

**KEYNOTE ADDRESS DELIVERED BY**  
**CHIEF (DR.) J. O. SANUSI, CON, GOVERNOR,**  
**CENTRAL BANK OF NIGERIA AT THE**  
**3<sup>RD</sup> RUN OF CORPORATE GOVERNANCE SEMINAR**  
**HELD AT CHELSEA HOTEL, ABUJA**  
**FROM 17<sup>TH</sup> – 20<sup>TH</sup> FEBRUARY, 2004**

Deputy Governor, Corporate Services,  
Departmental Directors,  
Executives here present,  
Guest Lecturers,  
Distinguished Participants,  
Ladies and Gentlemen.

I am delighted to be here this morning to deliver the Keynote Address at this very important seminar, which has been packaged for the Executive and Managerial Staff of the Bank by the Human Resources Department. The seminar, I understand, is one in the series of special seminars designed to sensitize top-level staff of the Bank on topical issues relating to the management of the financial sector in particular and the economy, in general.

2. The subject of this seminar, corporate governance assumed great importance the world over in the aftermath of the Enron, World Com and several other corporate financial scandals brought about by lack of transparency and accountability in governance. Available records show that these failures have no geographical restriction and, in the same token, they cut across all strata of economic endeavours, including the public sector. Thus, the cases of Enron in the USA, Baring Bank of the UK, the financial crisis in the South East Asian countries and a host of others, attest to the importance of good governance, both in the public and the private sectors of the economy.

3. As you all know, Corporate governance is about building credibility, ensuring transparency and accountability as well as maintaining an effective channel of information disclosure that would promote good corporate governance. It is also about how to build trust and sustain confidence among the various interest groups that make up an organization. The principles of corporate governance as enunciated by the Organisation for

Economic Cooperation and Development (OECD), was prompted by the need for organizations (public and private) to regard transparency and accountability as sacrosanct in their dealings with all stakeholders in order to achieve the main objectives of the organization. The OECD focused on shareholders rights, and the role of stakeholders in corporate governance, disclosure and transparency as well as board responsibilities.

4. On the international scene, a lot of seminars and workshops have been organized to drive home the importance of good corporate governance. The outcomes of each of these seminars have formed the basis for setting world-class standards and international best practices aimed at ensuring the adoption of the basic principles of corporate governance globally.

5. At this juncture, it is pertinent to note that, there is hardly any sector of the economy that has not suffered the consequences of lack of good corporate governance practice. This is underscored by the on-going efforts of the Federal Government at entrenching accountability and transparency in both the public and private sectors. We have witnessed the collapse of many public corporations as well as private business organizations and the attendant negative implications for economic growth and development. Such perverse consequences tend to become extremely worrisome when one realizes that the financial sector, over which we exercise surveillance, has been the worst hit, especially since the 1980s. It is, however, encouraging to note that the Central Bank has strengthened its supervisory capacity towards ensuring that financial institutions, particularly banks, act with integrity, transparency and accountability and operate in a safe and sound manner.

6. Permit me Distinguished Ladies and Gentlemen to state that, recognising that good corporate governance is the key to organizational success, the CBN is re-engineering its work processes to ensure that the principles of professionalism, accountability and transparency are reflected in the discharge of its statutory responsibilities and, indeed, meeting its vision and mission. I am happy to note that satisfactory progress has been made in this endeavour and acknowledge the positive impact of these reforms, which is reflected in our service delivery to the financial sector and the economy at large. More specifically, the principles of accountability and transparency are reflected in the formulation and implementation of monetary and financial policies, recruitment and selection processes, rewards and sanctions and, indeed, the whole gamut of the Bank's operations.

7. Let me therefore assure you, Ladies and Gentlemen, that the course we have charted for ourselves in the current dispensation will be sustained and given all the necessary support to ensure the attainment of our vision and mission. The successes we have recorded so far, consequent upon our adoption of corporate governance principles should be the driving force towards continuous improvement in our services to our internal and external customers.

8. I wish to commend the organizers of this seminar for its contents and timeliness. I also encourage them to ensure that initiatives of this nature be sustained in order to ensure that the development of human capital required for the attainment of our vision and mission adequately meets the challenges of the twenty first century. I enjoin all participants to seize the opportunity offered by this seminar to acquaint yourselves with the responsibilities imposed on you individually and collectively in ensuring good corporate governance in the Bank. I also expect that you will allow this to bear positively on your performances. I wish you fruitful and rewarding participation.

9. It is my honour and privilege to declare the seminar open.

10. Thank you and God bless.

CHIEF (DR.) J. O. SANUSI (CON)  
GOVERNOR  
CENTRAL BANK OF NIGERIA

17<sup>TH</sup> FEBRUARY, 2004