



Global Memorandum of Understanding Policy Implementation and the much Desired Economic Advancement

Otekenari David Elisha¹
Department of Economics
Faculty of Social Sciences
Ignatius Ajuru University of Education
Port Harcourt, Nigeria.

Abstract

Since the presence of worldwide multinational companies and its Corporate Social Responsibility strategies in Nigeria, it has turned out to be incredibly evident that Global Memorandum of Understanding has never been converted into reality notwithstanding different systems at different MNCs board. Magnificent policies/strategies which were defined, more often than not at the implementation organize, they're rendered insufficient and unsustainable and this has dependably been the situation with the presence of MNCs and her Corporate Social Responsibility. To this impact, our synergistic endeavors as a people is to convey improvement to MNCs as community and Nigeria's as of now battered economy become hard to figure it out. This study is in this way centered on the worldwide notice of understanding policy implementation and much desired economic advancement. It followed community development policy/strategies and related issues throughout the years. The study besides suggest some route forward, for example, disguise and use sound corporate administration work on, setting up of nonexclusive working arrangements, transparency and accountability, financial sustainability and management, embracing sound administration work on, encouraging a maintainable employment appraisal and great working condition for CDB/CT individuals. The study in its decision gives some reference guide on working policies for viable implementation, for example, peace and security, advance and give proprietorship to maintainable improvement. Different recommendations were additionally made that will help in the usage of GMOU and other strategies to accomplish much desired economic advancement.

Keywords: Global, Memorandum, Policy, GMOU, Policy Implementation, Economic, Advancement.

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INTRODUCTION

Over numerous decades a warm discussion has existed in regards to the job and effect of oil and gas multinational companies and the underdeveloped nations, particularly the Niger Delta region. Put essentially, some accentuate the genuine or potential commitment of MNCs to economic and social advancement by means of projects, work, tax collection, and the exchange of innovation, information and aptitudes. More also, is the problem of translating the MNCs Developmental Strategies into reality which patterns and arrangements proceed with today and yet have been supplemented by another methodology, regularly marked "Global Memorandum of Understanding" (GMoU) to reflect the much desired economic advancement.

The advocates of GMoU for the most part hail intentional activities as a down to business and creative method for improving the commitment of MNCs to economic advancement. Numerous likewise see such activities as an option in contrast to government guideline, which is frequently observed as threatening towards business as well as hard to actualize, especially in developing nations.

Clearly the adequacy of any policy lies on the implementation and Policy implementation includes deciphering the objectives and targets of a strategy into an activity. Implementation is a significant phase of the policy making process which includes the execution of the law in which different partners, associations, methods, and procedures cooperate to place polices into impact with the end goal of accomplishing strategy objectives (Stewart, Hedge, and Lester, 2008). We would now have the capacity to find that strategies that are made without effective implementation can be said to be unprofitable and won't in all likelihood sway the overall population in bring the ideal economic advancement. Against this foundation, this paper basically endeavors to inspect the push of certified Global Memorandum of Understanding arrangement usage and the ideal economic advancement of her host.

MEMORANDUM OF UNDERSTANDING

A MoU is frequently the initial move toward making a lawfully restricting contract. So a memorandum of understanding (MoU) is an understanding between two parties that isn't legitimately authoritative, yet which diagrams the obligations of every one of the parties to the understanding.

A Memorandum of Understanding (MoU) is a short composed articulation delineating the understanding between at least two parties that consent to do or not to do certain things pushing ahead into what's to come. In the Collins English Dictionary, the record is an understanding between the parties that is anything but a legitimately restricting contract. In this way, while a MoU isn't legitimately enforceable, it is a composed record that frequently goes about as the initial phase in making a formal contract.

Kenton (2019) attest that an memorandum of understanding (MoU) is a formal record portraying the expansive layouts of an understanding that at least two parties have come to through negotiations. It's anything but a lawfully restricting archive yet flags the expectation of all parties to push ahead with an agreement.

Leader (2017) noticed that a MoU is regularly a nonbinding understanding between the parties that archives a relationship of altruism between the parties. MoU spell out the parties' comprehension of the pondered connection among them and can be the primary stage in the

development of a formal contract. From the abovementioned, MoU convey the commonly acknowledged desires for the general population, associations, or governments included.

CONCEPT OF GLOBAL MEMORANDUM OF UNDERSTANDING AND ITS OBJECTIVES

SHELL (2006) sees the GMoU as an agreement between SPDC/MNCs and a group (or cluster) of several communities. Clusters are based on local government or clan/historical affinity lines as advised by the relevant state government.

Wosu (2013) noticed that the GMoU is never again a minor understanding between at least two parties illuminating common targets, commitments, time period for achieving them; and an intervention statement in case of rupture, yet a down to earth working instrument of bunching communities together to cultivate development. The GMoU guaranteed essentially to be driven by the requirement for objectivity, transparency, trust, vision and responsibility towards an association between parties bound by shared interests. Wosu (2013), further attest that under the GMoU, one of the parties to the understanding must be spatially characterized; sometimes, occurring in clusters due to sociological similarities. The association they look for must be worked inside a given period in a way that is worthy to the parties included.

The GMoU unites communities with delegates of state and nearby governments, MNCs and non-benefit associations, for example, improvement NGOs, in a basic leadership panel called the Cluster Development Board (CDB).

Under the terms of the GMoUs, the communities choose the development they need while MNCs in the interest of its joint endeavor accomplices gives secure subsidizing to five years, guaranteeing that the communities have steady and solid funds as they embrace the execution of their locale improvement plans.

The GMoUs or understandings speak to a significant move in methodology, putting accentuation on increasingly straightforward and responsible procedures, normal correspondence with the grassroots, maintainability and strife counteractive action.

The GMoU is a social systems utilized by multinational companies (MNCs) in her social involvement management in her lost communities with the sole point of following manageable development, just as peace and security on the past normal and appears opportunity for worldwide to works in the communities.

Multinational companies had employed other rational strategies to such as Community Assistance (CA), Community Development (CD), Sustainable Community Development (SCD); and Global Memorandum of Understanding (GMoU).

GLOBAL MEMORANDUM OF UNDERSTANDING AND ITS PHILOSOPHIES

The GMoU is likewise a structure for supportable community development to enable each cluster or communities to take responsibility for possess development. The GMoU strategy is an extensive understanding that administers the connection between communities inside a cluster and MNCs over an underlying time of 5years. Focus of GMoU is for the communities to partake and drive their destiny of progress in their grip.

The Objectives of G-MOU is for the communities to take part and drive their fate of economic in their grasp. The GMoU is a vital administration affirmed community interface model went for tending to business and social maintainability challenges in Niger Delta people group. The motivation behind this venture is to verify LTO for MNCs dependent on 5years

concurrence with communities just to give chances to reasonable community development and powerful interface the board with communities, through subsidizing and institutional development.

A key part of institutional development support is the implementation of memorandum of understanding among MNCs and host communities to give continuous help and specialized help to the GMoU administration/community based delegate foundations. By the GMoU understanding, MNCs is to fund community development project through payment into MNCs/community clusters joint account(s) in three installments each year as concurred with the different cluster. The clusters will possess and drive projects usage through Community Trust (CT) Cluster Development Board (CDB). The cluster development will also have four standing committees to focus on financial management, technical clearance of project, partnering communication and capacity building and peace building (conflict management). Some portion of the endeavors to advance exchange and harmony working through the GMoU is the prerequisite for each party to use mediation process as a first choice to determine issues rather than shutdown operation.

The core principles of the Community Trust and Cluster Development Board while carrying out their roles are as follows:

- Peace and security;
- Partnering and cooperation;
- Inclusiveness;
- Capacity building and institutional development;
- Transparency and accountability;
- Sustainability and environment conservation;
- Good governance;
- Learning and sharing;
- Linkage to national development policies and the Millennium Development Goals.

A key discussion following the GMoUs roll out on 26 clusters (signed) and 8 clusters (currently under pilot implementation) has been what does (or will) success look like under the GMoUs, how do we define it? (Udoh, 2007).

Key Success Indicators as Asserted by Udoh (2007)

In general a desired outcome can be summarized as supporting and sustaining activities that help people improve their quality of life, thereby demonstrating good neighbour principles of GMoU and creating local goodwill (social license) for unfettered business operations. To further granulate this defined outcome, the following indicators have been developed to measure success of the GMoUs:

- Business growth Prospects (Assuring of supply, reduction in disruptions, functionality of community business enablers).
- Emergence of autonomous governance institution or community foundation (Reference: World Bank Standard for Community Foundations).
- Sustainability of projects (Scale coherence of initiatives, complained with MDGs, communities' ability to maintain & sustain).

- Improvement in Reputation (Perception, fulfillment and performance)
- Model Endorsement (subscription by other stakeholders including additional funding, guidelines and set parameters).

In structuring the pattern, the supposition that will be that the community development supplement this procedure with extended network perhaps on regular responsibility and openings which incorporate arranging, utilization of new data and economic improvement, natural concern, nonappearance of foundation, for example, (roads, bridges and canal, medical centers and instructive administrations).

EFFECTIVE GMOU POLICY IMPLEMENTATION CHALLENGES

Over 10years of presentation and initiation of GMOU and even inspected, yet the genuine issue has never been inversion of the strategy explanation, however the implementation which has significantly incapacitated the much desired enhancement for those economic advancement. The difficulties are not unrealistic; it is only the wide hole between the arrangement report and usage.

A portion of the difficulties:

- **Excessive Control over GMOU by the MNCs:** These incorporate cutting of agreement esteem without respect to landscape and different factors, for example, transport cost, labour cost, and so on and furthermore the deferral in the arrival of cheques.
- **Continuous Interface with Different Parties:** The GMOU expected the cluster bunch development board to be the single unit to interface with in the grouped communities but instead MNCs has kept on staying in contact with different parties subsequently undermining the specialists of the board, with these parties at some point passing incorrectly data to the grouped communities along these lines presenting CDB individuals to risk.
- **Nonparticipation of Other Government Agencies:** The noninvolvement and cooperation of offices like grouped communities, neighborhood government board, Niger Delta Development Commission to help, reserve or improve project implementation limit.
- **Corruption:** Many officers of the CDBs in the different clusters add to block the acknowledgment of the target by trading budgetary delight with the genuine business of GMOU approach implementation.
- **Poor Comprehension of the Approach:** Most officers of the CDB individuals from cluster come up short on the capacity to comprehend, decipher and actualize the strategies at the different stages/dimension of the GMOU plan or task.
- **Instability in CDB Administration:** With the constant changes in CDB residency like clockwork against the GMOU plan of five years interim influence the implementation procedure by the new comer with genuine perplexity and lacking preparing, mindfulness and imagining into the GMOU objectives.
- **Political Environment:** The Political condition influences the implementation of GMOU strategy. Consistent changes of government through indicated and institutional popular government influences the implementation procedure on the grounds that every legislature present its very own strategy that most occasions may stop the past one suddenly.

- **Insufficient Supervision, Monitoring and Evaluation:** MNCs and host communities establishments vested with the obligation of checking and directing the usage procedure are once in a while at their obligation post. These make the two administrators and pioneers/partners leave their station/homes voluntarily and just visit their working spot freely. This is a genuine issue.

THE NEED FOR EFFECTIVE GOAL AND GMoU POLICY IMPLEMENTATION AND MUST DESIRE ECONOMIC ADVANCEMENT

In line with the declining rate of GMoU policy implementation in accomplishing the much desired economic advancement, there is need to look at the accompanying key regions underneath for successful implementation of MNCs GMoU policies:

- **Internalize and Use of Sound Corporate Administration Practice:** The Community Trust (CT) and Cluster Development Board (CDB) are relied upon to advance and give authority in manageable development, peace and security in their general vicinity of inclusion. So as to be viable they need gigantic help (at the underlying stage) to set up disguise and used sound corporate administration practice that are transparent, down to business and fit for reason.
- **Setting up of Generic Operating Policies:** In request to address the difficulties of cluster in the region of corporate administration and to guarantee some basic standards of practical, development and generally embraced crosswise over GMoU cluster, a conventional arrangement of working policies and strategies ought to be created and follow-up for use by all foundations.
- **Transparency and Accountability:** In accordance with worldwide standard and the change program of the Nigerian government, the exercises of the CTs and CDBs ought to be overseen in a way that will advance transparency and responsibility structure, development and organization of instruments that upgrade responsibility and straightforwardness, including distributing of use and CDB dispensing of funds to CTs a implementation cost of projects embraced.
- **Financial Manageability and the Board:** Linking of all organizations to neighborhood and state government through host communities, nearby and state economic engage development methodologies; compelling lawfully settled and responsible foundations will likewise be qualified for help from both nearby and global benefactor clusters.
- **Facilitating a Feasible Vocation Appraisal:** There is requirement for proprietorship in support professing to distinguish and address the most huge issues and needs of communities in the cluster.
- **Good Working Condition for CDB and CT Individuals:** with great working condition, for example, standard pay, CDB advancement programs, alluring welfare bundle and projects will improve administration of CDB/CT individuals for compelling and quality yield in actualizing GMoU rehearses.

CONCLUSION

After cautious study, it turns out to be certain that compelling implementation of GMoU policies will realize MNCs much desired economic advancement of host communities. The study

likewise gives some reference manages on working arrangement for successful implementation, for example, peace and security, advance and give initiative in reasonable development and others. It went further to recommend the disguised and used of sound corporate administration work on, setting up of nonexclusive working practice, transparency and accountability, budgetary supportability and the executives, receiving sound administration work on, encouraging a reasonable job evaluation and great working condition for CDB individuals with viable and subjective of all these rule will help in actualizing GMoU strategy so as to achieve the much desired economic advancement of MNCs host community/clusters.

Suggestion

The accompanying suggestions were made for this study:

- Clustered people group ought to be offered chances to fortify their abilities being developed arranging, plan, usage and observing/assessment;
- CDBs/CTs ought to advance and give administration in manageable improvement in the groups.

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ⁱ **Mr. Otekenari David Elisha** is a postgraduate student in the Department of Economics, Faculty of Social Sciences, Ignatius Ajuru University of Education, Port Harcourt, Rivers State, Nigeria.