reduction in red tapism.

Mr. Chairman, fighting corruption in Ghana is a lonely road nobody wants to tread on, but fighting corruption should be everybody's business because the effects of corruption are far reaching and not limited to the parties involved, but to the larger society in the form of shoddy roads, hospitals without drugs, as well as schools without furniture.

It is in this vain that I Let me end by congratulate the Ghana Integrity Initiative and its partners for this report and in fact for their steadfast fight against corruption in our country. We at the Ghana Business Code are ever ready to collaborate with you and any other similar initiatives in the fight against corruption particularly in the private sector.

Let us join hands to fight corruption.

Thank you for your attention.